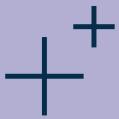




Annual Report 2020



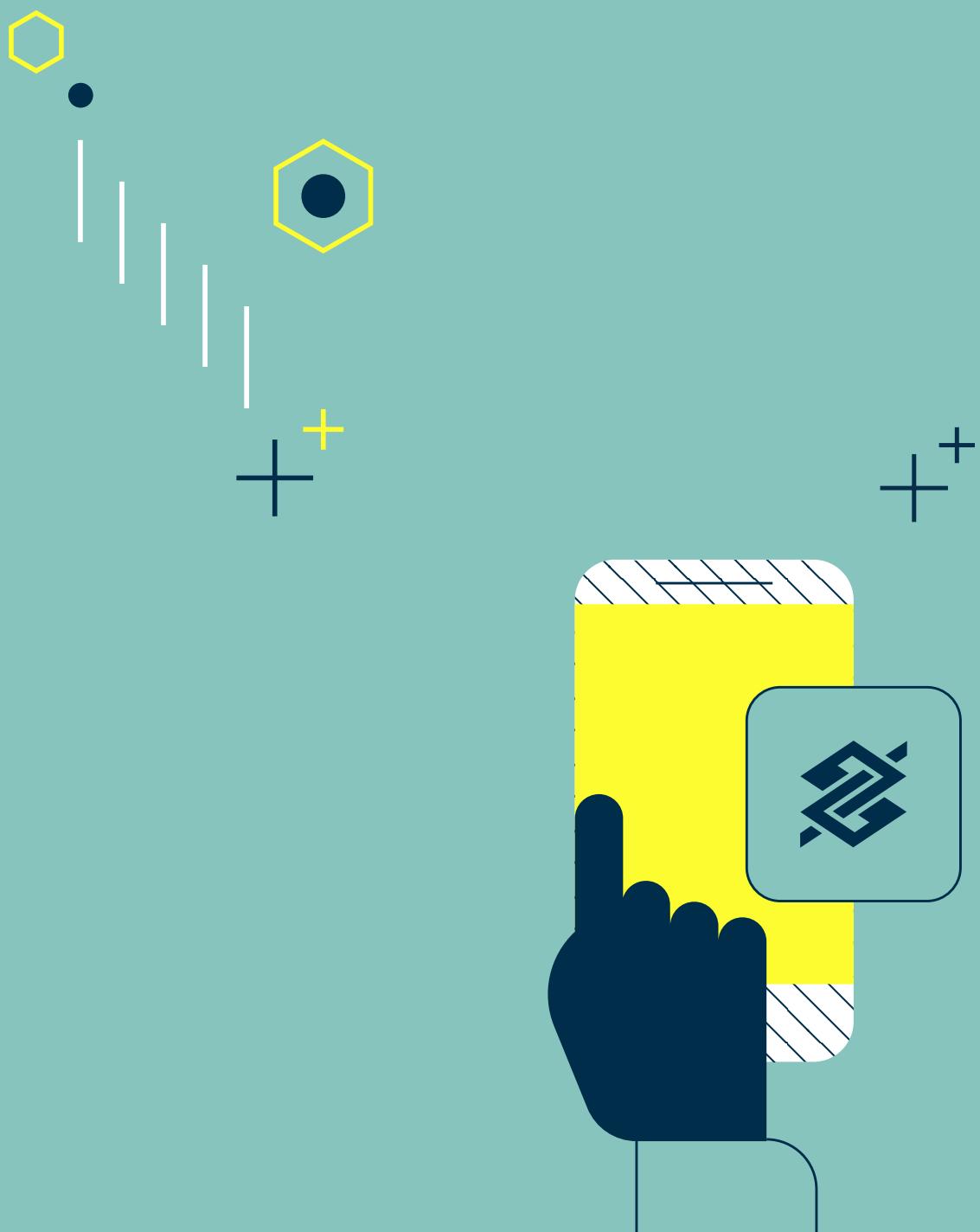


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Presentation <

We are pleased to present our 2020 Annual Report, where we reaffirm our commitments to sustainability, listing the main initiatives and results for the period and how we add value for our stakeholders – shareholders, investors, employees, clients, suppliers, partners, government and society.

Our guidelines are in line with the demands of the market and our stakeholders, with the international and domestic context and with the management of risks and impacts related to our business. These references were also the basis for the updating process of our [multi-stakeholder materiality matrix](#), prepared in 2020, and our [Sustainability Plan](#) – Agenda 30 BB, bringing topics and challenges that reflect the connection of our business strategies with global sustainable development priorities.

In line with the main global trends related to transparency in accountability, this report follows the GRI Standards: Core option and assured by Deloitte Independent Auditors. GRI contents can be viewed with bookmarks throughout the text, or in the GRI Appendix in further details. The GRI Content Summary presents a correlation with the 10 Principles of the Global Compact and with the 17 Sustainable Development Goals.

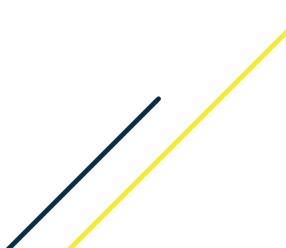
Another important benchmark is the principles of the Integrated Reporting methodology, through which we seek to address, in an integrated manner, the creation of financial and non-financial value by means of our financial and socioenvironmental performance. We also present the business context and internal and external factors that affect our value creation.

The report content is organized in chapters where we present our profile (About Us), our commitment to sustainable performance and our social, environmental and financial performance (Transformational Role), in addition to presenting our Governance, Ethics and Transparency and Risk management framework. Throughout the document, we explain our principles and policies, followed by quantitative and qualitative performance indicators.

Our economic and financial data are in compliance with the Brazilian Corporation Law and with the standards issued by the Brazilian Securities and Exchange Commission (CVM) and by the Central Bank of Brazil (Bacen). The balances presented refer to the BB Conglomerate performance, according to the financial statements available on the [Investor Relations website](#). The information related to socioenvironmental disclosures refers 100% to Banco do Brasil, which contributed with 64.87% of the operating income of the BB Conglomerate in 2020.

With this report, we continue on our journey to share and establish a constructive dialogue with those who follow the improvement of our relationship with clients and their experience in financial businesses, build a sustainable result by adequately remunerating the capital allocated by our shareholders, develop financial solutions related to the green economy, improve management of socioenvironmental and climate risks, strengthen corporate governance and cultivate people management best practices, in an effort to ensure the perpetuity of the business while collaborating to guarantee a sustainable future.

We would like to thank you for your interest.
Have a good reading!





Message from the Management

|102-14|

2020 was a challenging and transforming year due to the new Coronavirus pandemic. In view of this scenario, we focused our efforts on continuing to offer a quality service, supporting our customers so that they can overcome adversities.

We place the customer at the center of our operations and decisions at all organizational levels, in order to provide the best experience. We want to be the main bank of relationship for our clients and for that we actively understand their context of life, anticipating needs and offering the best solutions, according to their profile, and in the convenience of the channel that is most appropriate for them.

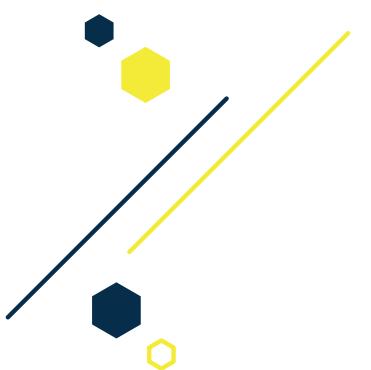
We want to remain a competitive, profitable, efficient and innovative bank. Thus, we strive to optimize capital allocation, improve operational efficiency, optimize our structure, new businesses and sources of revenue, as well as accelerating cultural transformation and intensifying the use of data.

Aiming to further advance the digital transformation, additional investments of more than R\$ 2.3 billion in technology were approved by 2022, especially in analytics, big data and artificial intelligence. All of this to bring more proximity, simplicity, effectiveness and convenience to our customers. We ended the year with almost 21.2 million active customers on our digital channels, 25% of them arrived in the last 12 months.

We consolidated our performance beyond physical presence, with service integration and specialization, offering convenience and agility to our customers. Currently, 86.5% of transactions are already carried out through digital platforms. There were 17 million customer services via WhatsApp in 2020.

We recorded adjusted net income of R\$ 13.9 billion, a 22.2% decrease compared to the previous year, mainly impacted by the prudential anticipation of provisions for loans, which reached R\$ 8.1 billion. Such provisions strengthen our balance sheet and allow us to safely absorb any future impacts of pandemic.

The Pre-Tax Pre-Provision Profit (PPOP), which is not affected by effects of provisions, continued to increase 5.9%, totaling R\$ 42.4 billion for the year, showing that our business remains solid and resilient. Furthermore, we highlight our Net Interest Income (NII), which increased by 5.1%, with a Market ROE of 12.0%.



The control of expenses and the pursuit for efficiency are a constant agenda. Administrative expenses remained stable, with a change of 0.1%. We have important initiatives in progress that will bring us recurring savings of R\$ 3 billion annually, after their full implementation.

Our expanded loan portfolio reached R\$ 742.0 billion, an increase of 9.0% in the year, with emphasis on the increase in loans to individuals (+6.7%), micro, small and medium-sized companies (+25.6%) and agribusiness (+4.3%).

The NPL dropped to 1.9%, thus contributing to the increase in the coverage ratio to 348.3%.

We reinforce our commitment to sustainability at each cycle. It has been present in the dynamics of our daily lives, integrated with business and process management, and materialized in our sustainability plan. We have adopted the best Environmental, Social and Governance (ESG) practices, which allow for anticipation actions and management risk/opportunity and conducting business more and more sustainable.

With the participation of employees and Senior Management representatives, we fostered a wide review process of material issues and challenges in sustainability throughout the period, defining actions, indicators and targets for the Sustainability Plan Agenda 30 BB 2021-2023, aligned with society's demands and global sustainable development objectives.

We want to go even further. In search of new opportunities to generate value for our stakeholders and contribute to the preservation of the environment, we have established 10 long-term sustainability commitments which involve Sustainable Business, Responsible Investment and ESG Management work streams.

We are focused on improving financial, socioenvironmental performance. BB DTVM performs extensive asset screening considering ESG aspects. Using its own methodology, it ended the period with R\$ 648.9 billion in assets subject to positive screening, and R\$ 1.2 trillion in total assets under management.

The commitment to develop business solutions is also reflected in the allocation of R\$ 244.7 billion in operations/credit facilities to finance activities and/or segments that have relevant socioenvironmental impacts. Our Sustainable Loan Portfolio underwent a complete review process, which was independently assessed by an external consulting firm and, as a result, the operations obtained a majority "A" rating, showing that they have a positive and transformational



contribution to sustainable development and transition to a low-carbon and inclusive economy.

Focused on occupational health and safety, due to the pandemic, we have expanded emergency residential remote work to over 32 thousand employees, removed all self-reported risk group employees from presential work and adopted measures to support occupational and assistance health.

We generated a positive impact of around R\$ 43.2 billion, which benefited society, shareholders and over 91 thousand employees, with R\$ 6.1 billion in taxes being collected on said amount.

As a result of our performance, we were recognized as the most sustainable bank in the world by the Global 100 ranking, from Corporate Knights, in 2021. We are also part of international and national sustainability indices, such as the DJSI of the New York Stock Exchange, the FTSE4 of the London Stock Exchange and the ISE of B3. We are also rated "AA" by Morgan Stanley Capital International (MSCI) ESG Rating.

These achievements demonstrate that we are on the right track when considering the socioenvironmental impacts linked to profitability in the management of activities and businesses, creating value for shareholders, customers, employees and society. We also emphasize the commitment to the actions established in our sustainability plan and to the 10 Principles of the Global Compact.

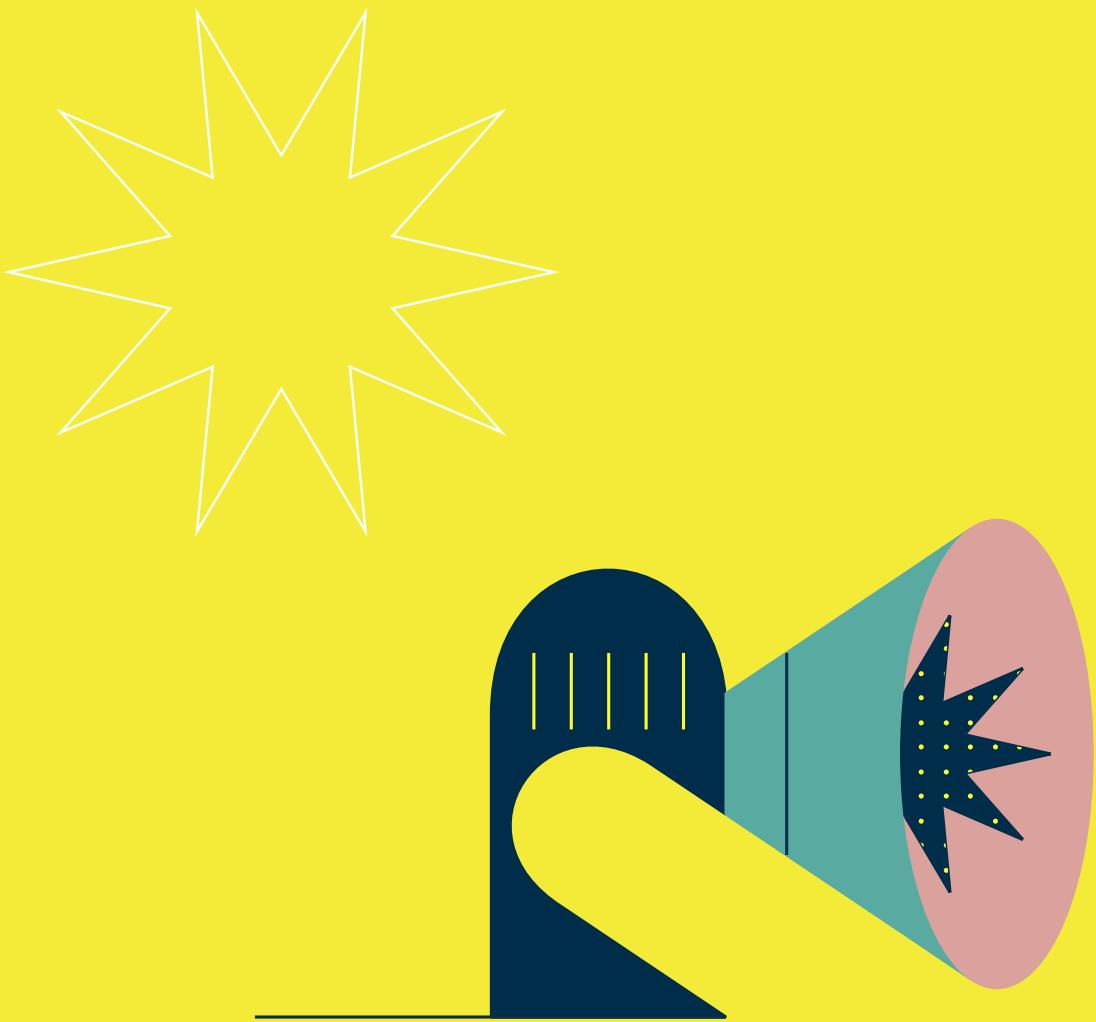
Maintaining a customer-centric approach is fundamental to the continuity of our Company, always seeking to provide the best experience and establishing profitable and long-lasting businesses. This pillar, coupled with the pillars of innovation culture that transforms the Bank, operational efficiency and socioenvironmental responsibility, will continue to guide our activities, which will allow for an increase in profitability and the construction of sustainable results, expanding the generation of value for our audiences and contributing to the country's development.

We would like to thank the dedication and strength of our staff, its ability to overcome challenges, to reinvent itself and to enchant our customers, as mainly the more than 750 thousand shareholders for their confidence in our company.

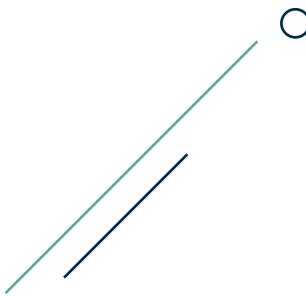
Fausto de Andrade Ribeiro

Chief Executive Officer
Banco do Brasil





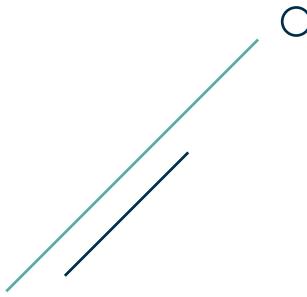
Highlights < of the Year



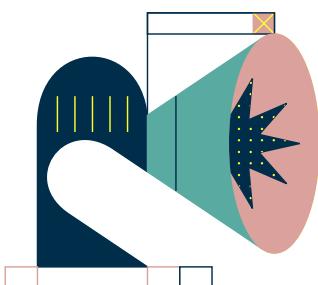
- **Adjusted net income of R\$ 13.9 billion in 2020*.**
- **The Pre-Tax Pre-Provision Profit (PPOP) of R\$ 42.4 billion.**
- **Assets in the amount of R\$ 1.73 trillion.**
- **Expanded Loan Portfolio** reached R\$ 742.0 billion.
- **Sustainable Loan Portfolio:** balance of R\$ 244.7 billion.
- **Fee Income of R\$ 28.7 billion in the year.**
- **54.1% agribusiness market share.**
- **Banco do Brasil brand reached the amount of R\$ 18.0 billion**, an increase of 10%.
- **Leadership in contracting financing from the Low Carbon Agriculture (Programa ABC):** 70.3% market share. Through this Program, positive financial implications have been identified with the contracting of operations totaling R\$ 1.4 billion.



* This position and the following: December 2020.



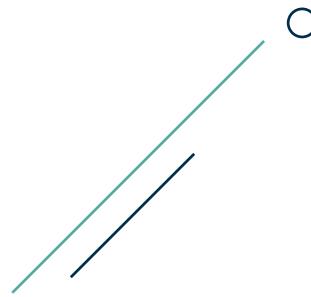
- **The Pronampe** (Support Program for Micro and Small Companies) credit totaled R\$ 7.0 billion, reaching 12 thousand companies.
- **The Emergency Program for Access to Credit** (PEAC) – Credit Card Readers, from BNDES reached R\$ 2.2 billion, benefiting 76 thousand companies.
- **BB DTVM ended the year 2020 with R\$ 1.2 trillion in assets under management**, accounting for a growth of 11.4% in the year, and R\$ 648.85 billion in assets with ESG criteria, 55.1% of the total under management.
- **Growth of 26.1%** in the amount disbursement under the Agro Energy Program.
- **Women's entrepreneurship** – 42.3% of the companies in our portfolio are led by women. Increase of 24.9% in 2020.
- **2nd Edition of the Women's Leadership Program** with the participation of over 6,400 employees in the program's activities.
- **Inauguration of two solar plants** generating 15Gwh/year.
- **Decrease of 54% in printed documents** in relation to 2017, higher than the established target of 50%.



- **Launch of the Zero Plastic initiative**, with the purpose of reducing the consumption of plastic material in our processes and products and zeroing out on our use of disposable cups by the end of 2022.
- **86.5% of all transactions were performed via App and/or Internet**, with a satisfaction rate of 81.2% (83.7% satisfaction with the App and 78.8% satisfaction with the Internet).
- **35 years of Fundação Banco do Brasil** – In the last 10 years alone, over 5.6 million people have been benefited in more than 2,200 Brazilian municipalities.
- **21.2 million active customers⁽¹⁾ on digital channels**
- **In December 2020 alone, we recorded over 30.1 million transactions via Pix**, between payments and receipts, reaching a transaction amount of more than R\$ 37.1 billion and a market share of 31.5% .
- **Review of the Defense Line Reference Model – MRLD.**
- **Creation of the Cyber Security Risk Awareness Program.**



⁽¹⁾ Individuals and companies who made at least one transaction in the last 90 days on BB digital platforms: APP, BB Portfolio, APF, Financial Manager, Ourocard APP, Investment APP and Home, and Whatsapp)



Awards and Acknowledgments

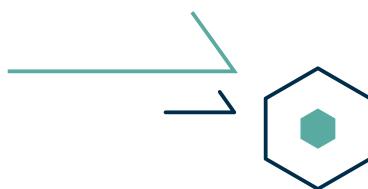
In 2020, despite the difficulties caused by the Covid-19 pandemic, we received awards and certifications in recognition of our work, in which we always strive for excellence. Those acknowledgments attest to our commitment to the quality of services we provide and sustainability.

- › **Dow Jones Sustainability Index (DJSI):** we integrate the “World” and “Emerging Markets” portfolios of the New York Stock Exchange index.
- › **FTSE4 Good Index Series:** we were listed on the London Stock Exchange index.
- › **Global 100:** we were in 3rd place in the ranking of the world’s leading companies in sustainability, being considered the most sustainable financial institution in the world. Moreover, we are on the Corporate Knights list for the third year in a row.
- › **The Sustainability Yearbook 2020:** we were included in the Gold Class of the yearbook developed by S&P Global and RobecoSAM AG, one of the most comprehensive worldwide publications on corporate sustainability.
- › **Corporate Sustainability Index (ISE):** BB was listed for the 16th consecutive year on the B3 – Brasil, Bolsa, Balcão Index.
- › **B3's Carbon Efficient Index (ICO2):** we remain on the ICO2, based on good practices in greenhouse gas emissions.



- **Morgan Stanley Capital International (MSCI) ESG Rating:** “AA” rating, with emphasis on topics related to talent management, cybersecurity and risk management.
- **GHG Protocol:** we received a gold seal for our inventory of greenhouse gas emissions.
- **6th most valuable brand in Brazil:** in the 2020 Interbrand ranking.
- **Top of Mind in the Banks category:** listed in the Folha de São Paulo ranking for the 30th consecutive year.
- **Top of mind HR:** for the 5th time, BB was the company most remembered by the human resources community in a spontaneous vote poll, with the participation of thousands of managers in the area across the country.
- **Top Employers:** for the 8th consecutive year, developed by the Top Employers Institute.
- **Época Negócios 360 Award:** 1st place in the Sustainability dimension of the Época Negócios 360° Yearbook, prepared in partnership by the magazine and Fundação Dom Cabral.
- **The Art Newspaper Award:** CCBB is on the list of the 20 most visited exhibitions in the world in 2019, with “Dreamworks: a journey from sketch to canvas” (1st and 2nd places) and “Ai Weiwei: Root” (3rd place), “50 Years of Realism – from Photorealism to Virtual Reality” (10th place), and “Jean-Michel Basquiat (20th place)”.
- **APCA (São Paulo Association of Art Critics) Award:** CCBB won the “best exhibition” category with “Man Ray in Paris”.
- **Pro-Ethics Company Seal:** for the 3rd time, we were awarded the Pro-Ethics seal in its last edition, a recognition to companies engaged in building an environment of integrity and trust in business relations.

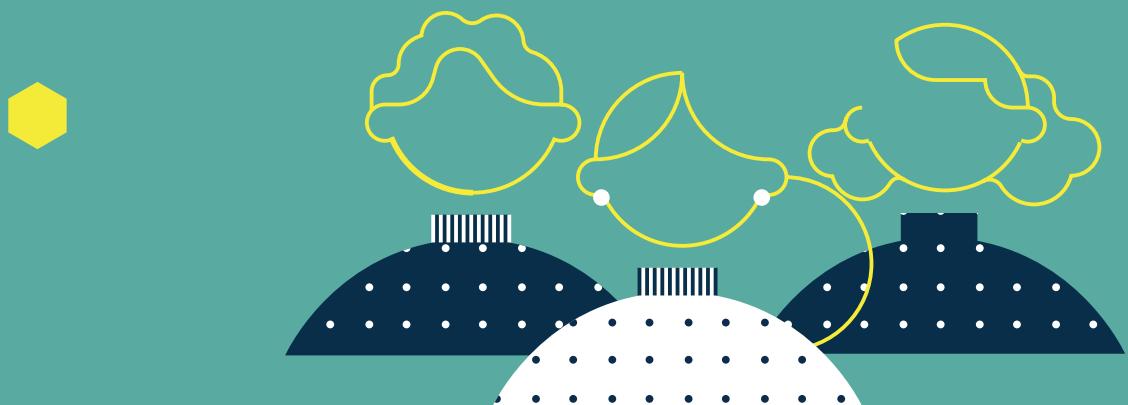
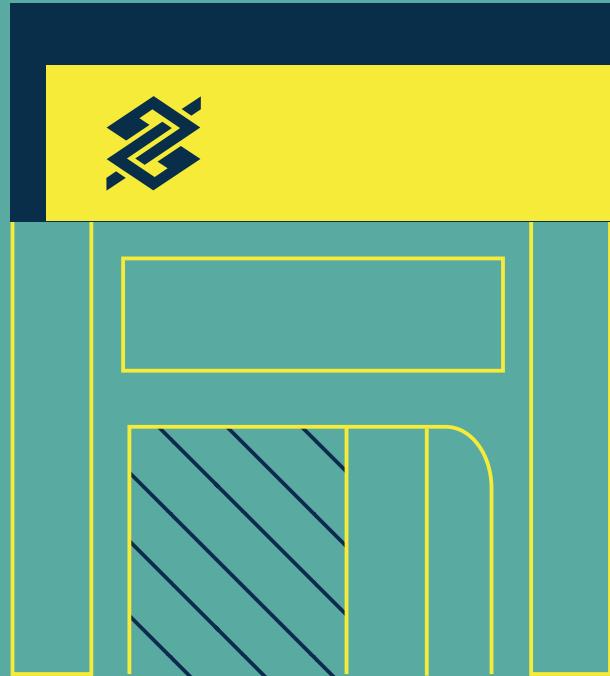
- › **CIO 100 Awards 2020:** we are on the list of the 100 most innovative companies in the world. We were the only Latin American institution awarded.
- › **The Innovators 2020:** we won the award offered by Global Finance magazine as the most innovative financial institution in Latin America.
- › **IBEST 2020 Award:** we are the best digital bank, elected by the popular jury.
- › **2020 Brazil Ombudsman Award:** in addition to having the efforts of external and internal Ombudsman recognized for the 8th time, BB also won the Institutional Highlight award. The choices are made by the Brazilian Association of Company-Customer Relations (Abrarec).
- › **Cliente S.A. 2020 Award:** featured in two categories; the External Ombudsman was awarded the “Integration Project Leader”, by presenting training programs and conflict resolution tools used by the branch network, which strengthen the role of employees in the relationship with customers. This is the main award for the best practices in customer management in Latin America.
- › **Global Private Banking Awards 2020:** best bank in the world in the Private Banker Education and Training category. The award is organized annually by the specialized vehicles PWM (Professional Wealth Management) and The Banker, from the Financial Times group, which are world benchmarks in matters related to finance and Private Banking.
- › **Level of excellence by the Federal Court of Accounts (TCU):** based on the State-Owned Enterprise Act, the TCU analyzed our performance in the areas of public interest and social function of the company, corporate governance, compliance and risk management, transparency and bidding and contracts.
- › **ABT (Brazilian Teleservice Association) Award:** we were recognized with the gold seal in the ‘Communication Campaigns’ category and with the silver seal in the ‘Service through Social Networks’ category.



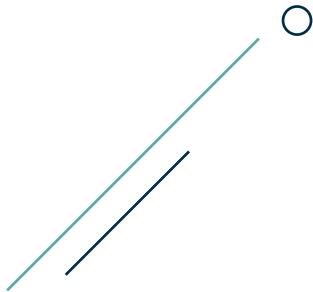


We were recognized as the most sustainable financial institution in the world, ranking third in the Corporate Knights Global 100 Ranking. We are also part of the New York Stock Exchange's Dow Jones Sustainability Index (DJSI), the London Stock Exchange's FTSE4 Good Index Series, and the B3 Corporate Sustainability Index (ISE).

□
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+



1 About Us <



Banco do Brasil S.A. (BB) was the first bank to operate in the country and, with over 210 years of existence, it contributes to national development in a fundamental way.

We were also the first company to carry out a public share offering in the Brazilian capital market and the only Brazilian bank listed in the Novo Mercado segment of B3 S.A. – Brasil, Bolsa, Balcão, which requires advanced corporate governance practices. |102-1|

We are a privately-owned, publicly-traded corporation with a mixed economy, controlled by the Federal Government, which holds 50% of the shares. |102-5| For our commitment to delivering consistent and sustainable results, based on transparency, accountability, fairness and Socioenvironmental responsibility, in addition to being part of the Novo Mercado, we are in State-Owned Enterprises Governance Program (PDGE) and in the Corporate Sustainability Index (ISE), all conducted by B3. We are also listed in the global and emerging markets portfolio of the New York Stock Exchange's Dow Jones Sustainability Index (DJSI) and in the FTSE4 Good Index Series, the London Stock Exchange index.

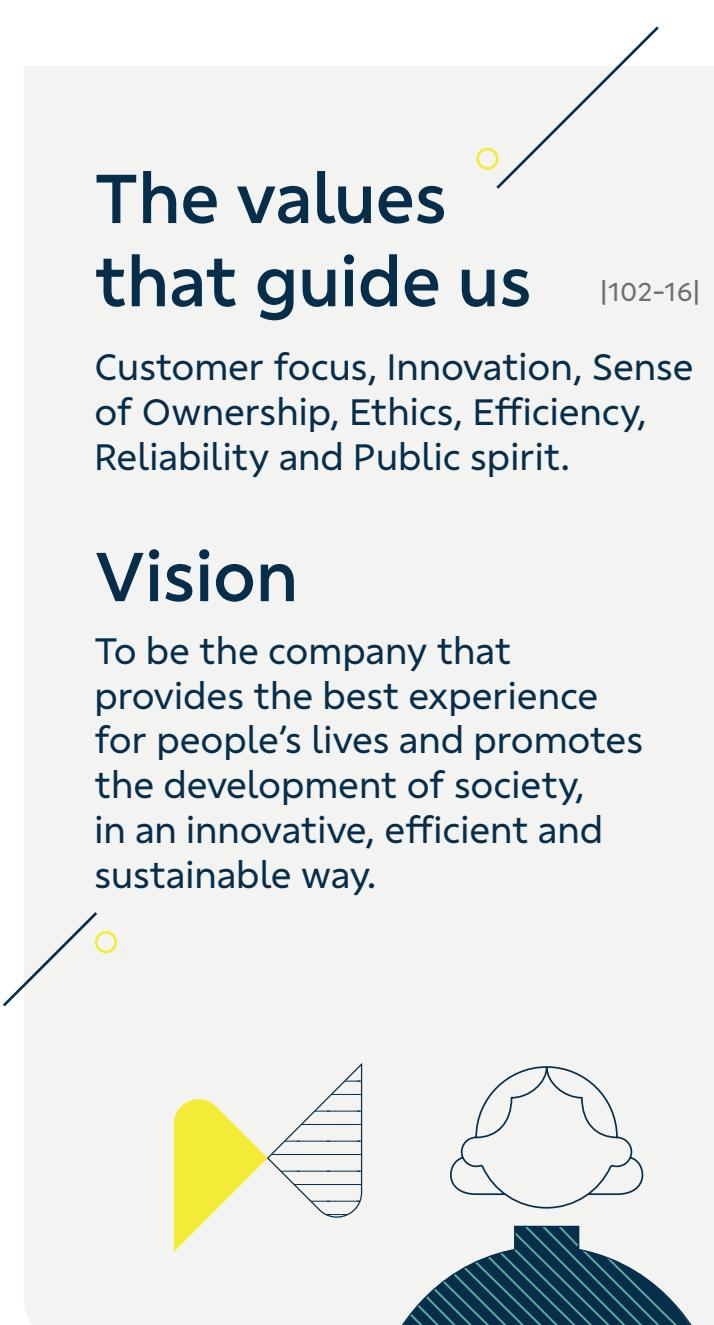
The values that guide us

|102-16|

Customer focus, Innovation, Sense of Ownership, Ethics, Efficiency, Reliability and Public spirit.

Vision

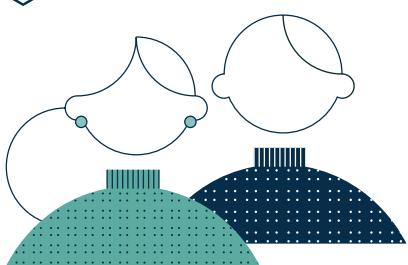
To be the company that provides the best experience for people's lives and promotes the development of society, in an innovative, efficient and sustainable way.



BB in numbers

We are present in **94.8% of Brazilian municipalities** with more than **49.2 thousand service points**, among own network service points, partnerships with third parties and correspondents, with the **4,368 branches**. Our foreign service network consists of **23 subsidiaries** located in 15 countries. We also have agreements with financial institutions abroad to operate as correspondents for **706 banks in 92 countries**.

|102-4|102-5|102-6|



Domestic presence

Number of branches:

North	290
Northeast	922
Mid-West	431
Southeast	1,821
South	904
Total	4,368





International presence

since 1941

Permanent Employees

by Region (unit) | 102-8 |

North	3,981
Northeast	15,106
Midwest	16,650
Southeast	39,800
South	16,117
Abroad	19
Total	91,673

Assets R\$ 1.7 trillion

Adjusted Net Income R\$ 13.9 billion

Expanded Loan Portfolio + 9.0%

Fee Income - 1.7 %

Market Share of Agribusiness 54.1 %

Market Share of Loans 16.2 %

Common Equity Tier 1 (CET1) 13.6 %

Shareholders' Equity R\$ 127.0 billion

Business context

Marked by the Covid-19 pandemic, the year of 2020 produced radical changes in the macroeconomic scenario. The global health crisis has thwarted any projections made at the end of 2019. As the virus spread, the restrictions on the operation of companies and the movement of people intensified, triggering significant impacts on economies.

An unprecedented year in the recent history of mankind demanded immediate and decisive action by governments and central banks. The injection

of over US\$ 12 trillion into the world economy, through monetary and fiscal stimulus, contributed to alleviate the effect of the crisis on the corporate sector and families. Those incentives established the foundation for the resumption of economic activity at a faster rate than initially expected, but they did not prevent the synchronized movement of economic retraction globally, a dynamic that spared very few countries.

First nation to face the pandemic, China emerged from the crisis earlier.

In 2020, the Chinese economy grew 2.3%. The resumption was coupled by an increase in demand for the main commodities traded in the global markets (agricultural commodities, minerals and energy), a movement that contributed to the increase in the price of these goods and favored countries that export them, such as Brazil.

Although the pandemic was the main global risk event in 2020, it was not the only one. The American presidential election and the negotiations for the withdrawal of the United Kingdom from the European Union (Brexit) also concerned international investors. However, overcoming these threats and favorable news about the effectiveness and availability of Covid-19 vaccines created conditions for improving mood in the financial markets.

In Brazil, after the strong economic downturn in the first half of 2020, the second half recorded a significant growth. Following the model adopted by the main advanced economies, the easing of the social distance measures and the fiscal and monetary stimulus contributed for the



An unprecedented year in the recent history of mankind demanded immediate and decisive action by governments and central banks.

resumption of activities at a higher rate than initially estimated.

Among the measures adopted to mitigate the pandemic adverse effects the implementation of the Emergency Program for Job and Income Maintenance (BEm) stood out. Credit policies sponsored by the government and the Central Bank also boosted loans to families and companies in the midst of the crisis.

Such measures prevented a further deterioration in the domestic economy, boosting demand. On the other hand, as a consequence, there was a direct impact on public accounts. Tax rules have been relaxed to allow spending to expand. Expenditures to combat Covid-19 exceeded R\$ 500 billion in 2020. Thus, the primary deficit and gross indebtedness closed 2020 at a higher level, a result that will require additional efforts by the government in the search for the balance of public accounts in the medium and long term.

During the period of social restriction, when supply was undermined, monetary and fiscal stimulus boosted consumption. Under these conditions, simultaneous

supply and demand shocks, materialized mainly in food prices, raised inflation. The Amplified Consumer Price Index (IPCA) ended the year at 4.52%, a level above the 4.00% target established by the National Monetary Council (CMN).

Assessing that the fiscal and inflationary risks were still manageable, and based on the need to foster economic activity, the Monetary Policy Committee (Copom) took the Selic rate to the historic low of 2.00% pa. With the reduction of the interest differential and the increase in fiscal uncertainties, the exchange rate ended the year at R\$ 5.20/US\$ 1.00. The level is still high, but far from the maximum observed during the year 2020.

After the contraction observed in 2020, the global economy should expand in a synchronized way in 2021, according to prospective analyzes, albeit unevenly between countries and industries. This movement stems mainly from the outlook that Covid-19 will be overcome with the advancement of vaccination programs and the immunization of the world population.

In Brazil, with the expectation that the external environment will evolve favorably and considering that domestic fiscal issues will be addressed, the prospect is to reduce the risk aversion level, a trend that would be followed by the appreciation of the real against the US dollar. Regarding economic activity, an important acceleration in growth is expected. Nevertheless, there are vectors (non-exhaustive) that can mitigate this trajectory:

1. withdrawal, at least partially, of monetary and fiscal stimulus;
2. intensification of the pandemic in the first months of the year, despite the immunization process;
3. high idleness in the labor market, making recovery of consumption difficult.

In this sense, considering the still high idleness in the economy and the view that the current supply shocks on prices are temporary, consumer inflation should converge slightly below the center of the target, making room for the normalization of monetary conditions (increase in the basic interest rate) to occur gradually throughout 2021.



+ Our Main Brands

[102-2]

The valuation of intangible assets, such as the brand, is fundamental for companies listed on the stock exchange, as it can affect the price of their shares and their risk rating. Intangible aspects have the power to influence consumer loyalty, demand in sales channels, employee engagement and investor interest, thereby transforming business performance and financial results.

Banco do Brasil conglomerate is composed of companies that, according to the nature of their relationship with us, are classified as subsidiaries, affiliates, simple interests, managed entities, sponsored entities and foundations. Among them, we point out:

Controlled

> BB Consórcios

Consortium management company created in 2003 with the purpose of being a benchmark in this market.

> BB DTVM

Specialized in the management of third-party asset and investment funds for Banco do Brasil's customers, BBAsset Management DTVM (BB DTVM) was incorporated



The market value of Banco do Brasil brand jumped from R\$ 16.3 billion to **R\$ 18.0 billion in 2020**, an increase of 10%, with improved performance among all stakeholders.



in 1986 and is a national leader in investment funds and managed portfolios, with over R\$ 1 trillion in assets under management.

equity investments are currently organized in two segments: risk and accumulation businesses and insurance distribution.

> BB Seguridade

BB Seguridade Participações S.A. is a holding company created in 2012 and controlled by Banco do Brasil S.A. The Company is engaged in insurance businesses and its

> BB Tecnologia e Serviços – BBTS

Created in the 1970s as Cobra Computadores e Sistemas Brasileiros, the company is focused on corporate IT and security solutions in the Brazilian market.

(1) Ranking of the Brazilian Association of Financial and Capital Markets Entities' (Associação Brasileira das Entidades dos Mercados Financeiros e de Capitais –Anbima) in January 2021.



Affiliated and simple participation

> [Brasilcap](#)

Special savings bonds (capitalização) company with 25 years of existence and over R\$ 2.3 billion in redemption.

> [Brasilprev](#)

With 27 years of existence and over two million customers, Brasilprev is the national leader in the private pension segment.

> [Cielo](#)

The company provides acquiring of commercial establishments for credit and debit cards acceptance, as well as other electronic payment methods.

> [Alelo](#)

Operates in the benefit card market (meal, food, transportation) and other prepaid cards.

> [Elo Serviços](#)

Provider of services related to solutions and payments methods, owner of the Elo brand and currently the third largest brand in the domestic market.

> [Livelio](#)

Company specialized in loyalty programs, partnering with payment instrument issuers, retailers and other loyalty programs.

> [Cateno](#)

Company engaged in the creation of technological solutions for the payment industry, such as the management of debit and credit cards.

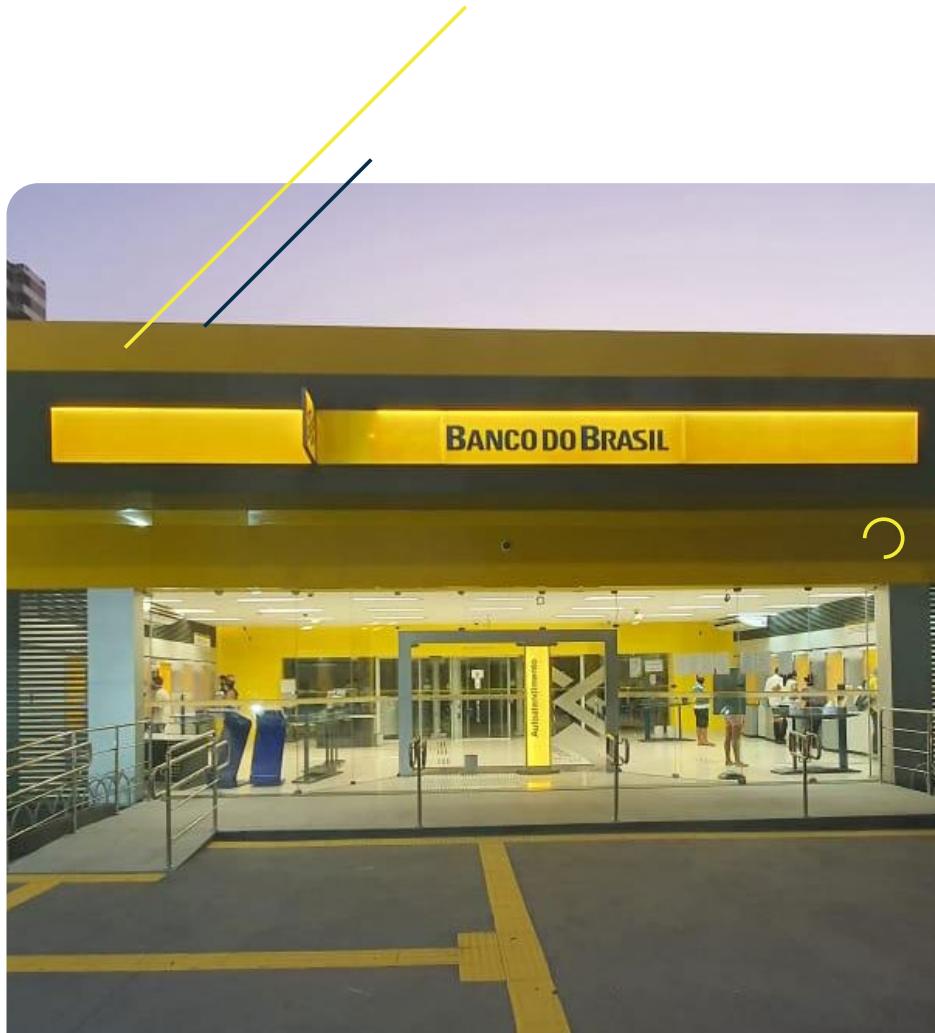
> [Fundação Banco do Brasil – Fundação BB](#)

Incorporated in 1985, it is engaged in contributing to the social transformation of Brazilians and the sustainable development of the country. Since 2010, the Fundação BB invested over R\$ 3.1 billion in social projects and in more than 5.6 million people who have had their lives valued and their realities transformed. Of this total, around 2 million received aid to face the impacts of the Covid-19 pandemic.

Sponsored and foundations

> [Banco do Brasil Employee Pension Fund – PREVI](#)

Incorporated in 1904, even before the Official Pension Plan in our country, Previ is among the largest pension funds in Latin America.



+ Corporate and Sustainability Strategy

2021-2025 Corporate Strategy

|102-21|102-29|102-43|

|103-1|103-2|103-3| Innovation and technology | Sustainable businesses | Attracting and retaining talent | Socioenvironmental impacts of activities and operations | Sustainability culture | Customer relationship and satisfaction|

In 2020, the BB Corporate Strategy (ECBB) was reviewed for the 2021–2025 period through a systematic process that counted on the active participation of our stakeholders, such as employees, statutory managers, representatives of affiliated entities (Banco do Brasil conglomerate companies), customers, shareholders and market analysis.

Methodologies widely adopted in planning processes within the market and at Banco do Brasil have been adopted, particularly: analysis of the financial industry and the macroeconomic scenario, survey of trends and uncertainties, development of the SWOT matrix, scenario planning and Balanced Scorecard (BSC).

Diagnosis, prioritization of uncertainties, survey of perceptions and directions of Board of Directors, scenario

planning, establishment of Strategic Objectives and their respective indicators and targets were the steps considered in the process, which was guided by the following:

- emphasis on end-to-end customer centricity, by strengthening the relationship with the Bank;
- capital optimization, profitability and operational efficiency;
- reinforce the commitment to sustainability;
- accelerate digital transformation;
- evolution of the organizational culture, focused on the customer and innovation.

In the discussions that took place during the preparation of the Market Business Plans and the Planning of the Strategic Units,

actions have been mapped to enable the delivery of strategic objectives and the generation of value for customers. These actions/initiatives involve the following:

- enhancement of products, services and the digital experience of customers;
- transformation of processes with an impact on the customer journey, generating greater efficiency and reducing effort and response time;
- intensification of analytical knowledge and methodologies for analyzing customer behavior;
- expansion of partnerships with digital ecosystem companies through the development of financial and non-financial solutions.



Uncertainties

› **Big Techs strategy within the financial ecosystem**

Will the tech giants focus their operations on specific niches or take the lead in the financial services market? Who will be the center of the financial ecosystem?

› **Role of banks in the financial services industry**

How will financial services be provided: by financial institutions and fintechs, acting as aggregators (hub) of ecosystems or will they be offered by institutions from several industries (including large retail chains) and decentralized, with technology companies acting as aggregators (hubs) of the system?

› **Organizational culture and professional skills**

Considering the context of changes (economic, technological and social), such as robotization, digital transformation, use of artificial intelligence, increased longevity, geographic dispersion of the workforce, among others, how the organizational culture and professional skills should evolve at Banco do Brasil?

› **Economy recovery speed**

How fast will the economy and the market dynamics recover? Will the economy recovery be faster and driven by some industries, especially agribusiness, and by the tax and administrative reforms, or will it be slower, with contraction of private investments, increase in delinquency and difficulty in generating new businesses and level of unemployment reaching higher levels?

The BB Corporate Strategy (ECBB) was revised for the period 2021–2025, with the active participation of our stakeholders.



› Behavior of Brazilian Banking Industry (SFN) regulators

What will be the behavior of the National Financial System regulators in relation to new technologies and new business models? Will the regulators adopt a conservative stance, with strict rules to guarantee more security and stability to the National Financial System, or will they prioritize openness and innovation, with less requirements and lower cost of compliance?

› Relationship platforms and service channels

Considering the technological advancement and the propensity of consumers to migrate between service channels, how will the complementarity among physical and digital channels (Phygital world) be? Will the service points of several financial institutions be organized in a wide network, with a predominance of face-to-face service, or will they be spaces for relationship and experimentation, organized in a concentrated network and with customers interacting predominantly through digital channels?

› Consumer relationship with the brand

Considering social behaviors, such as conscious consumption, a multiplatform customer and greater appreciation of experience, will the brand continue to be an important asset?

› Role of fintechs in the financial system

What will be the role of fintechs in the financial services industry? Will the fintechs be absorbed by traditional financial institutions, by making partnerships to provide some services and products, or will the fintechs concentrate most of the total revenue of the financial system, acting independently or in partnerships, being protagonists in the financial system?

› Changes in funding structures

How will Brazil finance its productive activity and consumption: will the financing of productive and consumer activity be carried out through traditional bank loans, directing banks to direct funding, or through non-bank loans and non-traditional processes (such as P2P credit), producing service revenues?

› Sustainability importance

What is the influence of the concern with sustainability on the consumer behavior? Will consumption patterns and habits be guided mainly by sustainability issues, with citizens more aware of the impact of consumption on the environment?



Strategic drivers

The drivers are materialized in the Strategic Objectives, which provide the Organization's guidelines for the next five years, which are distributed in five perspectives:

> Clients

We put the customer at the center of the strategy and we are committed to being the most relevant bank for him, providing the best experience and prioritizing actions that expand businesses and favor increased satisfaction, retention and attraction of new clients.

> People

We seek to transform the organizational culture with a focus on the customer, innovation and meritocracy.

> Processes

We accelerate digital transformation and innovation, evolving in the development of analytical intelligence and maintaining the focus on operational efficiency and the improvement of processes, products and channels, making them simpler, more agile, innovative and integrated with the client's experience.

> Financial

We prioritize the profitability growth in a sustainable manner and seek to optimize the capital allocation.

> Sustainability

We promote in each action the commitment to sustainability, with the adoption of the best Environmental, Social and Governance (ESG) practices.

The corporate strategy guidelines are expressed in our daily lives through the other plans that comprise the strategic architecture, the budget and the instruments for inducing and evaluating performance.

The results are monitored by performance indicators, a strategy management tool and strategic planning for the units, as well as periodic reports to the governance bodies.

2021-2025 Market Business Plans

The Market Business Plan, which is part of our strategic architecture, is the document that guides our performance to maximize the value delivered to customers and ensure alignment between the corporate strategy and the markets' strategy, according to their specificities. The planning model has been improved

and, since 2019, we have adopted a business plan for each customer segment.

The plans consist of macroeconomic scenarios, information analysis and market studies, value proposition by customer segment, strategic goals prioritized for the market with the respective indicators and targets, and actions that will make the defined strategy feasible.



Sustainability

|102-15|

|103-2|103-3|Socioenvironmental Risk|

Corporate Sustainability is a transversal aspect of business and process management. We believe in the feasibility of reconciling shareholders interests with socially and environmentally sustainable businesses through the establishment of ethical and responsible relationships with the various stakeholders.

We disseminate the importance of incorporating the sustainability principles in the planning and execution of actions to the entire value chain. Aiming to generate value for stakeholders and minimize any negative impacts, we have leaders committed to the challenge of reconciling business competitiveness with the construction of

a more just and inclusive society.

In this context, the [Socioenvironmental Responsibility Policy](#) (PRSA) guides behaviors in relation to socioenvironmental responsibility and socioenvironmental risk. The principles, expressed in the PRSA, unfold in the initiatives that comprise the Sustainability Plan – Agenda 30 BB and in the internal normative guidelines and instructions, which results in the weighting of economic, socioenvironmental variables in the design and development of processes, products and services.

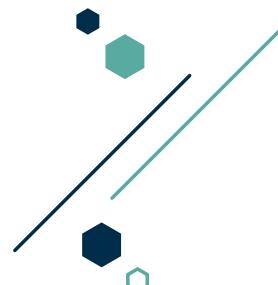
In 2020, the PRSA was revised, in line with CMN Resolution 4557/2017,

which provides for this process to occur annually.

The other policies consider several socioenvironmental aspects, which are also included in business and administrative practices, such as loan and investment operations and the relationship with suppliers and employees. Due to their relevance, these guidelines are replicated in our [Sustainable Guidelines for Credit and Socioenvironmental Guidelines](#) – Restrictive List and Exclusion List.

As a way of achieving these results, the sustainability drivers are evaluated using indicators defined based on the Corporate Strategy, ranging from the strategic to the operational level, covering all units.





Materiality

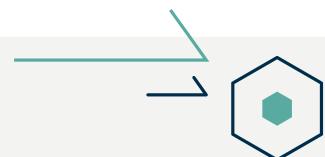
|102-21|102-29|102-43|102-44|102-47|

In the 2nd semester of 2020, we carried out an extensive process to define the relevant sustainability topics to guide our management and reporting in the next two years. The process, counting on the participation of over than 15 thousand stakeholders, resulted in 24 mapped topics, of which 11 were considered material (priority), in the sustainability perspective, considering the perception of the stakeholders and the company's strategy. In turn, these topics result in the sustainability challenges that make up Agenda 30 BB. The challenges are reviewed every two years and, in 2020, represented the 8th Sustainability Plan Update Cycle – Agenda 30 BB for the 2021-2023 period.

Topics include socioeconomic, environmental, governance and cultural aspects, being identified and prioritized based on the assessment of risks, opportunities and trends; industry studies; benchmarking with national and international peers; analysis of market indexes and rankings, in addition to consultations to our stakeholders.

Check how our 2020 materiality process was in the [Attachments](#) of this report.

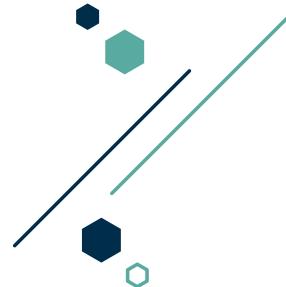
|102-44|102-47|



The 11 material topics were as follows:

- Innovation and technology
- Diversity
- Sustainable businesses
- Attraction, Retention, Satisfaction and Development of Talents
- Socioenvironmental Impacts of Activities and Operations
- Sustainability Culture
- Socioenvironmental Risk
- Ethics and Compliance
- Combat against Corruption, Bribery and Money Laundering
- Climate Changes
- Customer Relationship and Satisfaction





Sustainability Plan – Agenda 30 BB

102-43 | 102-44 |

103-1 | 103-2 | 103-3 | Innovation and technology | Diversity | Sustainable businesses | Talent attraction and retention | Socioenvironmental impacts of activities and operations | Sustainability Culture | Socioenvironmental Risk | Ethics and Compliance | Combat against Corruption, Bribery and Money Laundering | Climate change | Customer relationship and satisfaction

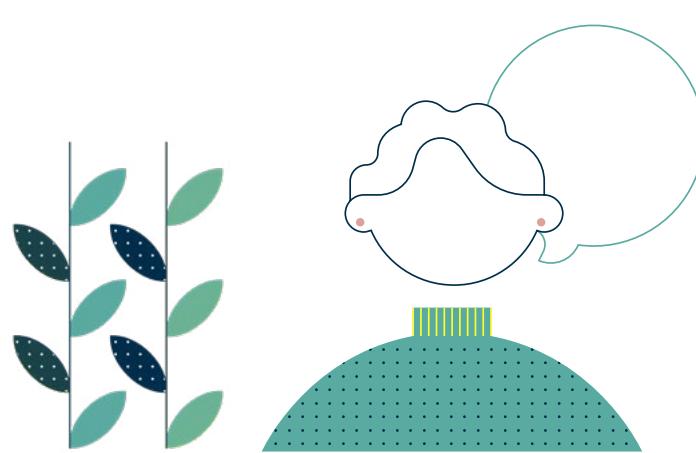
We have developed our Sustainability Plan since 2005, an instrument that fosters sustainable businesses and practices. In this continuous process to improve the topic, in 2017 we aligned our Sustainability Plan with the Sustainable Development Goals (SDGs) of the United Nations (UN), and we started to call it Agenda 30 BB. Thus, we demonstrate our alignment with the trends of integrated management

and the importance of our transforming role in offering products and services, promoting the transition to a low carbon economy and expanding our performance with value creation.

Every two years, we carry out a broad review process and define the relevant topics in sustainability through the analysis of risks, opportunities and trends; industry studies; benchmarking with national

and international peers; analysis of market indexes and rankings, and the perception of our various stakeholders.

Guided by sustainability challenges, the plan is comprised by actions, indicators and goals for a three-year period. We present the results of our commitment for the year 2020, disclosed in the Annual Report 2019 covering the Agenda 30 BB 2019-2021.



Accountability 2019 – 2021 - Agenda 30 BB

Action	Indicator and deadline
Prosperity Pillar	
Challenge 1: Align Banco do Brasil's governance with best practices to reinforce the role of senior management in the sustainability strategy.	
Action 1 - Implement criteria to improve the effectiveness of the Board of Directors.	Indicator: Study to review the composition of the Board of Directors, aiming to verify the possibility of increasing the percentage of independent members. Deadline: 12/31/2020
Accountability: A review of the composition of the Board of Directors was performed, resulting in an indication of an increase of two vacancies in that Board. However, the proposal was not approved by the General Shareholders' Meeting.	
Challenge 2: Identify and manage medium and long-term non-financial and/or emerging risks that may significantly impact the business of Banco do Brasil.	
The action and indicators related to this challenge were completed in 2019.	
Challenge 3: Identify innovations in the financial sector (business models and technologies) and anticipate trends to ensure Banco do Brasil's perpetuity and longevity.	
Action 4 - Implement a platform that allows interaction between investors and sustainable projects, in a crowdfunding or startup model.	Indicator: Presentation of a feasibility analysis study for the implementation of a platform that allows interaction between investors and sustainable projects, in a crowdfunding or startup model. Deadline: 06/30/2020
Accountability: Development of a study that demonstrated the impossibility for financial institutions to implement equity crowdfunding platforms at this moment, due to CVM Normative Instruction No. 588, of July 13, 2017.	
Challenge 4: Improve customer relationship management and increase satisfaction and retention rates.	
Action 5 - Implement initiatives to increase BB's customer satisfaction index, aiming to achieve the established target.	Indicator: Presentation of a report with the initiatives implemented for the Retail and Private individual customers, Wholesale legal entities, SMEs and Public Sector. Deadline: ongoing for the year until December 31, 2021
Accountability: <ul style="list-style-type: none"> # Improvements in the "Talk to BB" tool and in the "Moments of Life" strategy aimed at the Retail individual customers; # Review of the Private customer service model abroad; # Expanded availability of the "Talk to BB" tool for Public Sector customers and training for the Government Network; # Implementation of the strategy of virtual visits, conducted by Relationship Managers of the Corporate Bank Service Offices; # Implementation of the Hub Service Model, in which microenterprise customers now have a Service Manager located in Specialized Retail Branches. 	



Partnership Pillar

Challenge 6: Reinforce Banco do Brasil's to foster productive development, entrepreneurship and the promotion of social and financial inclusion, including social businesses.

The action and indicator related to this challenge were completed in 2019.

People Pillar

Challenge 9: Ensure greater proportionality in the representation of gender and race at all hierarchical levels of Banco do Brasil.

Action 12 – Increase the percentage of women at all hierarchical levels, with a view to strengthening gender equality at BB.

Indicator: Increase in the percentage of women in management positions.

Deadline: ongoing for the year until December 31, 2021

Accountability: Reaching 36.44% of female managers at BB. Among the actions developed to overcome the 20% target, we highlight the "Female Leadership Program".

Challenge 11: Improve the variable remuneration model for employees, including senior management, expanding socioenvironmental criteria and considering individual performance.

Action 14 – Increase the percentage of employees whose reward is impacted by the assessment of individual performance.

Indicator: Increase in the percentage of employees covered by the systematic use of measurable targets agreed with the direct manager with an impact on the reward.

Deadline: ongoing for the year until December 31, 2021

Indicator: Increase in the percentage of employees covered by the multidimensional performance assessment with an impact on the reward.

Deadline: ongoing for the year until December 31, 2021

Accountability:

Implementation of the Performa Program, which modernized the remuneration, awards and assessment models and expanded the target audience of the Performance-related Bonus Program (PDG) to all employees hired. Thus, the Bank found that 70.70% of employees are covered by the systematic use of measurable targets agreed with the direct manager with impact on the reward and 100% of employees in the actual workforce have multidimensional performance assessment with impact on the reward.

Challenge 12: Strengthen Banco do Brasil's performance regarding human capital, including health, safety and well-being management, talent development and retention.

Action 17 – Improve coverage of the employee engagement survey.

Indicator: Increase in the percentage of employees engaged.

Deadline: ongoing for the year until December 31, 2021

Indicator: Increased coverage of engagement survey.

Deadline: ongoing for the year until December 31, 2021

Action 18 – Implement an independent external health, safety and well-being verification process.

Indicator: Contracting of an independent external verification.

Deadline: 06/30/2020

Indicator: Presentation of a verification process report issued by an independent third party.

Deadline: 12/31/2020



Accountability:

- Achievement of 84.23% of employees engaged and 82.37% coverage for the engagement survey.
- Owing to budgetary constraints and the effects of the Covid-19 pandemic, the indicators were not met on time. However, due to the importance of this topic, a new action with a similar purpose was approved in Agenda 30 BB 2021-2023.

Challenge 13: Strengthen Banco do Brasil's performance regarding ethics and anti-corruption practices, illegal acts and money laundering.

The actions and indicators related to this challenge were completed in 2019.

Planet Pillar

Challenge 14: Develop financial solutions and business models that foster the transition to a green and inclusive economy.

Action 23 – Implement financial solutions that foster the transition to a Green and Inclusive Economy.

Indicator: Implementation of new proposed financial solution(s).

Deadline: 06/30/2020

Accountability:

Launch of the BB Financing for Companies credit facility, aimed at the acquisition of green economy goods and equipment and/or renewable energy;

Improvement of the Geo-Socioenvironmental Diagnosis, a tool for identifying Alerts and barriers for financing from geographic bases;

Implementation of the "Green Economy Consortium" campaign with the purpose of disclosing and promoting the acquisition of green assets, focusing on systems for capturing and reusing water and photovoltaic plates;

Review and expansion of the scope of BB Multimercado Global Acqua Private fund, changed to BB Multimercado Longo Prazo Global Green Private.

Challenge 17: Improve the management of socioenvironmental risk in the supply chain, credit granting, financing, own investments and the management of third party assets, also considering controversial issues.

Action 39 – Develop routines and procedures to identify, classify, assess, monitor, mitigate and control socioenvironmental risk in operations, paying attention to the provisions of CMN 4327/2014, 4557/2017 and SARB 14.

Indicator: Review functions and roles to improve the socioenvironmental risk assessment procedures.

Deadline: 01/31/2020

Indicator: Review the socioenvironmental questionnaire, including analysis by industry and by customer to assess socioenvironmental risk.

Deadline: 03/30/2020

Indicator: Review the socioenvironmental rating methodology.

Deadline: 03/30/2020

Indicator: Use the socioenvironmental rating in the business flow, as well as its integration with credit risk models.

Deadline: 09/30/2020

Indicator: Review the process for recording the base of losses due to socioenvironmental damage.

Deadline: 12/30/2020



Planet Pillar

Challenge 14: Develop financial solutions and business models that foster the transition to a green and inclusive economy.

- **Action 40**- Update the BB Sustainable Guidelines for Credit Granting and the financing conditions provided for in the socioenvironmental Guidelines for Controversial Issues.

Indicator: Publication of revised BB Sustainable Guidelines for Credit Granting. Deadline: ongoing for the year until December 31, 2021

Indicator: Publication of revised Socioenvironmental Guidelines for Controversial Issues.

Deadline: 06/30/2020

Accountability:

- Approval of the new Lines of Defense Reference Model, specifying the roles and functions of the areas regarding the relevant risks that the Bank incurs. In relation to socioenvironmental risk, responsibilities were assigned to the Risk Management Directorship, as a corporate manager (Second Line of Defense); Credit Directorship; Supplies, Infrastructure and Property Directorship and Investor Relations and Sustainability Directorship as specific managers, as well as risk-taking areas, all playing their roles as the First Line of Defense.
- Review of the Questionnaire for Assessing the Socioenvironmental Responsibility Level.
- Review of the Socioenvironmental Rating methodology with the inclusion of three new inputs to generate the socioenvironmental rating of customers.
- Approval of the proposed application of the Socioenvironmental Rating within the business flow and in the risk analysis and credit limit process, with effects on the result of the credit risk models (customer and operation risk).
- The revision of the loss base due to socioenvironmental damage was approved in December 2020, considering the topics for capturing loss records underlying the categories of this risk, particularly the social category, Socioenvironmental Risk factors and the mechanisms and/or procedures that ensure integration with Operational Risk management. The correct linking of events, previously related to Socioenvironmental Risk, to the Risk of Conduct, was also fostered, in line with the latest version of the Corporate Risk Dictionary.
- Update and publication of the BB Sustainable Guidelines for Credit Granting and the Socioenvironmental Guidelines: Restrictive List and Exclusion List.



Agenda 30 BB 2021-2023

Our stakeholders

|102-40|102-42|102-43|

The perceptions of the groups of stakeholders with whom we interact bring relevant inputs to the process of identifying our challenges and opportunities. Aiming to address perceptions, a review of the relevance of the categories of stakeholders was made in 2020 – board of directors, shareholders/investors, customers, entities affiliated, government, suppliers, employees, press/media, regulatory bodies, representatives of civil society, sustainability experts and competitors, from the perspective of the Strategic Objectives (2021-2025 Strategic Map) and the results of the process carried out in 2016.

The contributions of each category have been consolidated according to the weight in the axes of influence and impact in the sustainability materiality matrix; the relevance was assigned according to the priority in the map of stakeholders, which follows the ISO 26000 guidelines for prioritizing stakeholders.

We seek to contribute to the improvement of Banco do Brasil's governance, administrative and business practices, by updating and monitoring the results of our Sustainability Plan – Agenda 30 BB. In this edition, in addition to using the answers of the stakeholder consultation as a basis, 2021-2023 Agenda 30 BB, approved in March 2021, was revised based on the assessment of national and international sustainability trends, market indices such as the Dow Jones Sustainability Index (DJSI) and the Corporate Sustainability Index (ISE) and demands from society.

In 2020, the **8th update cycle** took place, in which **10 Long-Term Sustainability Commitments** were also defined with targets to be reached by 2030, with the purpose of increasing our positive contribution in alignment with the global priorities and demands of society.

The new version includes actions, with indicators and targets that aim to improve sustainability governance, the management of socioenvironmental and

climate risks, develop and offer financial solutions and business models that incorporate ESG aspects, adopt sustainable projects and solutions, evaluate and measure the socioenvironmental and economic impacts (externalities), among others.

We also consider the correct analysis of the risks and opportunities present in the current global scenario, including socioenvironmental factors, as extremely important in assessing the risks to which institutions are subjected, within the logic of ESG (Environmental, Social and Governance). Thus, the update of our Agenda 30 BB reflects the ongoing process of improving our performance and our commitments.



Our ten commitments

Sustainable Businesses

1. Promotion of Renewable Energy: **R\$ 15 billion** balance until 2025.
2. **R\$ 125 billion** balance in Sustainable Agriculture by 2025.
3. Promotion of entrepreneurship: **1 million entrepreneurs** up to 2025.
4. **R\$ 20 billion** in disbursements by 2025 for State and Municipal Efficiency⁽¹⁾.

Responsible Investment

5. Balance of **R\$ 20 billion** in ESG funds by 2025 and ESG valuation for all assets under management applicable by 2022.
6. **R\$ 30 billion** in sustainable resources for BB and customers until 2030.

ESG Management

7. **Emissions of GHG: compensate 100%** from 2021 and **reduce 30%** by 2030. 90% renewable energy by 2024.
8. **Leadership positions: 30% of women and 23% of black and mixed-race employees** by 2025.
9. **17 million** digital heavy users by 2025.
10. **R\$ 1 billion** invested through Fundação BB⁽²⁾ by 2030.

Learn more at our Sustainability website.

(1) 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

(2) Education, environment, socio-productive inclusion, volunteering and social technologies.

The update of our Agenda 30 BB reflects the ongoing process to improve our performance and our commitments.



[102-44]

Agenda 30 BB 2021-2023⁽¹⁾

Innovation and Technology

Challenge 1: Anticipate market trends and promote necessary innovations in order to guarantee continuity of Banco do Brasil.

Action 1: innovate, with the help of new technologies, BB's business models, products and services.

Indicator 1: Develop a corporate sustainability information dashboard, considering internationally recognized standards, such as the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB), among others, until December 31, 2021.

Indicator 2: Have 10.6 million customers with digital heavy users by December 31, 2023.

Impacted SDGs:



Action 2: Improve the people management process with the use of Analytics applied to certain practices, such as: employee performance measurement, strategic planning and identification of workforce skill gaps, recruitment and hiring, risk identification, competitive intelligence, and professional networking analysis.

Indicator 1: Incorporate the use of Analytics in at least two processes of talent attraction, identification and retention by December 31, 2022, aligned with the best market practices.

Impacted SDGs:



(1) We only publish non-confidential actions and indicators linked to material topics/challenges, since the plan is more comprehensive and considers the other sustainability topics and challenges identified in the materiality process for the updating of Agenda 30 BB.



Diversity

Challenge 2: Promote diversity and combat any form of discrimination in the workplace and in relationship with stakeholders.

Action 3: Promote diversity and combat any form of discrimination in the workplace and in relationship with publics of interest.

Indicator 1: Reach 22% of women in leadership positions by December 31, 2021, to reflect the profile of BB's staff.

Indicator 2: Reach 24% of women in leadership positions by December 31, 2022, to reflect the profile of BB's staff.

Indicator 3: Reach 21% of black and mixed-race people in senior leadership positions by December 31, 2022, to reflect the profile of BB's staff.

Indicator 4: Reach 26% of women in leadership positions by December 31, 2023, to reflect the profile of BB's staff.

Impacted SDGs:



Sustainable businesses

Challenge 3: Develop and offer financial solutions and business models that incorporate ESG (environmental, social and governance) aspects to foster transition to inclusive and low-carbon economy.

Action 4: implement new attributes and/or differentiated commercial conditions (discounted fees, extended terms) for products/services aimed at the transition to an inclusive and low carbon economy.

Indicator 1: Create new attributes and/or differentiated commercial conditions (discounted fees, extended terms) for a product/service aimed at the transition to a low-carbon and inclusive economy by December 31, 2021.

Impacted SDGs:



Action 5: Issue and originate a sustainable bond.

○ **Indicator 1:** Issue a sustainable bond, according to BB's Sustainable Finance model by December 31, 2021.

○ **Indicator 2:** Originate R\$ 6.5 billion in sustainable bonds by December 31, 2023.

Impacted SDGs:



Action 6: Increase the coverage of assets under management covered by ESG verification.

○ **Indicator 1:** Achieve 100% coverage of applicable assets under management with ESG verification by December 31, 2022.

Impacted SDG:



Action 7: Increase the balance of assets under management with ESG aspects.

○ **Indicator 1:** Develop ESG investment solutions for retail and private customers by June 30, 2022.

○ **Indicator 2:** Achieve a balance of R\$ 12 billion in assets under management with ESG aspects by December 31, 2023.

Impacted SDGs:



Action 8: Increase the volume of sustainable credit

○ **Indicator 1:** Disburse R\$ 536 million in the year 2023, aimed at energy efficiency and renewable energy by December 31, 2023 - Agro Market.

○ **Indicator 2:** Disburse R\$ 548 million from 2021 to 2023, aimed at energy efficiency and renewable energy by December 31, 2023 - Companies/SMEs Pillar

○ **Indicator 3:** Raise R\$ 1,499 million in the year 2023 in Project Finance and/or Structured Operations for renewable energy and/or operations intended for players in the renewable energy segment for investment in their activities by December 31, 2023.



Action 8: Increase the volume of sustainable credit

Indicator 4: Disburse R\$ 200 million in the year 2023, aimed at energy efficiency and renewable energy by December 31, 2023 - Public Sector Market.

Indicator 5: Disburse R\$ 590 million from 2021 to 2023, aimed at energy efficiency and renewable energy by December 31, 2023 - Individual Customers Market.

Indicator 6: Increase the portfolio balance aimed at best agricultural practices and low carbon agriculture to R\$ 113.0 billion by December 31, 2023.

Impacted SDGs:



Talent Attraction, Retention and Development

Challenge 4: Promote programs and initiatives related to attracting and retaining talents and developing human capital to increase business competitiveness and employee satisfaction.

Action 9: Increase the percentage of employees whose reward is impacted by the assessment of individual performance.

Indicator 1: Have 90% of employees covered by the systematic use of measurable targets agreed with the direct manager with an impact on remuneration by December 31, 2022.

Indicator 2: Have 90% of employees covered by the multidimensional performance assessment with impact on compensation by December 31, 2022.

Impacted SDGs:



Action 10: Increase the coverage of the employee organizational climate survey and the percentage of employees engaged.

Indicator 1: Keep the coverage of the organizational climate survey higher than 80% by December 31, 2021.

Impacted SDG:



Socioenvironmental Impacts of Activities and Operations

Challenge 5: Evaluate and measure socioenvironmental and economic impacts (externalities) generated by BB's products, services and activities in order to maximize positive impacts and reduce negative impacts on environment and society.

Action 11: Measure the socioenvironmental and economic impacts (externalities) of BB's products, services and activities.

- **Indicator 1:** Measure the impacts of two new activities, products, services or projects by June 30, 2023.

Impacted SDG:



Action 12: Identify loan/financing operations aimed at reducing GHG emissions.

- **Indicator:** Identify, by December 31, 2022, credit/financing operations aimed at reducing GHG emissions (low carbon products or products that avoid emissions) and quantify the avoided emissions and the revenue generated.

Impacted SDG:



Sustainability Culture

Challenge 6: Transform organizational culture by implementing sustainability policies, programs, commitments and actions, fostering change in behavior and strengthening this topic management in Banco do Brasil Conglomerate.

Action 13: Foster the sustainability culture through greater involvement of senior management.

- **Indicator 1:** Set sustainability targets with an impact on variable compensation for 100% of employees by December 31, 2022.

Impacted SDG:



Socioenvironmental Risk

Challenge 7: Strengthen management of socioenvironmental risk in Banco do Brasil's businesses, processes and commercial relations.

Action 15: Review BB's credit granting process from the perspective of socio-environmental risk.

- **Indicator 1:** Develop, by December 31, 2021, ways to monitor socioenvironmental compliance in rural credit operations during the full effective date.
- **Indicator 2:** Review and publish the BB Sustainable Guidelines for Credit Granting and the Socioenvironmental Guidelines - Restrictive List and Exclusion List by December 31, 2023.

Impacted SDGs:



Ethics and Compliance

Challenge 8: Strengthen Banco do Brasil's performance in relation to ethics and compliance in its businesses and processes, with the adoption of increasingly efficient internal controls.

Action 17: Develop initiatives on the ethics and compliance topic, seeking to strengthen employee management and commitment.

- **Indicator 1:** Have 95% of ELBB employees trained on the BB or ELBB Code of Ethics by December 31, 2021.
- **Indicator 2:** Maintain at least 95% of ELBB employees with confirmation of acknowledgment and compliance with the BB or ELBB Code of Ethics by December 31, 2021.
- **Indicator 3:** Have 50% of employees, identified as target audience, trained on the tax evasion topic by December 31, 2022.

Impacted SDGs:



Combat Against Corruption, Bribery and Money Laundering

Challenge 9: Improve and provide transparency to policies and processes related to combating corruption, illegal actions, money laundering and tax evasion.

Action 18: Review the Policy on Prevention and Combating Money Laundering, Terrorism Financing and Corruption.

- **Indicator 1:** Review the AML/CTF by December 31, 2021, highlighting the definition of the Policy terms and in compliance with the Wolfsberg Principles.

Impacted SDG:



Climate Changes

Challenge 10: Improve governance and management of risks and opportunities related to climate issues, providing transparency to Banco do Brasil's commitments and practices in relation to the topic.

Action 21: Strengthen the management and transparency of climate issues.

- **Indicator 1:** Improve climate-related information in financial reports by June 30, 2022.

Impacted SDGs:



Customer relationship and satisfaction

Challenge 12: Improve management of relationship with customers and increase satisfaction and retention rates.

Action 22: Strengthen the sustainability culture in the relationship with customers, through the engagement and training of employees in ESG products/services.

Indicator 1: Structure a way to foster the participation of customers in the assessment of the socioenvironmental impacts of BB's products, establishing the forum and periodicity by June 30, 2022.

Indicator 2: Develop and implement, based on the need to be identified, new training actions on the Sustainability Trail by June 30, 2022.

Indicator 3: Offer ESG products and services to customers who are likely to consume these products by December 31, 2023.

Impacted SDGs:



Contribution of Agenda 30 BB to the SDGs

Banco do Brasil, in developing and improving business and administrative practices related to corporate sustainability, confirms its commitment to society's global objectives. Thus, we present a quantitative summary of the actions included in the Agenda 30 BB that positively impact the SDGs.



2 Actions:
4, 8



2 Actions:
4, 8



1 Action:
22



2 Actions:
3, 7



1 Action:
7



2 Action:
4, 8



6 Actions:
1, 4, 9, 10, 15, 22



5 Actions:
3, 5, 7, 8, 17



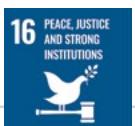
1 Action:
22



7 Actions
4, 5, 7, 8, 12, 15, 21



5 Actions:
4, 5, 7, 8, 15



11 Actions: 1, 2, 5, 6, 9,
11, 13, 17, 18, 21, 22



Corporate Sustainability Governance

|102-18|



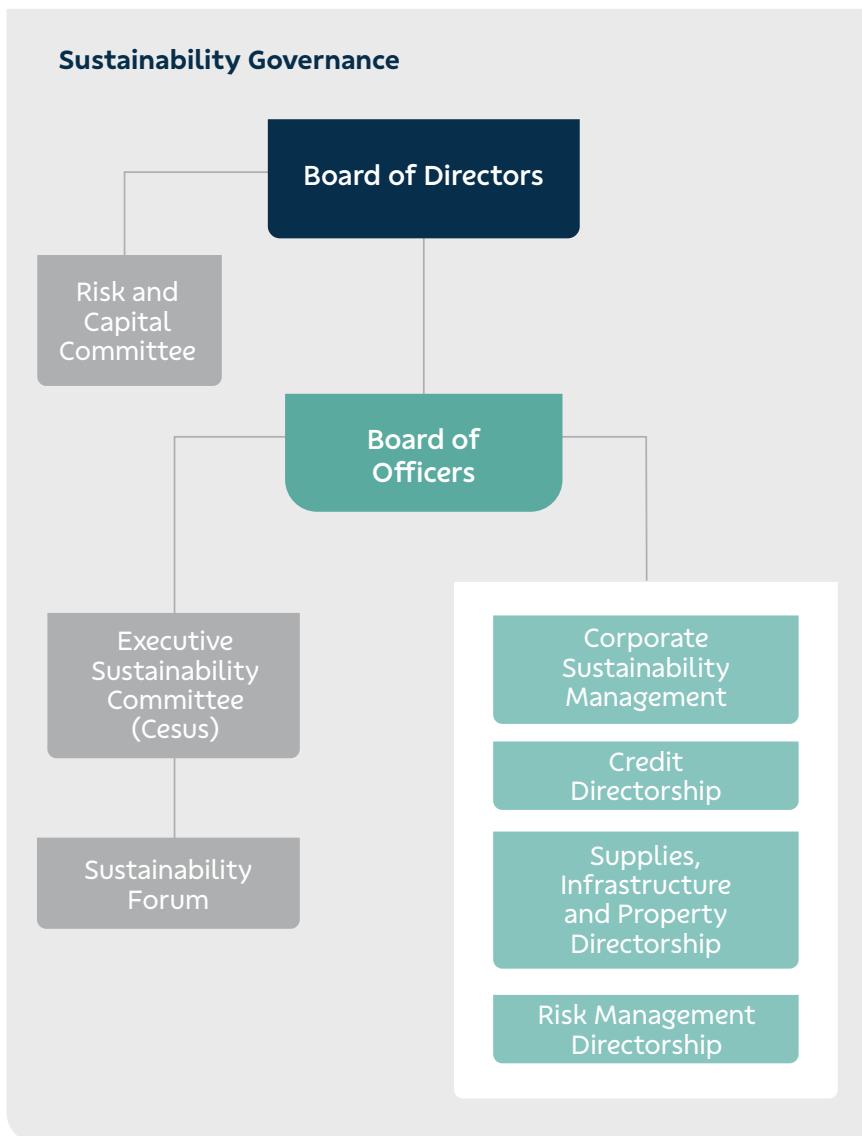
+ The main goal of sustainability governance is to manage socioenvironmental performance, based on the Socioenvironmental Responsibility Policy (PRSA). At Banco do Brasil, it follows the structure below:

- > **Board of Directors** Monitors socioenvironmental performance and ongoing initiatives every six months;
- > **Board of Officers** Responsible for approving and monitoring the initiatives of the

Sustainability Plan – Agenda 30 BB until 2020. In 2021, it started monitoring the ESG performance and related initiatives every six months;

- > **Risk and Capital Committee** Advises the Board of Directors in the performance of its functions related to risk management, including socioenvironmental and capital risk;

- > **Sustainability Forum** Instance composed of executive managers and Fundação BB. The Forum supports the incorporation, alignment and dissemination of sustainability precepts and practices, in addition to monitoring socioenvironmental initiatives and the implementation of actions of Agenda 30 BB. It meets quarterly and, until the end of 2020, was subordinated to the Executive Business Committee and currently reports to the Executive Sustainability Committee;



“

Sustainability is incorporated into our business strategy and it presupposes management based on transparency, corporate governance and socioenvironmental responsibility. We seek recurrent optimization of expenses and believe in the ability to develop human capital and improve environmental and eco-efficiency practices, ensuring the efficient and sustainable use of natural resources.”

Mauro Neto
Chief Corporate Officer



> **Corporate Sustainability Management (*)**

It is an Executive Management linked to the Chief Agribusiness and Government Affairs Officer – responsible for guiding the sustainability theme and for the specific management of socioenvironmental risks in the 1st Line of Defense, with strategic and cultural guidelines for the topic;

> **Credit Directorship**

Unit responsible for the specific management of socioenvironmental risk in the 1st Line of Defense related to the credit process;

> **Supplies, Infrastructure and Property Directorship**

Unit responsible for the specific management of socioenvironmental risk in the 1st Line of Defense

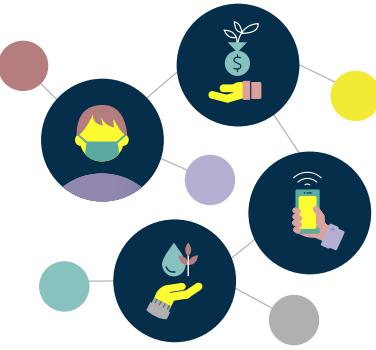
related to purchases, contracts, management of logistics resources and eco-efficiency;

> **Risk Management Directorship**

Unit responsible for corporate management of socioenvironmental and climatic risks in the 2nd Line of Defense.

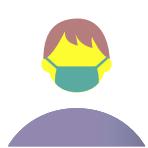
(*) In 2020, sustainability management was under the responsibility of the Investor Relations and Sustainability Unit.

In 2021, the Executive Sustainability Committee (Cesus) was created, subordinated to the Board of Officers and composed of Vice-presidents and directors and has, among other objectives, to decide on the Sustainability Plan – Agenda 30 BB, to guide the implementation of sustainability initiatives with potential impact on businesses, define guidelines for the topic, in addition to giving a multidisciplinary view to decision making.



Our business model and Value Generation

Capitals



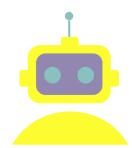
Human Capital

91,673 employees/
Over 6 million
training hours.



Social and relationship capital

Over **750 thousand**
shareholders **74.4 million**
customers.



Intellectual capital

Innovation initiatives:
Mobile Platform Liga
Emerging Technologies Open
Banking Brand with **212**
years of history.



Financial capital

R\$ 1.7 trillion in assets.



Manufactured capital

The BB App maintained its
prominent position among
the best rated in the world:

4.6 for Android platform and
4.7 for iOS, the best results
among all banking and
fintech apps.

49.2 thousand service points.

21.2 million active customers⁽¹⁾
on digital channels.



Natural capital

Two solar plants generate
15 Gwh/year.

Our strategy

Strategic drivers

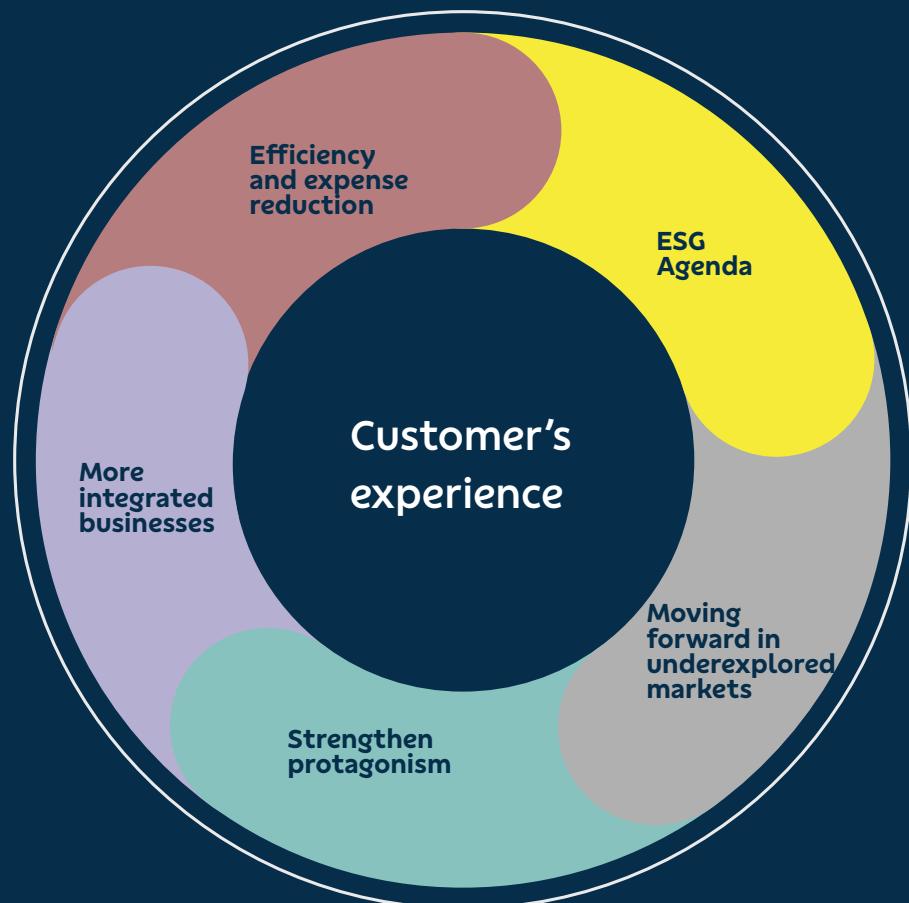
► **Customers**

► **Financial**

► **Sustainability**

► **Processes**

► **People**



Our governance

Our differentials

Our results



Vision

Amount

Purpose

Transparency/Ethics/
Integrity:

Internal Audit

Internal controls

Money laundering and
corruption prevention

Accountability

Equality

Corporate responsibility



Services*

Agribusiness market
share: 54.1%

Credit market share:
16.2%

Sustainable Loan

Portfolio R\$ 244.7
billion

Physical presence

Digital businesses

Brand

*See further information on Value
chain on the next page.

External context: 
Macroeconomic
Context and Financial
Industry/Digital
Transformation/
Uncertainties/Covid-19

88.2% of satisfied employees / Among the
150 Best Companies to Work For.

203.5 thousand family farmers served.

**Most sustainable financial
institution in the world**, according to
the Global 100 Ranking. Present at DJSI and
ISE of B3

**One of the 100 most innovative
companies in the world**, according to
CIO Awards.

86.5% of all transactions were performed
via App and/or Internet, with a satisfaction
rate of **81.3%: 83.7%** in the app and
78.9% on the Internet.

Adjusted net income of **R\$ 13.9 billion**
in 2020.

Return over shareholders' equity: **12.0%**

Reduction of **6.7%** in energy consumption
and of **15.9%** in water consumption,
54% in printed documents and **35.6%** in
expenses with plastic disposables. Gold Seal
of the Brazilian GHG Protocol Program.

Brand equity: **R\$ 18.0 billion/6th**
most valuable brand in Brazil, according
to Interbrand/Top of Mind in the Banking
category by **30** years in a row.

Value chain

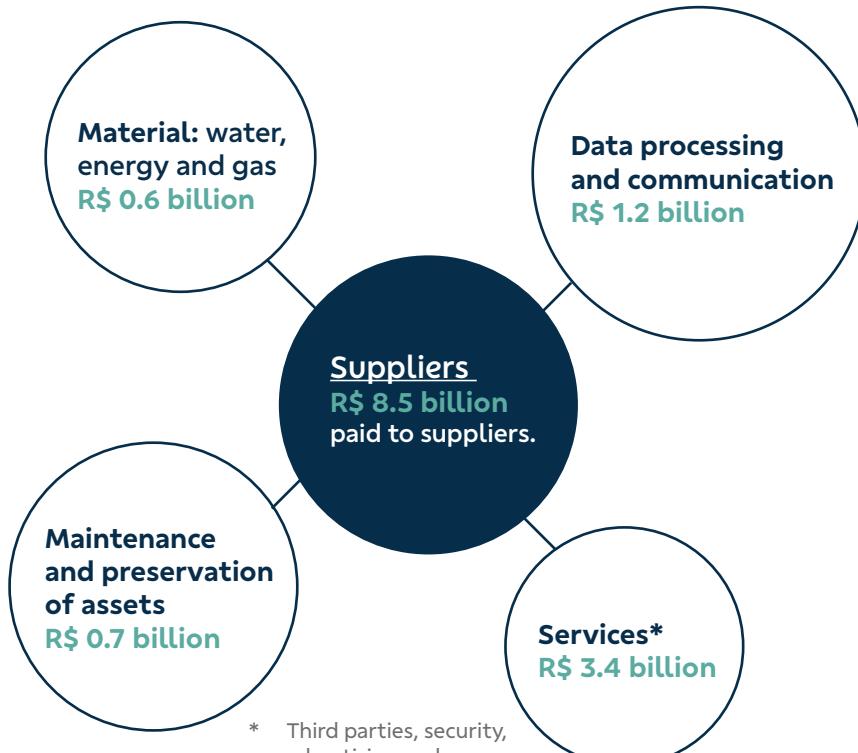
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Total Value added distributed:
R\$ 43.2 billion.

- **Personnel:** R\$ 21.5 billion
- **Government:** R\$ 8.3 billion
- **Remuneration of third-party capital and minority shareholders + retained earnings:** R\$ 13.4 billion



* Third parties, security, advertising and transportation





Fund Management segment

> Services

Purchase, sale, and custody of securities, portfolio management and management of investment funds and clubs.

> Markets

Individual, Corporate and Institutional Investors.

> Operating revenues

R\$ 3.0 billion



Insurance, pension and capitalization segment

> Services

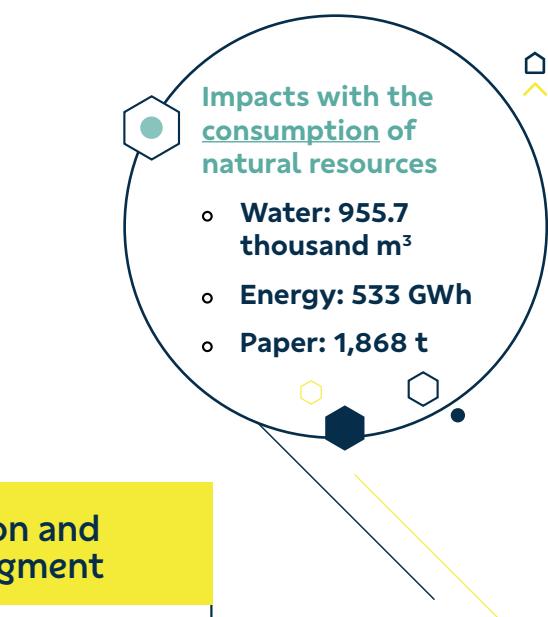
Products and services related to life, property and car insurance, supplementary pension plans and premium bonds.

> Markets

Individuals and Companies.

> Operating revenues

R\$ 5.7 billion



Key:



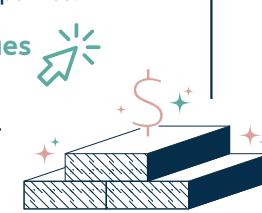
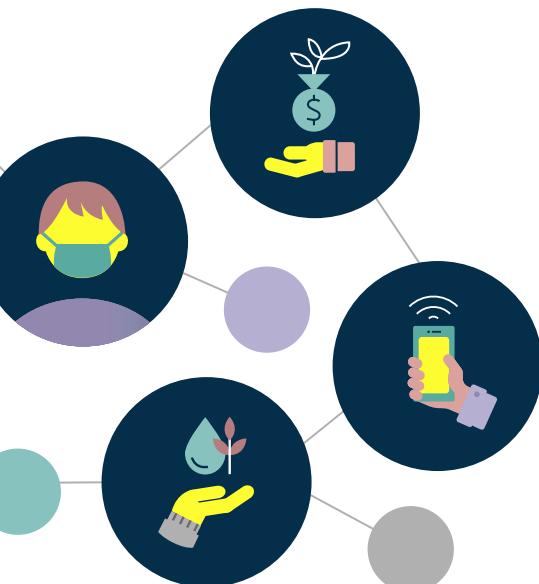
Stakeholders



Impacts



Services



Payment Methods Segment

> Services

Capture, transmission, processing and financial settlement of electronic transactions.

> Markets

Issuance, brand and acquisition.

> Operating income

R\$ 1.1 billion



Fundação BB

Since 2010, over R\$ 3.1 billion allocated in social investments and over 5.6 million people with realities transformed by Fundação Banco do Brasil.



CCBB Community:
educational actions and
62 presential cultural
initiatives and 33 virtual
initiatives

Over 1,200 actions registered in the Volunteer Portal in 2020.

AABB Community

The program reached 31,270 beneficiaries in 235 municipalities. In the last 10 years, about 500 thousand children were served.



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2 Transformational Role

|SASB FN-CB-240a.1|

We play a transforming role in society by offering loans, fostering entrepreneurship and sustainable production in all Brazilian regions.

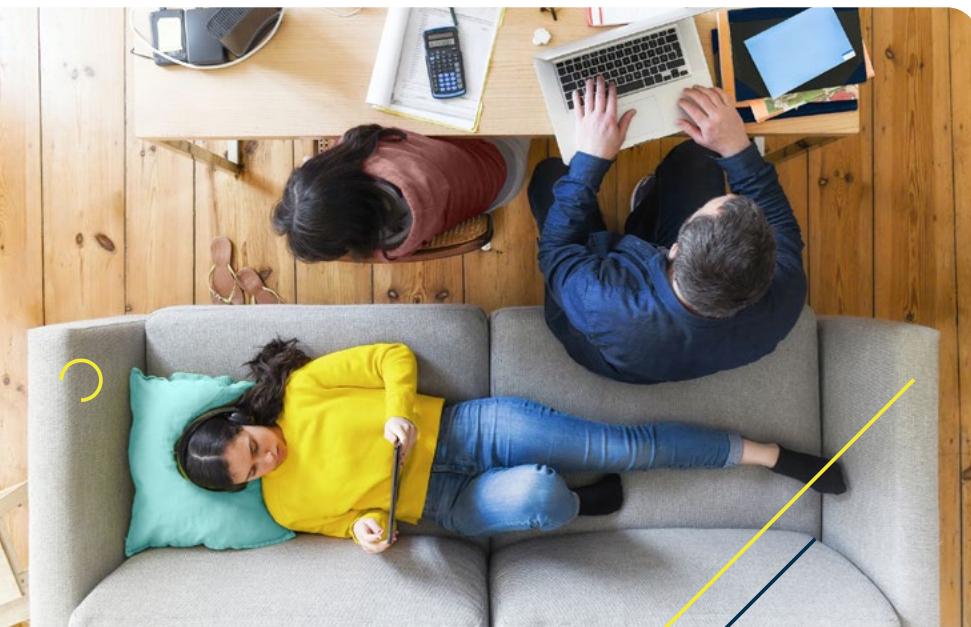
The performance includes from microcredit operations to financial solutions for large corporations, capital markets and governments, with a prominent position in agribusiness lending.

As part of the financial system, we assume a crucial responsibility: direct the investment of funds and assist in the transition from a high impact economy to a sustainable economy, less intensive in carbon emissions and inclusive, with proper risk management and the development of innovative fundraising models.

We have adopted the assumption of structuring sustainable financial solutions that enable the rational use of natural resources and the implementation of more efficient projects, incorporating socioenvironmental variables in the project evaluation process. Thus, we contribute so that society can access, in an agile and simplified manner, new technologies, innovative production models and generate growth and development for the country.

The main challenges include fostering

sustainable national economic growth, so that it encompasses production chains with lower socioenvironmental risk and with greater return. In the coming years, we will continue to focus on models for raising investment funds for projects based on sustainability and on opportunities to finance reforestation, urban infrastructure, mobility, decentralized energy generation, energy efficiency and sustainable production chains in agricultural and livestock activities.



we contribute to the society access to new technologies and generate growth and development for the country.

+ How we face Covid-19

Considering the scenario of uncertainties caused by the Covid-19 pandemic, we act on several fronts to support our employees and customers with agility and security, reinforcing our purpose of "taking care of what is valuable to people". Since March 2020, we have been working to help society and the country to go through this period of so many difficulties. Thanks to the great commitment of all employees, we have adapted our service and continue providing quality financial services.

Furthermore, investments in technology and information security have been made,

reinforcing digital service. We also took all necessary measures to keep the face-to-face service safe. Among the actions taken, we highlight the following:

Employees

With the emergence of the pandemic, the emergency residential remote work was made available. Thousands of employees started working from home as of March 2020, including people from risk groups and pregnant women.

- At the branches, we have distributed facial masks to employees, as recommended by the

Ministry of Health, in addition to acrylic face shields. Acrylic barriers have also been installed on the furniture, when necessary.

- All employees received instructions on health and social distance measures to be taken.
- New routines for cleaning physical structures, such as furniture and equipment, have been systematized.
- The conduct regarding suspected and confirmed cases in the workplace was standardized, using



Since March 2020, we have been working to help society and the country to go through this period of so many difficulties.

A system for monitoring information on suspected and confirmed cases of Covid-19 among employees was developed.

the Caixa de Assistência dos Funcionários do Banco do Brasil (CASSI) telemedicine system for diagnostic and therapeutic guidance.

- In-person approvals of medical certificates have been suspended.
- International trips were canceled and national trips were restricted.
- All presential training was canceled, as well as events and meetings, with digital media being prioritized.
- Priority was given to vaccinating the employees against influenza (H1N1).
- Teams from Specialized Services in Safety Engineering and Occupational Medicine (SESMTs) have been maintaining ongoing communication with the Occupational Health and Safety Management, with virtual meetings to align conduct and implement protocols to avoid contamination by Covid-19. Newsletters and projects are prepared jointly.
- SESMTs have been providing technical advice to employees

and managers whenever necessary. When decrees and ordinances are updated, protocols are changed. At the same time, meetings with the Internal Commissions for Accident Prevention (CIPA) continue to take place virtually for discussions on local implementation measures.

- Occupational health teams have prepared and disseminated several informational materials in our communication vehicles, including podcasts on measures to prevent Covid-19. Another content offered is stress management in this context of social distance. Even before the start of the pandemic, our Corporate University already offered self-instructional courses focusing on emotional health, self-knowledge and the development of resilience and leadership, in addition to maintaining healthy habits. The ultimate goal: promote the integral health of employees and well-being at work.
- Strategic groups, an executive group and other regional groups

have been created to carry out the measures adopted, always based on the recommendations of the Ministry of Health. The Bipartite Crisis/Covid-19 Committee was established by setting forth a permanent channel in real time to discuss situations related to the topic, whether addressing industry and national rules or taking care of individual procedures of interest to employees.

- A system for monitoring information on suspected and confirmed cases of Covid-19 among employees was developed. This allows for the active search for contacts of these people, and has contributed to the epidemiological control among our team.

Customers

- The number of people within the branches has been controlled, and guidance is provided so that only essential transactions are carried out in person.
- Employees advise customers on preventive measures to be adopted, such as wearing a mask.



“

Brazil and the world were affected in 2020 by the beginning and worsening of the Covid-19 pandemic, making the health of all our stakeholders our main concern and the driving force behind our actions. One of the priorities of our strategies was to make customers feel completely supported, even in the face of all difficulties. We reaffirm our commitment to having the customers at the center and we are prepared to serve them safely and quickly, offering financial guidance and innovative and appropriate solutions for their sustainable growth. »

Bernardo Rothe
Chief Wholesale Officer



- The floors in the self-service area have been demarcated to avoid agglomerations.
- Specific schedules have been created to serve customers from risk groups, recognized by the Central Bank Resolution 3991/2020.
- The number of banking services made available through digital means has been expanded, reaching almost all of what is offered in person. This measure has been communicated in the media, aiming to avoid unnecessary displacements to the branches. And even in such an adverse year, we have made investments in technology and information security to improve digital service.

- We are assisting our customers in the financial adequacy of their commitments, from the renegotiation of loan operations with a grace period for payment to the extension of payment terms, depending on the credit facility.

We have been responsible for 71% of what was done by all banks.

Public Sector

- We support the Federal Government, through the Ministry of Citizenship, in the payment of the emergency allowance provided for in Law 13982, dated April 2, 2020, providing more than 9.5 million payments, totaling R\$ 11.7 billion from April to December 2020. [SASB FN-CB-410a.1]
- We have provided exclusive assistance for emergency allowances, providing 1.9 million assistance. Since August 2020, the BB Customer Service Center has expanded the service capacity using the “Fale com” (Talk to) tool for the Individuals and Corporate segment, reaching 21

Companies

[SASB FN-CB-240a.2]

[SASB FN-CB-000.A]

- We have disbursed R\$ 7.0 billion in the Support Program for Micro and Small Companies (Pronampe).
- We have participated in the Emergency Program for Access to Credit (PEAC) - Credit Card Readers from BNDES, made available to 76 thousand customers, with loans of R\$ 2.2 billion.





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- thousand calls/day in December.
- We were the main financial institution in the payment of the Emergency Employment and Income Preservation Benefit (BEm), granted to workers who had a reduction in working hours or a suspended employment contract. BEm is being paid to employees of companies that joined the program, regardless of the fulfillment of any vesting period or number of salaries received. Until December 30, 2020, 20.1 million benefits were made available. The amount reached R\$ 16.4 billion, of which R\$ 2.7 billion through automatic credit in BB savings accounts, R\$ 11.4 billion through wire transfers (DOCs) and R\$ 2.3 billion in credits via Wallet bB.
[SASB FN-CB-240a.1]
- We have made, through an agreement with the Ministry of Health, the payment of 491.2 thousand bonuses to residents and students in the health area who participate in the "O Brasil Conta Comigo" (Brazil counts on me) initiative, through Wallet bB, totaling more than R\$ 336.9 million. The ministry's action allows to convene professionals interested in working with the Unified Health System (SUS) to face the pandemic in places of greatest need.
- We support some States and municipalities in

the payment of the emergency allowance to meet basic needs of citizens and meals for students in the public school system who are beneficiaries of Bolsa Família, the Brazilian family income program. The credits were made available through the Wallet bB to around 96 thousand beneficiaries and student representatives.

- In November 2020, in the municipal elections, 1.3 million poll workers from 23 States received food aid through their smartphones. The benefit was paid through the Wallet bB, thanks to a partnership with the Regional Electoral Courts (TRE). Each TRE defined the amount and date of payment, and the conditions for receipt were disclosed on the Electoral Justice website for each State.

of the companies Alelo, Livelo, Veloe and Digio, in addition to the Elo card Brand.

- The BB Conglomerate contributed decisively to the fight against the pandemic. Two highlights were the actions of Fundação Banco do Brasil, with funds from BB Seguros, in the amount of R\$ 40 million, and from Banco BV, in the total of R\$ 15 million. The funds were donated for the purchase of food, hygiene and cleaning products. The Fundação also launched a website (coronavirus.fbb.org.br) to receive institutional donations and volunteers who want to contribute to this joint effort. We also financed the import of PPE's and ventilators to base hospitals, in the total amount of U\$ 309 million.

Society

- We announced the donation of R\$ 20 million to the Fundação Oswaldo Cruz (Fiocruz) for the production of one million quick Covid-19 diagnosis kits, destined to the Ministry of Health. All kits already have Brazilian technology from Fiocruz, an internationally recognized institute and with a broad history of scientific research in the health area. The donation occurs through holding company EloPar, the majority shareholder

Financial health

- We monitor the potential impacts of the crisis on the credit portfolio, considering the peculiarities of the different segments and credit facilities, and we have adopted proactive measures for risk and capital management. We work to preserve the continuity of our operations and the longevity of our company. In the last 12 months, we made prudential provisions of R\$ 8.1 billion to enhance our balance sheet for the future scenario.



+ Sustainable Loan Portfolio

|SASB FN-CB-240a.1 |SASB FN-CB-410a.2|

|201-2|203-2|

|103-1|103-2|103-3| Socioenvironmental Impacts of Activities and Operations|

Our sustainable loan portfolio comprises the amount of loan operations/credit facilities intended to finance activities and/or segments that have positive socioenvironmental impacts.

Aiming to ensure even more reliability and soundness to the portfolio, previously called green portfolio, we reviewed the loan operations and credit facilities that comprise it, including new facilities, and based on the methodology developed by the Brazilian Federation of Banks (Febraban), which addresses the measurement and identification of funds allocated to industries of the green economy, and our sustainable finance framework. We submitted the review to the

independent evaluation of the consulting firm Sitawi Finanças do Bem, which issued a second opinion based on the alignment of loan operations with international standards for the assessment of sustainable projects and businesses, assigning a rating (from A to C) according to the socioenvironmental additionalities verified for each facility.

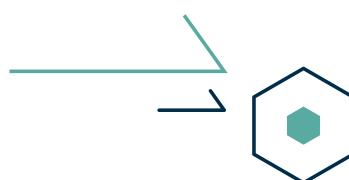
As a result, the operations obtained a majority rating of high additionality (A rating), showing that they have a positive and transformational contribution to sustainable development and the transition to a low-carbon and inclusive economy.

Challenge 3 |||||

Develop and offer financial solutions and business models that incorporate ESG (environmental, social and governance) aspects to foster transition to inclusive and low-carbon economy.

In December 2020, the portfolio had a balance of R\$ 244.7 billion. It comprises loan operations for the industries of renewable energy, energy efficiency, sustainable construction, transport and tourism, water, fishing, forestry, sustainable agriculture and waste management. Furthermore, aiming to foster an inclusive economy, this portfolio considers areas of social nature, such as: education, health and local and regional development. The volume of funds was allocated to customers in all segments, such as Individuals (Retail and Private Banking), companies of different sizes (Micro and Small Companies, Corporate, Wholesale) and for the Public Sector.
|SASB FN-CB-000.A|

Our sustainable loan portfolio presented, at the end of 2020, a balance of R\$ 244.7 billion.



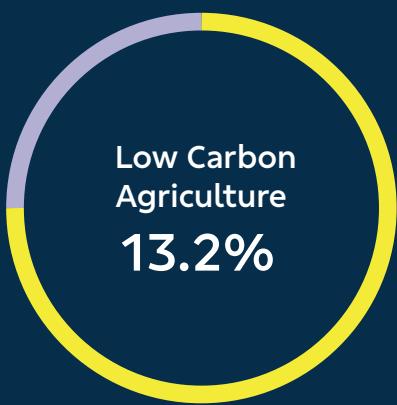


Mostly High / Transformational

Sustainable Loan Portfolio

Total ESG
Portfolio:
R\$ 244.7 billion

(R\$ - billion)
Dec/2020



R\$ 126.03 billion



Social Loans

Government	49.45	🟡
FIES (Student Loans)	46.87	🟠
Minha Casa Minha Vida (Low Income Housing Loans)	21.18	🟠
Covid Relief Loans	8.13	🟢
Other	0.39	🟠

Low Carbon Agriculture

Working Capital (No-till)	25.31	🟡
Low Carbon Program	6.86	🟠

Companies

Companies	21.14	🟡
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Best Socioenvironmental Practices

Pronaf Mais Alimentos (Loans for Food Production)	36.34	🟡
Investment Loans	11.85	🟡
PCA/Moderagro (Agribusiness Infrastructure Financing)	9.10	🟢
Working Capital (Pronaf)	6.30	🟠
Investment Loans (Pronaf)	1.77	🟢

Addittionality / Sustainability Contribution

High / Transformational
Moderate / Effective
Limited / Transitional

See the full report:



Second Opinion
SITAWI
FINANCEforGOOD



Products and Services with Environmental, Social and Governance (ESG) Attributes

|SASB FN-CB-410a.1|SASB FN-CB-410a.2|

The position as a financing entity of sustainable production chains reinforces the alignment with the provisions of the United Nations Environment Program (UN Environment) on green economy and best corporate practices. This has a positive impact on the relationship with customers, employees and investors, increasing the reliability for attracting internal and external resources.

For customers, sustainable business models provide solutions that generate financial returns and bring

social benefits, in addition to helping preserving the environment and reduce carbon emissions. The solutions foster energy efficiency actions, renewable energy generation, low carbon agriculture, protection of natural resources, improvements in mobility and urban infrastructure, as well as cleaner and less harmful production practices.

The greatest demands for solutions and sustainable business models come from the customers themselves, who increasingly seek

to consume sustainable products and services and establish relationships with Socioenvironmentally responsible companies. Market requirements are considered in the planning and definition of industries for loan offers, in fundraising strategies and in the priority areas of activity. In view of the needs, we define in which productive chains the efforts will be concentrated.

The commitment to develop business solutions with socioenvironmental aspects is guided and stated in our [Socioenvironmental Responsibility Policy](#) (PRSA).

"

Concerning the uncertainties brought by the new coronavirus pandemic (Covid-19), we have acted to provide support to customers with seriousness, speed and security, at the same time as we strengthen our commitment to agribusiness, with the Public Sector and with society, based on actions aimed at support the country to overcome this difficult moment, encouraging activities that generate a positive impact.

"

João Rabelo
Chief Agribusiness and Government Affairs Officer





It is also supported by the [Sustainable Guidelines for Credit](#), which are in synergy with the international commitments assumed by the Federal Government, including those related to mitigation and adaptation to the effects of climate change.

With national prominence in the development of financial solutions and business models that promote the transition to a sustainable and inclusive economy, we consider climate change in planning and take advantage of business opportunities for a low carbon economy, especially to meet the needs of reducing emissions assumed by Brazil in the Paris Agreement.

Inclusive Businesses

|SASB FN-CB-240a.1|
|SASB FN-CB-410a.2|
|103-1|103-2|103-3|
|Sustainable Business|

Through social businesses, we work in favor of productive development, entrepreneurship and the fostering of social and financial inclusion. We offer products aimed at specific and strategic target groups, which enable the renewal and loyalty of the customer portfolio, while encouraging the economic development of the country.

Guided Productive Microcredit (Microcrédito Produtivo Orientado - MPO) is a product for financial inclusion and, consequently, the banking of a significant niche of about eight million microentrepreneurs in Brazil, many still informal. The customer seeks the financial institution to meet his need

to expand sales, especially for the acquisition of inputs and/or raw material for sale or service provision.

On the other hand, BB Accessibility Credit (BB Crédito Acessibilidade) seeks to include disabled people in the labor market by financing assistive technology goods and services, with differentiated interest rate conditions. Exclusive to Banco do Brasil and regulated by the Federal Government, BB Accessibility Credit has benefited over 76 thousand people since 2012.
|SASB FN-CB-240a.4|

The adoption of sustainable assumptions is in line with our strategy by directing the investment of funds to activities and/or production systems characterized by low environmental impact, low carbon and inclusive, from the mini to the large producer, throughout the value chain. Activities that are unsustainable or that violate environmental legislation are restrained, thus reducing the risks of customers and ours.

The main financial facilities include the National Program for Strengthening Family Agriculture (Programa Nacional de Fortalecimento da Agricultura Familiar - Pronaf) and the Low Carbon Agriculture Program (Programa de Agricultura de Baixo Carbono - ABC). Further information can be found on the [Sustainability website](#).

All initiatives are in line with the commitments of the [Socioenvironmental Responsibility Policy](#) (PRSA) and the [Sustainable](#)

[Guidelines for Credit](#). In the case of the MPO, our performance is regulated, guided and limited by public policies adopted by the Federal Government – where the initiative originated. See further information on the [Sustainability website](#).

Sustainable Agriculture

|203-2|
|SASB FN-CB-240a.1|
|SASB FN-CB-410a.2|

As one of the main drivers of agribusiness development within the country, and a supporters at all stages of its production chain, we provide solutions with socioenvironmental attributes for agribusiness customers, such as Pronaf, which has the support of teams trained in rural credit, investment specialists and agronomists. The program focuses on specialized services for mini and small rural producers, fostering income generation and strengthening the activities developed by the family producer.

In 2020, within the Pronaf's scope, approximately 203.5 thousand family farmers (compared to 221 thousand in 2019) received assistance, with 47.4% of market activity in costing, investment and industrialization operations (compared to 49.8 % in 2019). Businesses reached 85.3% (compared to 87.70% in 2019) of Brazilian municipalities, which demonstrates the wide scope of the program SASB.

|SASBFN-CB-240a.4|
|SASB FN-CB-000.A|



We act in favor of productive development, entrepreneurship and the promotion of social and financial inclusions.



During the year, we maintained the leadership in contracting financing from the Low Carbon Agriculture (Programa ABC), reached a 70.3% market share, compared to 68.8% in 2019. The initiative finances sustainable agricultural production systems, with a recognized capacity to reduce or sequester greenhouse gas (GHG) emissions and foster the production of vegetation/biomass and food, as well as the preservation of the environment.

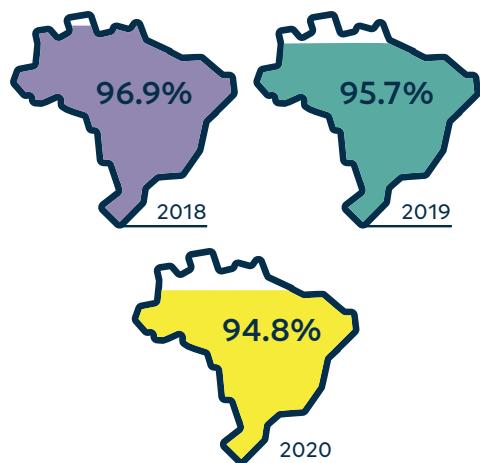
Another important ally in supporting sustainable agriculture is the No-till System on Straw (Sistema de Plantio Direto na Palha - SPDP), which we encourage through our Working Capital (No-till). These are financings for the use of systems that follow the logic of forests. In other words, in the same way as the organic material fallen from the trees is transformed into

a rich natural fertilizer, the straw decomposed from previous crops by macro and microorganisms is transformed into soil food. The advantages are the reduction in the use of chemical inputs and the control of erosion processes, since the infiltration of water becomes slower due to the permanent coverage in the soil. This system also contributes so that the soil is not carried away by erosions and stores more nutrients, fertilizers and corrective materials.

Only in 2020, we recorded a balance of R\$ 25.31 billion in operations under these credit facilities, accounting for an increase of 23% compared to 2019.
[SASB FN-CB-000.A]

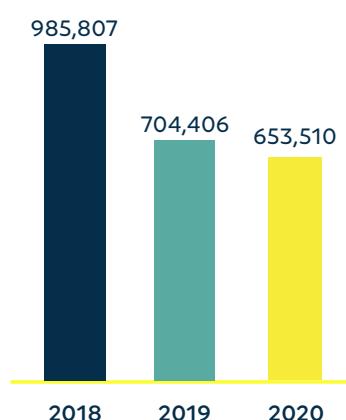
The decrease observed in recent years is mainly due to the indebtedness of customers, the increase in interest rates and competition with cooperative credit.

Portfolio Information⁽¹⁾ – Pronaf I Percentage of Brazilian municipalities with at least one contract



(1) (Operations in inventory + operations contracted in 2020)

Number of benefited family farmers

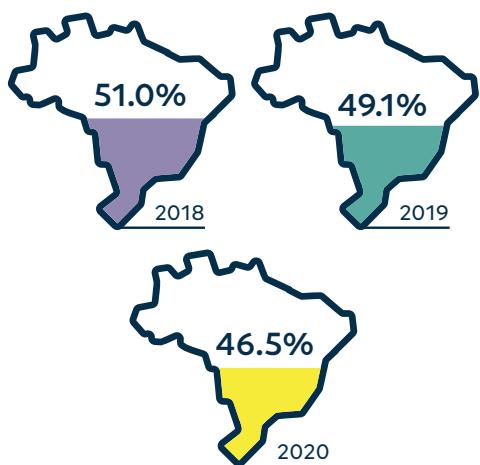


Activities that are unsustainable or that violate environmental legislation are restrained, thus reducing the risks of customers and ours.

Portfolio Information⁽¹⁾ – ABC Program

(1) (Operations in inventory + operations contracted in 2019)

Percentage of Brazilian municipalities with at least one contracting



Number of benefited rural producers



Agro Energy Program

Aims to foster the use of renewable energies in rural areas, by financing alternative micro and/or mini power generation units. In 2019, **R\$ 347.9 million** in investments were released under this program. In 2020, a growth of 26.1% was recorded, with **R\$ 438.7 million** being released. [SASB FN-CB-000.A]

Low-Income Housing

|203-2|
|SASB FN-CB-240a.1|
|SASB FN-CB-000.A|

We are financial agents for the Federal Government's set of measures aimed at facilitating the acquisition of homes by low-income families, especially through the Government Low-Income Housing Project (Programa Minha Casa Minha Vida - MCMV). Through the funds made available in real estate loans, the Brazilian economy and society benefit from the decrease of the housing shortage, growth in the

civil construction chain and improvement in the population's quality of life.

In 2020, 58 building projects were completed, totaling 6,879 new homes, 33 of which are developments on the MCMV line, with the delivery of 3,266 housing units. The amount of R\$ 59.17 million was also released for the construction of 22 new developments, one of them is part of MCMV, to provide 3,273 housing units. In the Individuals segment, 4,751 MCMV operations were carried out.

If we consider the accumulated amount between 2018 and 2020, 215 projects were completed, totaling 33,451 new homes. Of these units, 90 were built as part of MCMV, delivering over 12,016 new housing units.



Productive development and entrepreneurship support

|203-2|

|SASB FN-CB-240a.1|SASB FN-CB-410a.2|

For micro and small companies and individual microentrepreneurs, adequate solutions are offered to support their development and encourage the entrepreneurial culture in Brazil, such as digital account for microbusiness (BB Conta Fácil MEI 100% digital) and the Ourocard Entrepreneur (Ourocard Empreendedor) credit card.

To support and finance entrepreneur productive activities and support the capital needs of the productive activity of individuals and companies, we offer the Guided Productive Microcredit (Microcrédito Produtivo Orientado - MPO) using a methodology based on guidance and monitoring. We ended 2020 with a total of over 66 thousand active

customers and more than 62 thousand contracted loan operations, accounting for a reduction compared to 2019, which had over 117 thousand customers and 116 thousand loan operations, due to the Covid-19 pandemic. |SASB FN-CB-240a.4 | SASB FN-CB-000.A|

Aiming to strengthen our operation in microfinance, we rely on Movera, a strategic partner that operates through microcredit agents specialized in offering and giving qualified advice for entrepreneurs.

We reaffirm our role as partners of micro and small companies, monitoring them closely during this challenging year, ensuring the maintenance of credit in the right way, working

We ended the year with over 66 thousand active customers and more than 62 thousand contracted loan operations.



Support for Women entrepreneurship

At the end of 2020, we had **1,066,471 companies run by women** in our customer portfolio, **42.3% of the total**, accounting for an **increase of 24.9%** compared to 2019. Said companies were responsible for **37.4% of the balance** in the portfolio and have historically had a lower delinquency level.

|SASB FN-CB-240a.1|
 |SASB FN-CB-240a.4|
 |SASB FN-CB-000.A|



with the extension of installments, emergency facilities and preventive monitoring of customers. A total of R\$ 36.4 billion has been granted as loans, including extensions, renegotiations and emergency facilities.

In 2020, the total amount allocated to financing items related to the green economy and/or renewable energy (BB Financing credit facility) reached R\$ 83.94 million (compared to R\$ 112.1 million in 2019). The drop recorded in relation to 2019 is justified by the lower investment prospect on the part of companies, considering the slowdown in activity and the uncertainties of the economic scenario.

Regarding emergency facilities, it is worth highlighting Pronampe, with R\$ 7.0 billion destined to 112 thousand companies, and the Emergency Program for Access to Credit (PEAC Maquininhas) of BNDES, with R\$ 2.2 billion for 76 thousand companies. It is worth highlighting that we were the leading national institution in credit granting within the scope PEAC Maquininhas, according to the BNDES ranking.

The MPE customer also has count on the BB and Sebrae Partnership, whose main objective is to support companies in sustainability and business efficiency plans, through online courses aimed at providing financial guidance.

MPE Week

|203-2|

In 2020, MPE Week presented a different format from previous years. Held in October, it promoted the event Empreenda Brasil 2020, which brought together important names of national entrepreneurship to debate the best strategies for the new future. There were five events, broadcast over the Internet and with free registration. As in the previous edition, special benefits and advantages were also offered to the target audience. The offers were available on the [hotsite](#)

After MPE Week, collection contracts had a positive jump of 66% compared to August 2020.

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Challenge 3

Develop and offer financial solutions and business models that incorporate ESG (environmental, social and governance) aspects to foster transition to inclusive and low-carbon economy.

The payment of bills with Ourocard Empresarial grew 13% in relation to the same month. It is also worth highlighting the 13% increase in the Corporate disbursement and 14% for Fopag Agreements during the MPE Week 2020 period.

Sustainable finance model

|SASB FN-CB-410a.2|

In October 2020, we approved our sustainable finance model, which provides for parameters and management for raising funds for projects classified as sustainable in the global market. This type of funding can be used to finance projects able to offer financial, environmental, social and governance (ESG) benefits.

The process started with our Technical and Financial Cooperation Agreement with the Inter-American Development Bank (IADB),

with the technical support of the consulting firm Sitawi Finanças do Bem, resulting in the preparation of the "Sustainable Finance Framework", which includes the green and social categories. One of the differentials of this model in relation to others available in the market is the possibility of leveraging projects related to low carbon agriculture. The framework was approved by Sustainalytics, one of the main independent companies in the Second Opinion (SPO) world, following a set of international standards and guidelines.

The model, unprecedented in the Brazilian financial system, considers the emissions defined as sustainable, green and social, according to the framework, and the possibility of Sustainability-Linked Loans (SLLP) and Sustainability-Linked Bonds (SLLB) debt issues. These two standards link the interest paid on

emissions to the performance of ESG indicators, such as reducing the company's carbon footprint, increasing the diversity of its workforce and reducing the risk of high socioenvironmental impact loan portfolios.

The measures are in line with the United Nations Sustainable Development Goals (SDGs) and in line with our [Socioenvironmental Responsibility Policy](#) (PRSA) and 2021-2025 Corporate Strategy (ECBB). Sustainable fundraising requires commitment to advanced ESG standards, with monitoring through performance indicators related to sustainability, transparency and disclosure of fundraising results. The emissions can be categorized as green, social and sustainable, depending on the project to be financed, fostering the increase of our socioenvironmental operations, linking the financial cost of the transaction to the performance in specific pre-established ESG performance indicators.

Assets Management

|FS11|

BB Gestão de Recursos DTVM S.A. administers, manages and distributes funds and portfolios. According to the global ranking of third-party asset management disclosed by the Brazilian Financial and Capital Markets Association (Anbima), BB DTVM ended 2020 with R\$1.2 trillion in asset management,





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accounting for a growth of 11.48% in the year.

BB DTVM, by strategic direction, performs extensive asset screening considering socioenvironmental and corporate governance aspects. By means of its own ESG methodology, which uses a combination of positive and negative screening, it ended the period with R\$ 648.85 billion in assets subject to this methodology, representing 55.12% of the total assets under management. The asset manager has been managing and distributing 10 investment funds with socioenvironmental characteristics to the different investor segments, that, in December 2020, totaled R\$ 3.15 billion in shareholders' equity.

To comply with the Central Bank of Brazil and the Principles for Responsible Investment (PRI) guidelines and the AMEC Code of Principles and Duties of Institutional Investors – Stewardship, the combination of financial returns with corporate governance, in accordance with ESG principles, is considered in the valuation processes of assets invested in third-party funds.

The methodology includes general indicators, such as the governance framework, socioenvironmental aspects, positioning in relation to sustainability indexes and alignment with the GRI standard, as well as specific indicators, according to the needs of each area.

To deepen the analysis of ESG aspects, BB DTVM developed

its own methodology for assessing the sustainability of companies in its coverage framework and the ESG Sovereign Rating methodology (ESG-SRM). For variable income assets, a ranking is developed with the best placed companies, influencing the various stock allocation strategies. For private credit operations, the ESG aspects comprise a qualitative and quantitative rule that influences decision making, which may imply the objection to the credit limit, decrease or increase of the credit limit. The assessments are made available to managers so that they can adopt practices that are favorable to the integration of environmental, social and corporate governance topics. The main dimensions analyzed are as follows:

- Governance, ethics and integrity – Evaluates the composition and independence of the Board of Directors (CA) and the remuneration of managers;
- Social performance indicators – Evaluates issues related to turnover, occupational health and safety, social certifications, fairness and family assistance; and
- Environmental performance indicators – Evaluates aspects of biodiversity, innovation, environmental certifications and use of water and energy.

To assign the ESG Sovereign Rating (ESG-SRM), an independent matrix of ESG scores and country-specific scenario analysis

is prepared, incorporating socioenvironmental risks. The rating seeks to reflect a government's ability and willingness to honor its financial obligations influenced by policy, governance, social issues, natural disasters and the long-term impact of environmental factors.

|SASB FN-CB-410a.2|

There is also the own methodology for qualifying candidates nominated for the Board of Directors and the Supervisory Board, actively influencing the improvement of corporate governance.

For consultation, the Responsible Investment Guideline and the Socioenvironmental Responsibility Policy are available on the BB DTVM website, in addition to other documents and policies.

Throughout 2020, the risk rating agencies Moody's and Fitch Ratings reaffirmed their ratings for the asset management at BB DTVM, considered excellent by both. For Moody's, BB DTVM has an excellent investment infrastructure, with real-time portfolio management, risk controls and compliance systems, as well as very low exposure to the risk of business interruption. In turn, Fitch Ratings highlighted the investment capacity and very strong operating characteristics, the robust and well-disciplined investment process, and strong generation of revenue and profitability, in addition to the well-segregated and segmented organizational structure, the experienced team and the robust risk framework and controls.



BB Ações Equidade fund

BB Ações Equidade fund is intended for the Private Banking and Retail segments and is characterized by the allocation of funds to publicly traded companies, signatories to the Women's Empowerment Principles. The definition of weights and the weighting of attributes are based on two pillars:

- **Economic and financial valuation:** through the analysis of multiple results, valuation potential and sustainability analysis, with its own methodology that considers the environmental, social and governance dimensions; and
- **Equality criteria:** participation of women in management, executive positions and in the Board of Directors.

In 2020, BB Ações Equidade Fund had a return of 7.02%. The increase is equivalent to an appreciation of 240% of the Ibovespa index, its benchmark, which had, in the same period, a growth of only 2.92%.

Private Equity Investment Funds (FIP)

|FS7|FS8|

The Private Equity and Venture Capital Investment Program is in the divesting process. In 2020, 16 divestments were made in assets of FIPs invested by BB-BI. During the period, BB-BI received R\$ 127.2 million between divestments and earnings from these funds.

The FIPs regulations, of which we are a part as an investor, value the adoption of best governance and socioenvironmental management practices. Among them, we point out:

- Establish a mandate of up to two years for all members of the Board of Directors (CA);
- Provide shareholders with information on matters relating to their businesses;
- Adhesion to the Court of Arbitration for resolution of corporate conflicts;
- Provide annual audit of their financial statements, by independent auditors registered at Brazilian Securities and Exchange Commission (CVM);
- Implement a policy to minimize harmful effects to the environment;

- Implement social action plans with nearby communities;
- Act following the best human resource management practices, developing this capital;
- Adopt socioenvironmental responsibility standards;
- Implement a policy to meet regulatory corporate governance standards;
- Do not use child or slave labor; and
- Conduct and provide equal treatment to its relationships.

FIP investment opportunities must fall within the limits, rules and parameters of the Investment Program, to mitigate legal and image risks for us and add value to the investees. The fund regulations establish norms and standards of corporate governance that the manager must follow to be adopted by the investees prior to the investment decision and practiced during the permanence in the FIP as a shareholder.

We follow compliance through a due diligence process carried out in a phase prior to the investment and conducted by the manager, who, during the entire FIP cycle, promotes periodic meetings with updated monitoring of investees.

See further details in the GRI Appendix



Environmental

|103-1 |103-2 |103-3 | Socioenvironmental impacts of activities and operations | Sustainability Culture | Socioenvironmental Risk | Climate changes|

In line with our [Socioenvironmental Responsibility Policy](#), Banco do Brasil's Environmental Management (GABB) follows the specifications of the Brazilian Standard ABNT NBR ISO 14001, of 2015, regarding the definition of objectives, assumptions, requirements, responsibilities, programs and initiatives for the adoption of guidelines related to the topic. Through the system, which covers all units in Brazil, actions to control environmental impacts are organized and monitored.

Systematically, efforts to continuously improve performance are coordinated, focusing on eco-efficiency, aiming to minimize the consumption of natural resources, the generation of waste and emissions of greenhouse gases (GHG). The assumptions include improving Banco do Brasil's Environmental Management on a continuous basis; recognize and consider the expectations and priorities of stakeholders in environmental management; disseminate concepts and practices for the efficient consumption of natural resources and prevent pollution, seeking engagement and strengthening of

the Socioenvironmental Responsibility (RSA) culture; and train internal and external stakeholders to improve environmental management skills.

In 2020, the migration to the Free Market involved two further buildings, totaling 24, and resulted in savings of R\$ 4.5 million, equivalent to a 20% reduction in expenses compared to the captive market fare (acquired directly from the electric power concessionaire).

The charts below show the forecast of the amount of energy purchased and the annual economic impact until 2023.

Purchased energy

kWh – million

2021	88
2022	88
2023	88

Annual savings ⁽¹⁾

R\$ million

2021	7.7
2022	13.7
2023	13.7

(1): |102-48| Revised values

Ecoefficiency

Eco-efficiency management provides a reduction in the consumption of natural resources, such as water and energy, thus minimizing the environmental impact, in addition to the expenses with the acquisition of said inputs. With the same goal, GHG emissions and consumption of materials were rationalized, such as: paper, toner and fuel, reducing the generation of solid waste.

Energy

|302-1 |302-4 |

In 2020, we assumed the commitment to expand the participation of renewable sources in our energy matrix: the goal is to reach 90% of renewable energy by 2024. The objective will be achieved through remote distributed generation, with 22%, and through the free market, with 68%.

In this context, we inaugurated our first solar power plant in the distributed generation modality in March 2020. The second plant was inaugurated in October, and another five plants are expected to start operating by the end of 2021.





During the year, we inaugurated two solar power plant in the distributed generation modality and another five plants are expected by the end of 2021.

The two projects in operation have a combined installed capacity of 6 MW, generating 15 GWh/year and will guarantee the supply of renewable energy to 141 branches, allowing the institution to save R\$ 53.7 million over 15 years. They will also enable an average decrease of 45% in the energy bill of our branches and contribute to the diversification of the renewable energy matrix in Brazil. When all the plants are in operation, 3,150 tons of carbon dioxide will no longer be emitted per year, which corresponds to the planting of about 21 thousand trees.

Among the other actions developed in 2020 to optimize electricity consumption and expenses, we highlight the following:

Automated electricity management: initiative developed at the units that may reduce expenses with this input by over R\$ 500 thousand, as well as the improving operational efficiency and consumption indicators;

Integrated control of energy, water and building utilities: start-up of installations for a group of 300 service units, with the expectation of reaching 15% savings in consumption over the 4-year service contract.

We use regionalized efficient energy consumption parameters (kWh/m²). The evolution over the years can be seen in the following table:

Regionalized energy consumption parameters (kWh/m²)

Region	2018	2019	2020
North	18	18	18
Northeast	16	16	16
Midwest	15	15	15
Southeast	13	13	13
South	11	11	11

Electric power consumption (comparison)

Electric power consumption (GWh) Total expenses (R\$ million)



Target set for 2020:
-5% in relation to 2019 consumption

Target set for 2021:
-3% compared to 2020 consumption





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Water consumption (comparison)

	2018	2019	2020	Meta Target	2020 Target	2021 Target
Water consumption⁽¹⁾ (thousand m³)	1,383	1,136	955.7	-1% compared to the previous year	-3% compared to the previous year	-5% compared to the previous year
Total expenses (R\$ million)	31.9	33	28.6	-	-	-

- (1) Recycled water is not used in the units. The water supply is carried out by the concessionaires. Following the same methodology adopted in 2019, water consumption in 2020 was obtained based on the average R\$/m³, after the survey of 11 thousand water bills registered by a contracted company. Thus, BB's water consumption is the result of the average (R\$/m³) by the annual expense, totaling R\$ 28.6 million.
- (2) Due to the nature of our industry, we have not yet carried out the measurement of total water consumption in all areas with water stress in megaliters.
- (3) We monitor the need for facilities to purchase mineral water outside local water utilities. In the cases in which the water supplied is not fit for consumption or even if there is no supply of the input, mineral water is acquired through the facility in two ways: water truck, to supply the facility as a whole (water tank); bottled mineral water, for the consumption of employees and customers.

Water

|303-5|

In relation to water consumption – an input from public concessionaires – regionalized parameters of efficient consumption are also adopted. Management is carried out through the establishment of actions for units that present water consumption above the established targets. In this sense, the inspections in

the hydraulic installations must be highlighted, to detect the causes of high consumption.

Paper

|301-1|301-2|

The appetite for innovation has transformed the use of printed documents into digital transactions, and through the BB Papel Zero program, our main objective is to make paper obsolete in our processes, which involves the participation of the entire Bank, following strategic guidelines and best market practices.

With process optimization through digitalization, the impacts on the environment were reduced, but there is also a positive financial impact, since there was a sharp drop in expenses with paper, printing and document posting, maintenance services, transportation and storage, as well as other related inputs such as toner, bobbins, pouches and various materials and furniture for

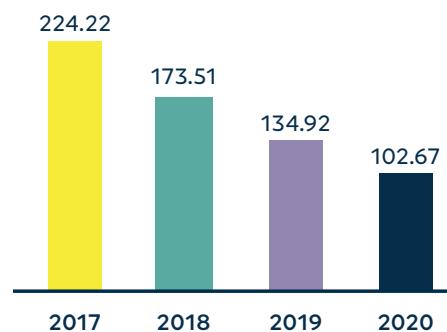
filing paper documents.

In 2018 we set a goal for 2020 to reduce printed documents by 50%, in relation to the number of printed documents carried out in 2017, which was reached and exceeded, with the reduction observed at the end of 2020 of 54% of printed documents.

As for 2021, we intend to extinguish 20% of the

Zero paper - BB printed

Number of printouts (millions)



Variation(%) In relation to 2017: -54%

Goal 2021 In relation to 2020: -20%

Regionalized water consumption parameters

Região	2018	2019	2020
North	64	64	64
Northeast	64	64	64
Midwest	58	58	58
Southeast	53	53	53
South	48	48	48





impressions in relation to the year 2020. And for 2025, we have established the challenging goal of zeroing the printing of documents.

Solid Waste

|306-3|

Since 2015, the Integrated Solid Waste Management Plan (PGRS) has been in place, fostering internal initiatives, meeting the parameters of the National Solid Waste Policy (PNRS). In 2019, we changed the way of contracting the collection and sustainable disposal of unserviceable goods so that it occurs continuously in our facilities. In 2020, we signed a contract with two companies for the disposal of movable goods (collection, transportation, storage, de-characterization and treatment of waste). The contracted service allows for the traceability of the collected material. In this process, 221,319 unserviceable goods were disposed of in an environmentally appropriate manner and were recycled.

We use an internal application to reuse idle goods, with a friendly interface and functionalities that foster the reuse of goods with clear procedures about the process. In 2020, 19,401 goods have been reused.

In an electoral year, Banco do Brasil is prohibited from making donations, pursuant to Article 73 of Law 9504/1997 – Electoral Law. However, in view of the calamity situation decreed in the country, we donated 1475 movable assets intended to address situations resulting from the public calamity recognized in 2020. Seven public institutions and two non-profit civil institutions were benefited.

The Selective Collection Program aims to correctly dispose of the waste produced in our facilities and includes initiatives for the management of non-hazardous, recyclable and non-recyclable solid waste. Recyclable waste (paper, plastic, metal and glass) is mainly sent to cooperatives and waste collector's

associations or to public selective collection and organic and non-recyclable waste is destined for public collection.

In 2020, the target was exceeded by 70% with the increase of 170 new facilities in the Selective Collection Program, compared to 1,679 participating facilities in 2019, providing great mobilization and an excellent result, in a total of 1,849 participating facilities in 2020. See further details in the GRI content – |306-3|.

Zero Plastic

In July 2020, we joined the global #julhosemplastico movement and made a commitment to be promoters in the adoption of a circular and sustainable economy, transforming our relationship with people and the environment. On said occasion, we launched the #PlaticoZeroBB (BBZeroPlastic) initiative, with the purpose of reducing the consumption of plastic material in the Bank's processes and products and

We use an internal application to reuse idle goods, with a friendly interface and functionalities that foster the reuse of goods.





	2018	2019	2020	2020 ⁽²⁾ Target	Meta 2021
Units with selective collection implemented ⁽¹⁾	1,848	1,679	1,849	100 new units	100 new units

(1) For selective collection to be adopted, there must be cooperatives/associations of waste pickers or public selective collection in the municipality.

(2) For the selective collection of waste, the target is to implement 100 new units each year.

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zeroing out on our use of disposable cups by the end of 2022.

We have set a target to reduce the use of disposable cups by 25% for 2020 compared to 2019. The target was exceeded and there was a decrease in expenses with plastic disposables of 35.6%, showing the engagement with the established goal. We also encourage employees to use reusable cups and bottles through a partnership with a silicone retractable cups company. One of the results of this initiative was the planting of 5,000 trees in the Cerrado biome, equivalent to 31 thousand tons of neutralized CO₂.

The commitment was extended to suppliers: all of our coffee and snack contracts had plastic disposable cups suppressed in 2020.

Greenhouse Gases (GHG)

We are founding members of the Climate Business Initiative (Empresas pelo Clima - EPC) and the Brazilian GHG Protocol Program, both aimed at reflecting on and proposing actions to combat climate change. We are part of the Thematic Chamber on

Climate Change (Weather Chamber), coordinated by the Brazilian Business Council for Sustainable Development (CEBDS), and the Carbon Efficient Index (ICO2) of B3 S.A. – Brasil, Bolsa, Balcão.

As in previous years, the GHG Emissions Inventory was more widely sought and trusted by engaging a company specialized in environmental audits for external verification of the document, in accordance with the ISO 14064 standard and the GHG Protocol methodology. During the year, we received the Gold Seal of the Brazilian GHG Protocol Program for the quality and reliability of the inventory.

ICO2 Internal Pricing

|103-2|103-3| Socioenvironmental Impacts of Activities and Operations| Climate Changes|

Based on the average prices of qualified projects to compose the portfolio to offset our emissions, at the end of 2019 we approved the internal carbon pricing, with the adoption of R\$18.00/tCO₂e (or US\$4.50/tCO₂e), obtained by calculating the average price of ton of carbon registered in the

Challenge 5 |||||

Evaluate and measure Socioenvironmental and economic impacts (externalities) generated by BB's products, services and activities in order to maximize positive impacts and reduce negative impacts on environment and society.

voluntary and regulated markets in Brazil.

The definition of the internal carbon pricing methodology and the internal carbon price aims to offset BB's emissions related to scopes 1 and 2, in accordance with the [climate change commitment](#) and for evaluating investments in the institution's own structure, in order to support investment stress testing, as well as motivate low carbon investments, the supply chain/suppliers and employees.

Carbon pricing also leads investments towards less carbon-intensive solutions by internalizing part of the externalities represented by emissions, so those companies can incorporate these external costs into their business decisions and seek alternatives to minimize their effects.



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Operational eco-efficiency index

In order to increase the coverage of the Selective Waste Collection Program, intensify the reduction of GHG emissions and rationalize the consumption of water, energy, and paper, we adopted the Operational Ecoefficiency Index (IEO), a mechanism that assessed all branches for the following aspects:

- **Water/electricity:** assessed from the cumulative average of the branch's monthly consumption records, with a consumption target of equal to or below the established regional standard.
- **Paper:** linear reduction target of 2% of consumption compared to the previous year.
- **Selective Collection:** assessed from the monthly records of the volume of waste selectively discarded (paper, plastic, metal, and glass) and sent for recycling.

In 2020, 76% (4,364) of the units assessed achieved the target set for the IEO. This result was achieved as the one related to communication, guidance, and monitoring of the branches' performance.

Certifications

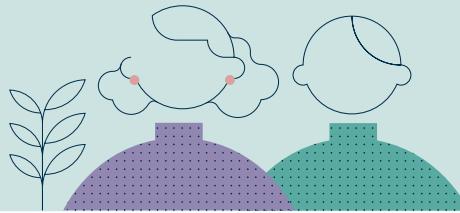
At the end of 2020, we maintained the following certifications, which attest to our commitment to environmental preservation:

- **Leadership in Energy and Environment Design (LEED)**, certification related to sustainable construction and awarded by the United States Green Building Council, for the headquarters in Brasília (Federal District).
- **ISO 14001 Environmental Management System** in operation at the company headquarters in Brasilia (Federal District) and at the Torre Matarazzo Building in São Paulo (SP). Banco do Brasil's The GABB is verified by internal and external audits that certify the requirements of the standard and prove the effectiveness of environmental actions related to consumption of water and electricity, selective waste collection and services and the involvement of the 8,000 people working within the area.



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Main environmental initiatives and results



Initiatives and results

Energy efficiency, which fosters the responsible use of electricity in our facilities.

6.7% decrease in electricity consumption compared to 2019, equivalent to 38 million kWh. Result of initiatives that included internal awareness actions, acquisition of energy in the free market and due to the restriction of employees on the bank's facilities, due to the pandemic and the utilization of the emergency residential remote work. The total saved reduced the annual expenses by R\$ 42 million and would be enough to supply electricity to over 16 thousand homes per year.

Water efficiency, which seeks to reduce water consumption through awareness, maintenance and installation of equipment for optimized consumption.

15.9% estimated reduction in water consumption compared to 2019.

Management of greenhouse gas (GHG) emissions, which establishes our strategy for addressing climate change, with the accounting, reporting, targets and compensation of our GHG emissions based on the methodology of the Brazilian GHG Protocol Program.

Waste management, which fosters selective collection for the proper disposal of solid, non-hazardous, recyclable (paper, plastic, metal and glass) and non-recyclable waste generated at units across the country. Recyclable waste is sent primarily to cooperatives and associations of collectors. Organic and non-recyclable waste is disposed of by public collection.

Input management, whereby every paper purchased has the Cerflor or FSC certification; that is, its production respects the quality and sustainability standard.

Zero Paper program, which monitors the organization's paper consumption.

A 54% decrease in printed documents in comparison with 2017 and a 23.9% decrease in relation to 2019.

ISO 14001 Environmental Certification for buildings. Currently, we have two certified buildings, BB Building Brasília (Federal District) and BB Building São Paulo – Matarazzo Tower (SP).

+ Social

Employees

Talent development and retention are fundamental for business continuity. Investing in these aspects is a way to remain competitive in the market, within a background of digital transformation and customer focus.

The planning and development of employees' careers was stimulated through management tools and corporate programs for succession and professional growth, with relevant strategic actions reconciling organizational strategies with expectations for professional growth. They are based on promotion through merit,

clarity and transparency and the democratization of opportunities.

Human resources management and policies are guided by meritocracy, commitment with company values, cultural transformation, digital transformation, innovation and improvement of the customer and employee experience.

In 2020, we adopted several actions to identify talent and succession. Among them, already in the online format, new editions of the Superintendent Professional Growth, Regional Superintendent (Retail, Wholesale and Asset Recovery) and Specialized Government,

Challenge 4 |||||

Promote programs and initiatives related to attracting and retaining talents and developing human capital to increase business competitiveness and employee satisfaction.

Small Business and Large Corporate Management Programs were carried out.

For the retention of talent, we have also invested in quality of life, health and safety by meeting the Brazilian legal requirements and complying with international policies, such as those of the International Labor Organization (ILO), and international good practices and standards.

Profile of Employees

|102-8|
|103-2|103-3| Talent attraction and retention

External selection and hiring takes place through the public service entrance exam system, according to the human resources requirements identified for each region. The qualification requirements vary depending on the position, but the promotion of social inclusion is considered.

Number of full and statutory employees by employment contract and gender ⁽¹⁾

		2018	2019	2020
Consolidated Labor Laws (CLT)⁽²⁾	Male	56,646	54,068	53,028
	Female	40,243	39,122	38,645
	Total	96,889	93,190	91,673
Statutory	Male	28	29	28
	Female	3	3	6
	Total	31	32	34
Trainees	Male	759	877	336
	Female	1,022	1,164	490
	Total	1,781	2,041	826

(1) There are no temporary staff amongst the company's employees.

(2) Individual work contract governed by the Brazilian Labor Laws (CLT).





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Institutional reorganization

With the purpose of improving customer experience, undertake our digital transformation and provide process innovation, we promoted an institutional reorganization at the end of 2020.

The actions involved opening, relocating, changing the types and closing of service points, with efficiency gains and optimization in 870 locations in the country; review of the performance model of the executive tellers; new relationship nomenclature for clerks; optimization of the structure and activities of Strategic Units and implementation of specialist functions; in addition to adjustments in the allocations of the Strategic Units and in the Support and Business Units areas.

Some actions are related to Human Resources Management, such as the effective implementation of the Y career, which enhances the training and career of employees, improving and

expanding the possibility of technical progression in the eligible Strategic Units. This action aims to strengthen the incentive to the culture of continuous learning and increase the career attractiveness, keeping our talents engaged and motivated.

Based on the changes that the market has been going through and with the purpose of optimizing the workforce distribution, two types of voluntary dismissal were approved for employees: the Staff Adequacy Program (PAQ) and the Extraordinary Dismissal Program (PDE), and at the end of the accession period, 5,533 dismissals were validated, where about 75% are eligible for retirement.

In this same sense, we have carried out actions to move people, giving priority to excess employees and functions to facilities with vacancies. The relocations prioritize the interest of employees, but they can also happen in the interest of the service.

It is estimated that the actions described will generate recurring annual savings of R\$ 783 million and R\$ 2.9 billion by 2025.

Employee diversity

|405-1|

|103-2| 103-3|Diversity|

The greater proportionality of gender and race representativeness makes professionals with different backgrounds, skills, experiences and points of view work together to achieve a goal. Working with people with distinct life stories expands visions, boosts productivity, and influences wiser business decisions.

Challenge 2 |||||

Promote diversity and combat any form of discrimination in the workplace and in relationship with stakeholders.

Human resources management and policies are guided by meritocracy. We have also invested in quality of life, health and safety.



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This makes teams stronger and more prepared to adapt and gain space in a world in constant transformation. Consequently, this is also reflected in the relationship with the customer, with greater empathy generated among employees to act in range of contexts, thereby improving business.

Actions to promote employee diversity are guaranteed by general policies, by the Code of Ethics. We also improved the mechanisms and actions that favor gender equality, through awareness raising, accountability and organic construction of internal representation. The Bank's internal regulations emphasize the non-adoption

of criteria that characterize discrimination and prejudice as age, gender, race, length of service at the Bank, among others.

Additionally, the aims of the second edition of the Women's Leadership Training Program, launched in 2020, are to have more women enrolled in the opportunities for professional growth in the company and to spread this culture of gender equity to the Bank. In this new version of the program, all employees are allowed to access the educational actions, available at Women's Leadership Space, UniBB Portal or the UniBB Mobile App.

We are signatories and certified by programs that value diversity like UN's Standards of Business Conduct tackling discrimination against lesbian, gay, bisexuals, trans and intersex people and the Zumbi dos Palmares Faculty's Business and Gender Equality Initiative and the Women's Empowerment Principles. See more on the [Sustainability website](#).

In the table below, for comparative purposes and based on the same nature (total number of employees), only those employees who are in the actual workforce are listed. Quantities were adjusted to preserve the same logic of comparison.

Diversity (number of employees)

	2018	2019	2020	% of total
Black	2,795	2,745	2,732	2.98
Mixed-race	19,395	18,840	18,606	20.30
Indigenous	176	172	166	0.18
People with Disabilities ⁽¹⁾	1,584	1,601	1,640	1.78
Total	23,950	23,358	23,137	25.24

(1) The total number of People with Disabilities (PWD) is 1,646 in 2018; 1,658 in 2019; and 1,707, in 2020.

Diversity in management positions

	2018	2019	2020	% of total
Black, mixed-race and indigenous	7,029	7,043	7,145	22.30
People with Disabilities ⁽²⁾	276	314	337	1.05
Total	7,305	7,357	7,482	23.35

(2) The number of people with disabilities may include other minorities, such as black, mixed-race or indigenous people.



Employee satisfaction

The systematic monitoring of organizational climate, satisfaction and engagement enables us to evaluate the quality of relationships established in the work environment, including conflicts and critical points, strengths and weaknesses.

The evaluations allow the understanding of issues related to the causes of employee turnover, absenteeism, lack of motivation, low productivity, talent retention, etc.

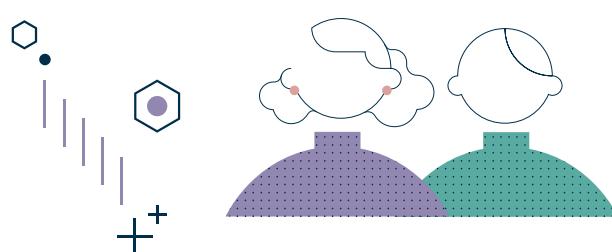
The diagnosis of organizational culture represents the internal

scenario and it is one of the elements considered/analyzed in the definition of the drivers. Since 2017, after reviewing the research strategy by our organizational behavior area, only the Organizational Climate and Engagement Survey was applied annually, as presented in the table below.

Organizational Climate and Engagement Survey

Percentage of Engaged Employees	2018	2019	2020	2019 Target	2020 Target	2021 Target
Percentage of Engaged Employees	77.60	78.40	84.23	78.0	79.0	64.0*
Female	77.30	78.73	85.34			
Male	77.80	78.17	83.41			
Administrators	96.42	96.66	97.07			
Middle Management	82.03	82.38	87.14			
Advice	78.03	78.49	85.21			
Technician	79.29	79.54	85.23			
Operational	72.55	72.94	80.63			
Clerks and Executive Cashiers	72.37	74.27	80.79			
Clerks and Executive Cashiers	83.60	84.78	88.27	83.6	83.0	64.0*
Clerks and Executive Cashiers	2018	2019	2020	2019 Target	2020 Target	2021 Target
Survey Coverage (% of total staff)	67.70	80.59	82.37	67.0	68.0	80.0

- * The Engagement survey will be carried out by an external company (Instituto Gallup), with a different evaluation and calculation methodology from previous years, which required the resizing of the target for compliance with the new methodology. This survey encompasses engagement and satisfaction.



We remain among the 150 Best Companies to Work for, according to the 2019 edition of Você S/A Guide.



Other initiatives for improving the climate and employee satisfaction in 2020 included:

- **Organizational Climate Management Workshop**, with 50 managers receiving online training, due to the pandemic;
- **The O Clima e Você (“You and the Climate”) course**, which was offered to employees through the UniBB portal and had 2,043 course completions;
- **The Developing the Organizational Climate Methodology**, with the participation of 40 employees.

In 2020, due to the pandemic, face-to-face training was suspended, which caused a reduction in the number of trained employees in relation to 2019.

Careers and succession

|404-2|

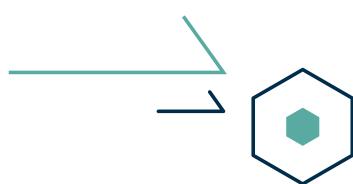
Corporate education is a strategic tool for achieving our purpose and goals, as well as reinforcing company's values. In order for our educational solutions to effectively contribute to the development of employees our corporate education system is divided into four interrelated subsystems: Training Needs Diagnosis and Assessment, Educational Planning, Deployment, and Evaluation of the Results of Educational Actions.

It is during the Training Needs Diagnosis and Assessment, Development and Corporate Education that the professional skills to be developed as part of the corporate strategy and to fill performance gaps are evaluated, as well as establishing the business results expected as an outcome of the educational actions. In 2020, 30 requests

for the development of initiatives were received, of which 17 resulted in training programs that adhere to the Corporate Strategy.

The results of the training were evaluated through the Integrated Training, Development and Education Programs Evaluation System (SIAP), which aims to provide comprehensive and reliable information for decision making and the improvement of actions, educators performance, trained employees, organizational results, and resource allocation.

The last work impact assessment was carried out in 2020 in order to evaluate the Exclusive Workshop Training Program, deployed between August and September 2019. This is a series of workshops aimed at managers who work



Corporate education is a strategic tool for achieving our purpose and goals, as well as reinforcing company's values.

with approximately 2.8 million individual customers of the Exclusive specialized relationship model and which correspond to 45% of the total customers with specialized service in business portfolios. These customers have more sophisticated demands and a higher level of digital maturity.

Aimed at 91 general managers and 3,171 relationship managers from 139 business offices, distributed in 77 municipalities in Brazil, the purpose of the training is the building a better service experience through the implementation of a relationship strategy, maintaining the proximity and ties of confidence in a digital environment and targeting at customer satisfaction and maximizing sustainable results.

Based on this assessment, we verified a Return on Investment of 3,760%, as a result of an increase in the contribution margin (MC) of R\$ 47.13 million compared to an investment of R\$ 1.2 million. The total volume of growth in the contribution margin in the group of target customers reflected the effectiveness of the program. The results of the evaluation showed that the training lead to an excellent level of improvement in specific performances.

In 2019, we launched the Career Map, a professional guidance environment available to employees on the UniBB Portal. It aims to assist the development of a career and development plan and has over 37 thousand accesses. Exact 11,328 employees created career plans, for a total of 25,247 maps generated. Result of

process integration, since the beginning of 2020, the Skills Development Plan (PDC) started to be made directly on the Career Map and no longer on the performance management tool, thus favoring the relationship between performance and career.

The BB Mentorship Portal, launched in 2019, is an online environment that supports professional guidance processes, designed to share knowledge and experiences among employees, focused on knowledge corporate management and vital skills for the professional growth of participants. In 2020, 24 mentoring programs were carried out with the participation of 9,645 mentored participants.

We remain among the 150 Best Companies to Work for,

Corporate education

Initiative	2019	2020
Number of demands for the development of training initiatives	42	30
Number of initiatives of the total demands identified as adhering to the Corporate Strategy	14	17



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Training program evaluation

Evaluated program name	2019 Relaciona-e Program	2020 Exclusive Workshop
Number of employees/profile in the evaluated program	6 thousand	3,262
Investment made in the evaluated program	R\$ 835 thousand	R\$ 1,221 thousand
Return on Investment of the evaluated program	224.67%	3,760%
Increase in contribution margin (MC)	R\$ 2.71 million	R\$ 47.13 million

Scholarships

Type of scholarship awarded	2019	2020
BB MBA Hired Group	211	0*
Specialization	1,055	0*
Graduation	946	0*
Languages	866	267*
Master's Degree/Doctorate	147	27*
Overall total	3,225	294*
Total number of scholarships in progress, as of December 31	5,974	4,306*

* In 2020, as part of several measures adopted to safeguard the health and well-being of employees in the face of the Covid-19 pandemic – such as the utilization of the emergency residential remote work and the interruption of business trips – no selective processes for granting scholarships were opened. Said decision, which explains the drop in the number of concessions compared to 2019, had as exceptions only the incentives for master's degree and doctorate courses at public universities** and language courses, since they are independent of the selection process and were granted in the period that preceded the pandemic.

** Leave of absence of up to one week for dedication to studies and 30 days at the end of the course to prepare the dissertation or thesis, as well as R\$ 500.00 half-yearly for the acquisition of didactic material or/and the hiring of support services, such as translation, transcription and statistical analysis.

according to the 2019 edition of Você S/A Guide. Annually, the Magazine conducts a survey, in partnership with the Fundação Instituto de Administração – FIA/USP, to reward companies that stand out in people management and

organizational climate. Among the aspects that make up the survey, the category best evaluated by our employees was that related to interpersonal relationships, with emphasis on trust between colleagues and the willingness of people to help each other.





BB Corporate University – UniBB

UniBB's actions are in line with the corporate strategy and contribute to achieving our vision of the future, attaining strategic objectives and strengthening beliefs and values, consolidating the company's commitment to stakeholders. Educational actions are offered in the presential modality in several Brazilian locations, and in the virtual modality.

During 2020, there was a suspension of the offer of educational actions in the face-to-face modality due to the Covid-19 pandemic. Educational actions in distance learning were essential to ensure the development of employees.

Currently, UniBB offers over 642 training solutions organized in learning trails for the development of specific skills, in different formats and with collaborative environments. Since the launch of the UniBB Portal in 2013, more than 22.09 million contents have been completed, of which 3.59 million in 2020. Moreover, the UniBB Mobile application had more than 3.16 million accesses in the last 7 years, 679 thousand of which in 2020 alone.

The Strategy and Planning Trail, launched in 2018, consists of 10 courses that address topics such as Strategic Thinking, Planning, Customer Experience, Leadership and Results and registered 90.7 thousand participations at the end of 2020.

The Digital Transformation Trail, composed of 47 educational solutions with technical and behavioral content, seeks the development of skills directed to digital thinking and acting. Since its opening in 2017, the trail has registered the participation of over 93,900 employees, 78,300 of which in 2020.

For the development of the skills needed to work remotely, in this emergency period, which put more than 32 thousand employees in remote work regime at the end of 2020, about 76% of the general management employees and 23% of the employees in the branch network, we launched the Remote Work Trail, which was fundamental for managers and their teams in this new organizational arrangement. There are 8 solutions that address cultural change, information security, productivity, time

management and leadership in the context of remote work. At the end of 2020, at least 68 thousand employees had already participated in the trail. [SASN FN-CB-230a.2]

Launched in line with the Remote Work Trail, the New Normal Trail invites our employees to develop skills to act in a scenario of transformation, change and urgency that we live in the current world. There are 33 educational solutions grouped in the following phases: World in Transformation, Me in Transformation, Learning in Transformation and Tools for Transformation. In 2020, 84 thousand employees participated in the trail.

In addition to said initiatives, the Human Connection Journey (JCH) Program improves the skills related to the employee's consultative performance, focused on a closer, sustainable and effective relationship, aimed at improving the customer experience. In total, more than 27 thousand employees participated in the JCH. The assessments to seasons have averaged over 8.9, considering a 10-point scale.

BB Corporate University – UniBB

	2019	2020
Number of courses in the online catalog	727	642
Number of courses completed in the year	3.0 million	3.59 million
Number of courses completed since 2013 – accumulated since the launch of the UniBB Portal	>18.5 million	>22.09 million
Number of courses completed in the year, by the UniBB Mobile	555 thousand	221.7 thousand
Number of courses completed since 2013 – accumulated since the launch of the UniBB Mobile	>2.49 million	>2.71 million





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Trails

Leadership Trail	2019	2020
Number of employee participations	>3.9 thousand	>82.4 thousand
Accumulated number of employee participations since the launch in 2017	>37.1 thousand	>94.2 thousand
Digital Transformation Learning Trail	2019	2020
Number of employee participations	>19.8 thousand	>78.3 thousand
Accumulated number of employee participations since the launch in 2017	>80.1 thousand	>93.9 thousand
Strategy and Planning Trail	2019	2020
Number of employee participations	>13.6 thousand	>90.7 thousand
Number of courses	10	23

The UniBB Family Portal was available to employees and their families throughout the year 2020 and was discontinued in December.

The Sustainability Trail brings together all the

contents for the Corporate Social and Environmental Responsibility (RSAE) and Sustainable Development training. In 2020, 58,721 training sessions were completed, totaling 180,611

hours. Another stream refers to the RSAE Certification of the Internal Knowledge Certification Program, whose examination was not carried out in 2020 due to the Covid-19 pandemic.

Training

|103-2|103-3|Talent attraction and retention|

	2018	2019	2020
Minimum Number of Annual Training Hours per Employee	30 ⁽¹⁾	30 ⁽¹⁾	30 ⁽¹⁾
Percentage of Employees Who Fulfilled the Minimum Number of Annual Training Hours	94.15	96.01	98.36
Annual Target for Percentage of Employees Who Should Meet the Minimum Number of Annual Training Hours	90	90	90

(1) The 30 hours of training include the educational solutions available in the UniBB catalog, both face-to-face and via distance learning. Employees are advised to use part of these hours to carry out courses considered strategic for their area of activity during the year.



Challenge 6 |||||

Transform organizational culture by implementing sustainability policies, programs, commitments and actions, fostering change in behavior and strengthening this topic management in Banco do Brasil Conglomerate.





Investment in leadership training

UniBB offers actions for leadership training to all managers of the organization, with the objective of developing leadership skills focused on the customer relationship and based on sustainable practices of people, business and process management. In 2020, several leadership growth programs and solutions were offered, covering all managerial levels, of which we highlight:

- The Leadership Trails, launched in 2017, already had the participation of over 94.2 thousand employees, 84.2 thousand of them in 2020;
 - 24 mentoring programs with the participation of 9,645 mentored participants;
 - The Women's Leadership Program had its 2nd edition launched, with the purpose of increasing the number of women participating in initiatives aimed at professional growth and disseminating the culture of gender equality.
- Over 6,400 employees have already participated in the program's activities, with more than 4,300 women and more than 2,000 men, totaling 700 comments in collaborative activity on the "Diversity at BB" topic.
- The Leader in Action Game, aimed at more than 26 thousand employees in middle management positions, ended with the Leader Experience (Leader X), an award that developed ideas for improving the customer and employee experience, in an online immersion event in a partner technology center.
 - Leader in Action Trail #forall, which fosters the improvement of leadership skills for those who wish to prepare to take managerial positions, had more than 28 thousand participations at the end of 2020, of which more than 3 thousand employees had completed it.

In 2020, several leadership growth programs and solutions were offered, covering all managerial levels.

- The Leader's Journey – an educational action designed to General Managers at Business Units and Supporting Units focused on management improvement and sustainable results – is currently digital and expanded its audience to 5,000 General Managers. Completion is expected in July 2021.
- The Super Journey, aimed at 148 regional superintendents and 11 professionals approved from the talent bank for the position, was held between August and September 2020. Fully designed through live online development events, it featured an opening live session, ten workshops that addressed the critical skills for our leadership and coaching sessions.
- In 2020, the Professional Growth Program for Executives identified and developed employees with a profile to hold positions of Executive Manager in Strategic



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Units, Superintendent and Abroad Manager. At the end of the selection process, 82 candidates were qualified in the program among the 196 who reached the phase of technical-behavioral assessment. These 82 approved candidates add up to 23 experienced executives, identified from their Individual Development Plans (PDI) elaborated in the Manager Program. This training will be carried out in the year 2021. Candidates not indicated and who arrived in the selection until the phase of technical-behavioral assessment will also receive training.

Professional growth

Actions for professional growth contribute to the identification and retention of talent and, consequently, the effectiveness of the succession program. They are

aligned with the company's corporate strategy and their achievement strengthens our commitment to meritocracy and innovation to improve the experience of employees and customers.

In 2020, due to the pandemic, the face-to-face selection methodology was adapted to the fully online format, using a remote tool, maintaining the recruitment and selection assumptions and principles of equality, clarity, transparency and proactivity in identifying talents.

Among the actions carried out, we highlight the unprecedented version of the Superintendent Professional Growth Program and the new edition of the Regional Superintendent and completion of the Specialized Management Program, with actions to improve the skills needed by the holders of the respective functions.

- Superintendent Professional Growth Program, with 155 enrolled employees, 61 evaluated and 26 qualified;
- Regional Superintendent Professional Growth Program, with 609 enrolled employees, 154 evaluated and 34 qualified;
- Specialized Management Growth Program with 185 evaluated and 70 qualified employees.
- For senior management, the Managers Program mapped 197 potential successors at BB and in the entities affiliated Cassi (Caixa de Assistência), Previ (Caixa de Previdência), BB Consórcios, BB Previdência and Fundação Banco do Brasil.

Corporate training events started to be held online, thus avoiding agglomerations, in compliance with current recommendations. Investments in language courses, undergraduate and graduate scholarships refer to the amounts invested to maintain contracts from previous periods, considering that new processes for granting scholarships were not opened in 2020.

Women's Leadership Program – Participants

2019	 300
2020	 6,409

Investment in Corporate Talent Development and Retention Programs (R\$ million)

	2018	2019	2020
Amount invested	101.9	96.9	50.4*

* The significant change in investments in corporate education is explained by the decrease in the number and hours of training due to the Covid-19 pandemic. Displacement for training purposes has suffered a drastic reduction when compared to previous periods.

There were no knowledge certification program either, whose tests take place in-person in test centers distributed in 266 cities in all Brazilian states. For this reason, all knowledge certifications valid until March 2020 have been extended for 365 days.



Performance evaluation

|404-3|

|103-2|103-3|Attraction and retention of talents|

Employee performance is appraised twice-yearly using the Professional Performance Management by Skills and Results (GDP), which measures the employee's contribution to the achievement of results in two dimensions: Skills and Targets.

As to the Skills dimension, employees are appraised from several different perspective (Financial, Customers, Internal Processes, Learning and Growth and Socioenvironmental). The Targets dimension assesses the results delivered and compliance with agreed deadlines. The performance

Actions for professional growth contribute to the identification and retention of talent for the succession program.

evaluation is used to provide information for variable remuneration programs and training actions, in addition to being adopted as an objective criterion for dismissal from a position due to poor performance.

Based on the identified improvement needs and considering career aspirations, employees are guided through the process of developing a voluntary Career

Development Plan (Plano de Desenvolvimento de Competências – PDC).

The results of the appraisals, which identify gaps in skills and training needs, provide inputs for the other Human Resources Management subsystems: UniBB Scholarships, Performance-Bonus Program, Recruitment and Internal Selection, Professional Growth and Automatic System of Competition for Transfer (Sistema Automático de Concorrência à Remoção – SACR).

The Manager's Radar (Radar do Gestor) is a system for monitoring the performance of managers, offering information based on the consolidating results obtained from appraisal systems or corporate databases.

Performance is monitored through the following dimensions: Business and Processes, People and Sustainability, which bring together a variable range of indicators depending upon the target group. In 2020, the Manager's Radar certified 4,122 General and Business Managers in the Retail and Government network and 435 Managers in the Wholesale Network, including Relationship Managers.

The Radar indicators consider various socioenvironmental

Performance evaluation ⁽¹⁾

	2018	2019	2020
Number of Employees Eligible for Appraisal	95,047	92,368	88,890
Number of Employees Who Received Performance Evaluation	95,000	92,217	88,874
Percentage of Employees Who Undertook Performance Evaluation	99.95	99.84	99.98

(1) Fluctuations occur as the result of possible absences of longer than 90 days in each review cycle, as well as variations in the overall number of functional employees.

Note: The data correspond, respectively, to:

- Number of Employees Eligible for Appraisal: correspond to the employees who worked at least 90 days over the half-year period, disregarding the number of employees absent due to different reasons for leaving, assigned employees, under experience contract, etc.
- Number of employees evaluated who received performance evaluation: total number of employees who were considered eligible for appraisal at some time during the cycle, even if at a later time (within the cycle) they became no longer eligible.

The selection / definition criteria for evaluations do not allow the audiences used in the contents 102-8 and 405-1 to be the same.



aspects in business and management practices, such as lending and investment operations, and employee training. The Sustainability indicator is used with all of the target audience and is composed of the Corporate CSR Culture, Eco-efficiency and Social Business axes, which encourage business practices that directly support the sustainable development of the country.

Performance Bonus Program

|102-35|102-36|

The Performance Bonus Program (PDG) is a bonus linked to the results and performance of the participants in management and results indicators, aligned with the strategic objectives. The participating audience is over 91 thousand employees (which corresponds to 100% of the total).

In the first semester of 2020, the PDG covered over 22 thousand employees, who received bonuses between 25% and 100% of the salary floor for the position evaluated in the period. In the 2nd semester of 2020, over 91 thousand employees participated in the program. The winners of this period will be paid in the 1st semester of 2021. Until the first half of 2020, the program bonus was paid in up to 50% in BB shares (BBAS3).

Manager's Radar

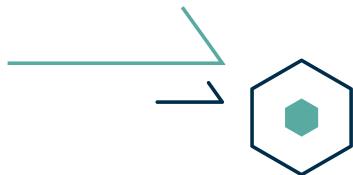
Certification Program

	2019	2020
Number of certified General Managers and Business Managers of the Retail and Government network	4,021	4,122
Number of certified General Managers and Relationship Managers of the Wholesale network	*	435

* The Manager's Radar has been extended to General and Relationship Managers of the Wholesale network in 2020, which is why the information for 2019 is null.



In the first semester of 2020, the PDG covered over 22 thousand employees with bonuses between 25% and 100% of the base salary for the position.



All rewards are undergoing continuous improvement, according to the scenario and strategy for the period.

Performa: performance and recognition

Performa Program: performance and recognition, which was implemented in 2020, modernizes the remuneration, award and evaluation models, aiming at valuing the individual performance of employees. It is a result of Market Research in the banking segment and also considers the internal balance of career model and attractiveness among functions. We stand out:

- a) expansion of the target audience of PDG to 100% of BB's employees, with an increase in the percentage of bonuses and in the amount distributed;
- b) revision of the fixed remuneration model for all Trust and Gratified Functions, without reducing the remuneration of employees already on their current functions, while maintaining the attractiveness of future promotions;
- c) improvement of PDG which aims to minimize the adoption of different criteria between the different evaluators and enhance the performance of employees, whose monitoring is now quarterly instead of half-yearly;
- d) revision of the Functions

Plan, with adjustments to nomenclatures and the creation and extinction of functions, in order to enhance the attractiveness and career in the advisory services.

Remuneration

Variable Remuneration and Bonus programs are designed to maximize employee engagement and results. The expansion of socioenvironmental and individual performance criteria shows the employees the importance attributed to the topic, with repercussions in the remuneration and recognition programs. As a result, it is expected to bring sustainable positive impacts for shareholders.

All rewards (salaries, profit sharing, and bonuses) are undergoing continuous improvement, according to the scenario and strategy for the period. They are guaranteed by the Bylaws and the Specific Remuneration Policy for Directors, in addition to complying with federal legislation. As required by law, the entities representing the employees ratify the Collective Agreement (ACT) on Profit Sharing (PLR). The agreement sets out

Challenge 6 |||||

Transform organizational culture by implementing sustainability policies, programs, commitments and actions, fostering change in behavior and strengthening this topic management in Banco do Brasil Conglomerate.

the eligibility criteria for the program and the definitions for its activation, distribution, and payment. See more public commitments on the [Sustainability website](#).

The Profit Sharing Plan foresees the distribution of fixed and variable portions; the latter depends on the performance of the units in which the participants worked over the period set.

The performance of the branches is measured through corporate tools, including the Work Agreement (Acordo de Trabalho - ATB) – a performance evaluation model based on the goals proposed in the Corporate Strategy. The variable remuneration of the employees working in the Strategic, Tactical and



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Operational Units is also linked to the ATB and includes indicators related to the efficient use of resources (water, energy, and paper), compliance with the Sustainability Plan, sustainable finance, and the increase of their participation in social and voluntary causes.

The remuneration of the employees corresponds to the sum of their personal payment and, when applicable, to the pay related to the exercise of their functions. Personal payment is calculated individually and becomes irreducible once engaged. It varies from one employee to another based on career, function/commission history, and start date in the job. Payment related to the exercise of functions is defined according to attributions, hierarchical level, complexity, location, grouping and other factors linked to functions/

commissions and can, therefore, be extinguished or changed at any time.

To provide remuneration compatible with that of the main peers and other financial institutions, BB uses an internal and external salary balance study. The remuneration scale for the functions and positions that are part of the organizational structure are considered for the internal wage. In addition, the activities, responsibilities, extent of command and other factors linked to functions/positions/commissions are observed. For the external salary balance evaluation, the annual remuneration survey conducted by Mercer Human Resource Consulting for the banking segment, 2018 edition, is used as a parameter. |102-36|

The last Collective Labor Agreement on Profit Sharing (ACT/PLR) was signed in 2020 and is valid for two years.

Health, safety and well-being |403-9|

Our Human Resources Management Policy promotes quality of life at work, prioritizing health and safety and considers the individual in his or her biological, psychological and social dimensions. The strategy to promote employee well-being encompasses actions in occupational health, safety and quality of life at work.

The strategic actions are carried out by the Specialized Safety Engineering and Occupational Medicine Services Network (Sesmt), which includes 140 professionals (engineers, occupational safety technicians, doctors, nurses, and nursing assistants) and teams in every State.

Units with less than 100 employees have an Accident Prevention Officer (RPA) and those with over 100 employees form Internal Accident Prevention Commissions (CIPA), as provided for by Regulatory Standard 5, of the Ministry of Economy.

Both the RPA and the CIPA involve professionals that are trained to act in the prevention of occupational accidents and diseases within the building where they are based. Therefore, all employees are represented by health and safety committees in the workplace. There are also trained and deployed Evacuation Groups (Gruas) to act in emergencies, in addition to Fire Brigades, as provided for by local law.



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Network of Specialized Services in Safety Engineering and Occupational Medicine (Sesmt)

2019  145 Participants

2020  140 Participants

Environmental Risk Prevention Program⁽¹⁾

	2019	2020
Environmental risk assessments carried out	4,674	540
Safety inspections carried out	4,561	535
Ergonomic analyzes performed	351	10

(1) Due to the pandemic, there was a reduction in on-site trips to the facilities to prevent the spread of Covid-19.

In compliance with the Environmental Risk Prevention Program (PPRA), the state teams of Occupational Health and Safety (SST) professionals make annual visits to the units, focusing on the identification and mitigation of chemical, physical and biological risks in the work environment, and measuring environmental variables, such as noise, lighting, humidity and temperature.

From this visit, Sesmt professionals also carry out security inspections in the building, where it is likely to identify the possible exposure of employee to non-conformities, according to the current legislation. When requested, the Ergonomic Analysis of Workplaces (AET) is also carried out, to ascertain the ergonomics of work activities. In 2020, 540 environmental risk assessments, 535 safety inspections and 10 ergonomic analyzes were carried out.

Risk Prevention

|403-9|403-10|

We have been traditionally investing in training to prevent occupational and health risks. In 2020, 59,024 trainings were carried out on the Occupational Health and Safety Learning Trail, which involves educational solutions on occupational risks, labor and social legislation, ergonomics, health and quality of life. Through the Well-Being Trail, available on the UniBB Portal, we seek to make employees aware of adopting a healthier lifestyle based on educational solutions that include topics such as: Nutrition and Health, Overweightness and Obesity, Cardiovascular Risk, Stress and Sleep Quality, Time Management, Conflict Management, Resilience, Organization and Ergonomics (professional guidelines). In 2020, 19,225 training sessions were carried out on this trail.

Actions were also promoted to minimize health risks/problems through the Occupational Health Medical Control Program (PCMSO), the Environmental Risk Prevention Program (PPRA), Ergonomic Analysis of Workplaces (AET), an influenza vaccination campaign, work-related illness research, and epidemiological study of absenteeism through illness.

We have been traditionally investing in training to prevent occupational and health risks.

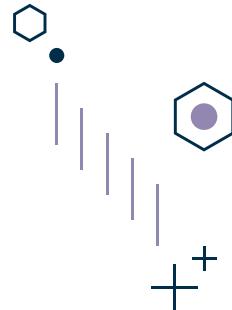


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Training to prevent risks related to work and occupational health

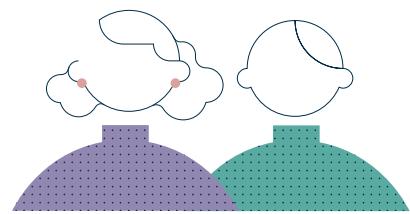
	2019	2020
Training on the Occupational Health and Safety Learning Trail	42,799	58,831
Training on the Well-Being Trail	29,639	24,496



Flu vaccination -% of employees immunized

2018	2019	2020	2020 Target	2021 Target
66.62	69.00	61.74 ⁽¹⁾	66.00	66.00

(1) Due to the Covid-19 pandemic, vaccination was below target.



Quality of life |403-10|

Furthermore, we rely on a comprehensive strategy to promote the well-being of our employees, aiming to keep them healthy, motivated and productive. This strategy covers actions in the area of occupational health, safety and quality of life. The quality of life at work is based on the concept that, with the collective construction of institutional conditions that allow people to feel valued, it is possible to carry out work that is meaningful to them and important for the organization, customers and society, favoring the space for discussion, know-how, cooperation and the relationship between producing and living together, promoting occupational health and safety.

In 2020, we signed a partnership with Gympass, a platform for the promotion and encouragement of physical activity. Through it, the employee can count on wellness and physical activity apps, classes broadcast live and personal trainers anywhere and anytime.

The partnership is part of one of Quality of Life at Work (Qualidade de Vida no Trabalho - QVT) program institutional actions and seeks to encourage employees to do physical activities and adopt a healthy lifestyle, thus improving their physical and mental well-being, even in times of pandemic.

The Occupational Health Medical Control Program (PCMSO), through occupational examinations

(hiring, periodical, return to work), identifies the employee epidemiological profile, which guides the design of actions to prevent risks/health problems.

The purpose of the Periodic Health Examination (EPS) is to detect a worker's illness early, following protocols for the most commonly-occurring diseases by age range and gender. In 2020, due to the Covid-19 pandemic, we exempt employees from carrying out the EPS who, by law, would not have the obligation to do so, preserving risk groups.

In 2020, 16,754 tests were carried out. In addition to consultations with an occupational doctor according to age and gender, the professionals also undergo optional additional clinical exams.



Periodic Health Examination (EPS)⁽¹⁾

	2019	2020
EPS performed	94,762	16,754

- (1) The number of EPS was far fewer than expected due to the pandemic: examinations started to be conducted in October only. People in the risk group for severe forms of Covid-19 and those under the age of 45 were discharged, in accordance with the law.

Medical Checkup Program for First Managers

	2019	2020
Managers checked-up	4,712	0 ⁽¹⁾

- (1) Due to the pandemic, the medical checkup program for first managers was not carried out.

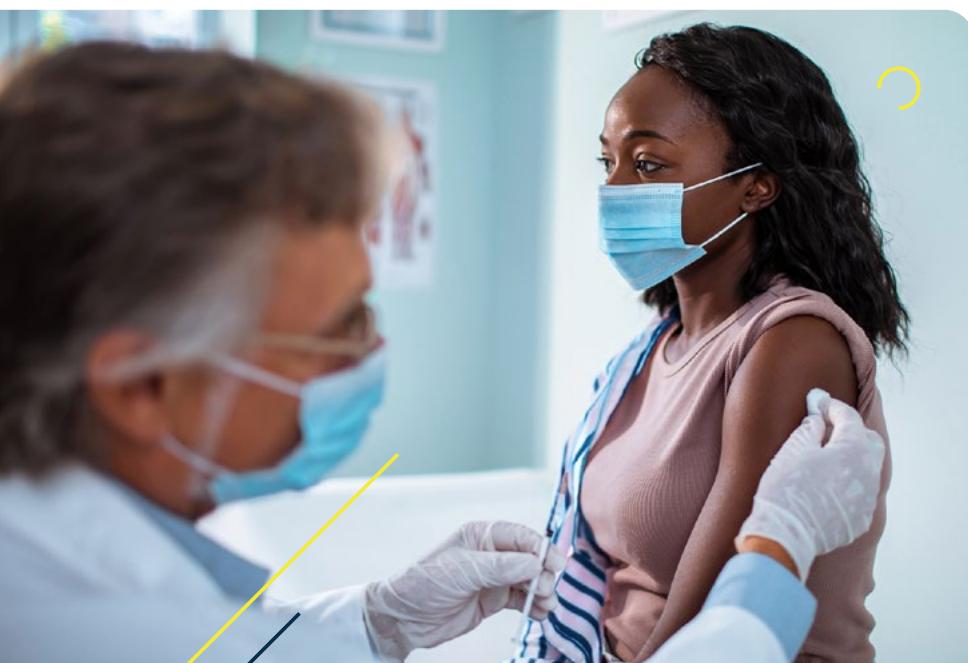
Actions during the pandemic

With the onset of the Covid-19 pandemic, we set up strategic executive and regional groups to carry out the measures adopted by the institution, based on the Ministry of Health's recommendations. An information system was

concurrently developed to monitor suspected and confirmed Covid-19 cases, enabling health professionals to monitor such cases and actively search for people who had contact with patients, which resulted in good epidemiological control over the cases within the company.

The occupational health teams disclosed information materials in our media, including podcasts on measures to prevent Covid-19 and content focused on stress management over this moment when it becomes necessary to implement contingency plans and deal with social distancing/isolation issues. Even before the pandemic outbreak, the UniBB Portal has already offered self-learning courses focused on emotional health, self-knowledge, resilience, leadership, healthy habits, among other topics that make up the trails of health, safety and well-being at work. |403-10|

Some of the procedures implemented across Brazil were suspending international travel and restricting national travel; cancelling all in-person training, events and meetings, prioritizing digital



We rely on a comprehensive strategy to promote the well-being of our employees, aiming to keep them healthy.





means; and designing new hygiene routines for work means, furniture, equipment and physical structures.

From March 2020, we have made emergency residential remote work available to thousands of employees to

protect their health and life and those of their families.
[Learn more about it in "How we face Covid-19".](#)

Absenteeism rate (%)⁽¹⁾ |403-9|

	2018	2019	2020 ⁽²⁾	2019 Target	2020 Target	2021 Target
Total absenteeism due to health reasons	2.98	3.12	3.30	3.05	3.02	3.13
Absenteeism due to occupational health and safety issue	0.19	0.20	0.19			
Absenteeism for non-occupational health issues	2.78	2.92	3.11			

(1) Absenteeism Rate = (missed scheduled days/scheduled days) x 100.

Absenteeism excludes paid absences such as holidays, study leaves, maternity leaves, paternity leaves and days off.

(2) The increase in absenteeism due to non-occupational health issues suffered a strong impact due to the Covid-19 pandemic in 2020.

Benefits and programs

|401-2|

|103-2|103-3|Talent attraction and retention|

Benefit/ Program	Description	Gains/effects generated for employees	Monitoring indicators
Stress management 403-10	Follow-ups on stress-related illness; included in the routine of EPS. The questionnaire indicates stress levels using the Lipp test.	Early detection and intervention in cases of stress-related illnesses tends to avoid the worsening of the symptoms, avoiding prolonged absences from work.	Absenteeism rate
Ergonomics of the work environment 403-10	Ergonomic Analysis of the Workplace (EWA) to adapt working conditions and worker's psychophysiological characteristics by addressing at the least work-station furniture and equipment related issues; environmental conditions, such as noise, temperature, air speed, relative humidity, lighting; and work organization.	Prevention of musculoskeletal diseases relate to or worsened by the work.	Climate and organizational engagement Absenteeism rate



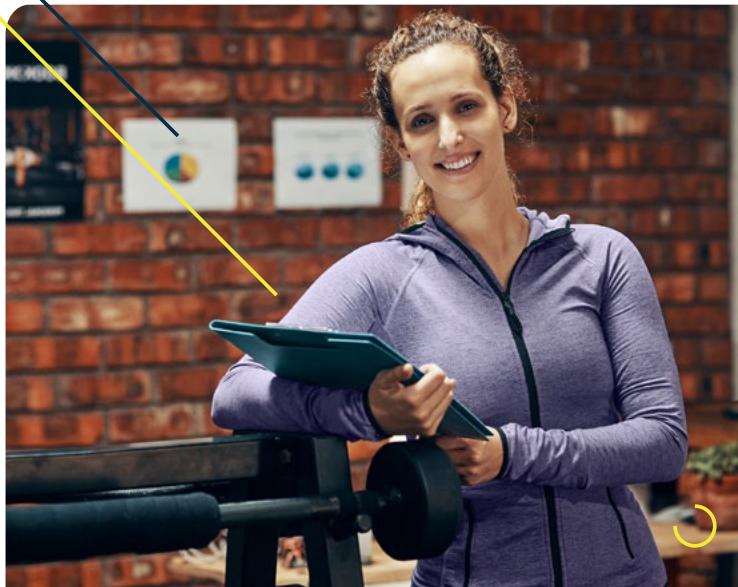
Benefit/ Program	Description	Gains/effects generated for employees	Monitoring indicators
Quality of Life at Work Program (QVT) [403-10]	Promotes actions supplementary to OHS at workplace	A healthy lifestyle, including sports activities and emotional health, tend to reduce illness risks, increase production capacity and improve the general well-being.	Climate and organizational engagement Absenteeism rate EPS indicators
Food card	Payment Money delivered through an electronic card, used to reimburse expenditure on food purchased in grocery stores or supermarkets.	Assistance with expenditure on food items.	-
Food/Meal assistance	Payment through an electronic card, used to reimburse expenditure on food purchased in restaurants and snack bars.	Assistance with expenditure on food items.	-
Flexible working hours	Maintaining an hours-bank enables employees to reduce working hours when necessity, which can be compensated in up to six months.	Work-life balance.	-
Day-care assistance	Financial assistance to reimburse expenses incurred with freely chosen childcare and preschool institutions including, under the same conditions and value, expenses incurred for the payment of maids/nannies. The amount is defined by the Collective Labor Agreement (ACT).	Assistance with maintenance of dependents in daycare centers and preschool institutions.	-
Assistance for disabled children	Financial assistance to partially meet the needs of employees with children with disabilities, with no age limit. The amount is defined by the Collective Labor Agreement (ACT).	Assistance with care of direct dependents with disabilities – children, stepchildren, foster children, minors under judicial care or in care during adoption process.	-



Benefit/ Program	Description	Gains/effects generated for employees	Monitoring indicators
Paid maternity leave above the minimum legal requirements	60-day extension to maternity leave, through the corporate citizen program (Empresa Cidadã)	Longer time spent with the child, favoring breastfeeding and/or development.	-
Paid paternity leave above the legally-required minimum value	Extension to maternity leave of up to 60 days in cases of preterm birth and internment in ICU.	Longer time spent with the child, strengthening the bond of paternal responsibility.	-
Assistance Program for Armed Robbery and Kidnapping Victims (Pavas) [403-10]	Guarantees medical, psychological, legal and security assistance to victims of armed robbery or kidnappings aimed at private properties.	Psychological, social support helps prevent the development of potentially serious psychiatric illnesses. Coverage of injured treatment related to the occurrence.	Absenteeism rate Occupational Illness rate
Leave to Care for Sick Family Member (LAPEF)	Paid leave granted to (70% pay) to employees who prove the need to care for sick spouse/partner, children or parents.	Possibility of being present during the treatment/recovery of sick relatives while maintaining part of the salary.	-
Programa de Assistência Social – Adiantamentos	A type of financial assistance that partially meets specific needs. It complements coverage offered by Cassi Associates Plan related to health procedures.	Partial assistance with the needs foreseen in the program.	-



We promote actions supplementary to OHS at workplace to reduce illness risks.



Challenge 12 | | | |

Improve management of relationship with customers and increase satisfaction and retention rates.

Customers

The customer is at the core of our strategy. More than just getting to know him, we want to act proactively, based on his goals and needs, preserving our historic partnership and support for individuals, companies, the public sector and rural producers. We emphasize the use of digital channels as a form of customer service, with convenience and safety.

Customer satisfaction

|103-1|103-2|103-3|
[Customer relationship and satisfaction]

Service quality is essential for customer satisfaction, as it contributes to increased trust, more business opportunities and increased profitability. When offering excellent service, the employee is the role model seen by the customer for doing any business with us.

Upon analyzing how to contact customers, it is possible to take advantage of the information captured to develop and/or improve products and services: each interaction may be used to create business opportunities and further improve customer relations.

We were the first financial institution in Brazil to approve and publish the Customer Relationship Policy, as required by the National Monetary Council (CMN), which

reinforces our commitment to improving customer relations. This policy guides the behavior and conduct of activities with observance of the principles of ethics, responsibility, transparency and diligence, enabling the convergence of interests and the consolidation of the institutional image of credibility, security and competence.

The management of the customer relations is also guided by other internal instruments, such as the standardization of Related Party Transactions and the Code of Ethics. It is also in line with the Bacen's general rules and federal legislation, especially the Consumer Protection Code.

When measuring customer satisfaction, we check whether the materialization of the value proposal is perceived, aimed to adopt management measures, improve processes, products and services and adjust performance strategies.



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As a methodology to measure whether the service offered meets or exceeds our customer expectations, we adopt NPS (Net Promoter Score), in addition to surveys on customer experience and their satisfaction with services received, whether in person, by phone or via messages exchanged at the BB app.

Focused on the real need and satisfaction of our customers, essential for the success and sustainability of our results, the search for excellence in the indicator is a constant goal that, throughout 2020, has shown significant improvement.

Our satisfaction indicator management is constantly evolving, providing feedback to our customer relation strategies and contributing to the implementation of improvements and solutions offered by us.

Experience surveys

|103-1|103-2|103-3|
Customer relationship and satisfaction|

Our 2021-2025 Corporate Strategy (ECBB) places customers at the center and takes on the commitment and challenge of providing them with valuable experiences in all relationship channels, as well as prioritizing actions to expand business and favor increased satisfaction, retaining and attracting new customers.

Based on our customer segmentation, we have defined value proposals and specific strategies for each, according to the strategic architecture document Market Business Plan (PNM).

Customer experience is evaluated using 2 (two) indicators: Customer satisfaction and Net Promoter Score – NPS.

The historical series of our customer satisfaction shows the change in results since 2018 data. Satisfaction levels in 2020 dropped moderately, mainly due to adversities in a year marked by the Covid-19 pandemic scenario.

On the other hand, in relation to the Net Promoter Score (NPS) indicator, we reached a result of 36.91 in 2020, up 8.86 percentage points from the 2019 NPS, as shown in the following graphic:

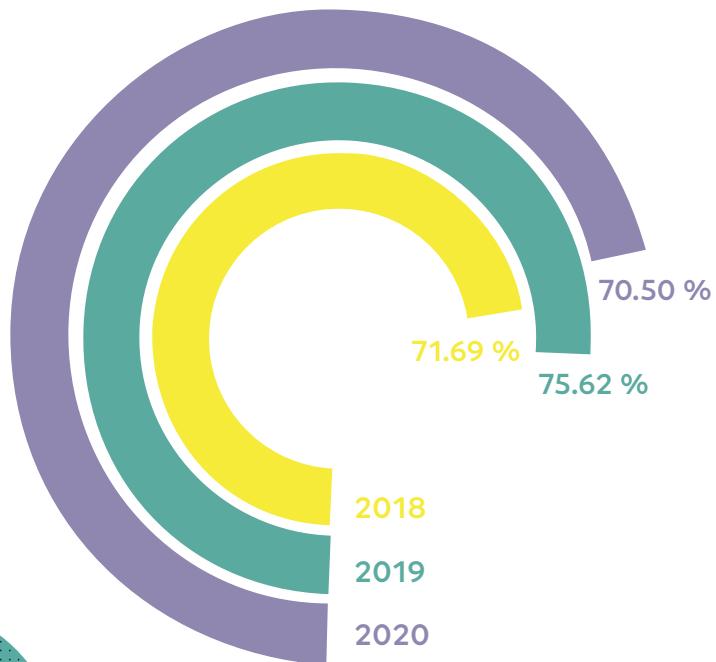
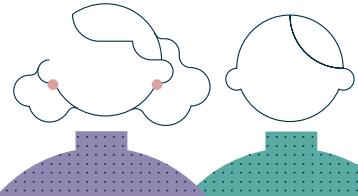
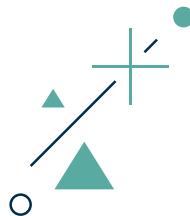
Net Promoter Score



2020
Target:
40.00

2021
Target:
50.00

Satisfaction level - degree of customer satisfaction



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We work to offer a bank tailored to each client, with an experience unique and personalized, integrated solutions and innovative. From the knowledge of the customer, we improve our models and channels to build relationships increasingly lasting. In this context, we recognize the value of our human capital, engaging people in a culture oriented to a more than digital experience. We reinforce the role of BB in the lives of People, micro and small companies, from rural producers and also the Public Sector, following closely your activities, ensuring solutions and credit in the right measure.”

Carlos Motta

Chief Retail Business Officer



In order to preserve the impartiality of the evaluation process, market research institutes affiliated with the Brazilian Association of Research Companies (ABEP) and / or the European Society for Opinion and Marketing Research (ESOMAR) were hired.

The data collection methodology includes the following steps:

Qualitative research seeking to raise material customer satisfaction attributes in their banking relationship to allow the construction/revision of the quantitative research questionnaire.

Quantitative research aiming to measure satisfaction perceptions and attributes raised in previous step, as well as the NPS. Previously carried out only once a year, since 2017 the survey has been conducted from January to December, generating results on a regular basis. The analysis and discussion of the results are conducted at internal events and are made available via the intranet.

Conducting qualitative research to deepen the most sensitive points identified in the quantitative research, to better understand the perceptions and receive suggestions for improvement from customers.

Our different areas regularly receive information on customer satisfaction levels, perceptions and suggestions, throughout the year, supporting the adoption of corrective actions with greater timeliness. Furthermore, the following measures were adopted to increase customer satisfaction levels:

- Holding Customer Council meetings, aimed at identifying main reasons for satisfaction or dissatisfaction and creating opportunities for customers to approach our executives, record customer perceptions about their experience, positive and negative points, and service improvement suggestions. Such perceptions are analyzed for implementation and feedback on measures taken is submitted to customers at subsequent meetings.

Highlight for the Agribusiness and Public Sector segments



- Conducting hidden client surveys, through which trained surveyors impersonate real customers to assess the service provided by us in terms of agility, customer experience, resolution and innovation. The results obtained allow the identification of possible flaws in each assessed channel, to give rise to continuous customer experience and satisfaction improvement actions.

Customer Council

|102-43|

|103-1|103-2|103-3|

Customer relationship and satisfaction|

The Customer Council is a space for customers to interact with and speak up directly to our senior management. This space is also important for us to improve customer service, relations, processes, products and services, aiming to improve customer experience and satisfaction. Since 2019, virtual meetings of the Customer Council have been held aimed to listen to consumers from different Brazilian regions and to capture different



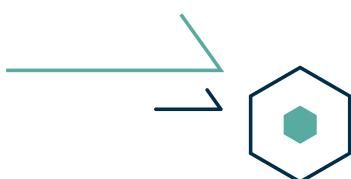
perceptions of digital relationships.

In the scope of Corporate Banking, in 2020 the Customer Council was composed of three groups of clients, from Middle, Upper Middle and Corporate segments, covering three different areas (São Paulo, Belo Horizonte and Curitiba), with a total cycle of nine meetings, three held in each city. Along the year, customers have submitted 27 suggestions, of which 24 were delivered and three are under progress.

For the Private segment, in partnership with the

Innovare Institute, we held three meetings in 2020, all of them online due to the Covid-19 pandemic. Topics covered were Succession and Legacy in the Private Banking Market; Rural Mega Producer: Agribusiness and the Private Banking Market; and Banking Innovations and the Private Banking Market.

To capture ideas to improve our relationship with micro and small companies, two virtual events were held with 14 customers attending to discuss topics such as Products, Services and Service provided to SMEs.



Since 2019, virtual meetings of the Customer Council have been held aimed to listen to consumers from different Brazilian regions



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Relationship Strategy

Individual

|103-1|103-2|103-3|
Customer relationship and satisfaction|
|SASB FN-CB-000.A|

In view of the changes brought about by the Covid-19 pandemic, we have maintained the focus on meeting Individual Clients' demands and needs as best as we can, by placing these clients at the center of our business, aimed at preserving our history of partnership and concurrently underlying the use of digital channels as our major customer service way.

We have promoted structural changes focused on improving the customer experience at all organization levels. We have approved a set of measures for revising and resizing our organizational structure, with the optimization of service points across Brazil, which include opening offices focused on digital heavy users and agribusiness industry clients, so that we can adjust to such client's new profiles and behaviors, prioritizing service specialization and widening digital solutions. Furthermore, we have expanded our managed client advisory capacity by 1.3 million customers thanks to this type of service and now we have 100% of high-end retail clients served by this managed service model. We have also strengthened our operations

by offering customized advisory to investing customers. For 2021 we will have 800 investment professionals to offer a full competitive, democratic portfolio. Accordingly, we have improved our efficiency and ability to better service customers.

Our communication channels were prioritized to disclose content that provides clients with safety and convenience. Changes to bank card limits, guidance provided to INSS beneficiaries and their families, and encouraging the use of self-service channels, especially our App, were among the topics addressed.

We provide customers with options to unlock and register passwords via app, ATM, BB's call centers, in addition to digital service provided by our managers. We have adjusted withdrawal limits at ATMs and Banco24h channels, as well as the limits for payment and transfers via app, according to the client's profile.

We encourage the use of digital tools and channels for customer services and relations via Internet and mobiles, with increased access to a number of customer profiles with message service, in addition to carrying out banking operations. We have reached 19.7 million clients who use BB's digital channels by expanding available solutions, conversation plan to encourage the use of these channels and using

analytical intelligence to identify customer behavior patterns and implement actions to improve engagement.

With a pioneering action, we have expanded the qualified human service via chat on the BB App ("Talk to BB") to 9.8 million customers. Our Artificial Intelligence Bot (via WhatsApp and Twitter and Facebook message channels) has responded to users' major questions and carried out first call to registered users and customers.

INSS beneficiaries and their families were provided with broad tips of self-service channels made available for consultation, withdrawal and other transactions, with special focus on the app.

We encourage customers to use the benefit card to make purchases as an alternative to withdrawing money at branches, as there is no need to physically going there to do so. We have also extended the valid date of cards to prevent customers from having to go to branches to get a new card. We have increased the withdrawal limit at ATMs for card holders, thus preventing customers to be exposed when they withdraw the benefit.

Pronaf Correspondent

|103-1|103-2|103-3|
Sustainable Business|

As a means to foster and expand business for family farmers receiving Pronaf services, the formalization of agreements with correspondents allows



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expansion of service network. In 2020, R\$ 8.03 billion were released under Pronaf operations via this channel, compared to R\$ 4.6 billion in 2019.

Rural Product Notes (CPR Digital)

Created in 2018, the CPR Digital allow farmers to issue the document using the app. Easy contracting was one of the factors that contributed to the increase of portfolio's balance from R\$640 million in the year of launch to R\$ 3.7 billion in 2020.

Young public

In 2020, the strategy focused on university customer audience, jointly operated with the e-sports strategy, reinforcing our position to encourage this kind of sport and be a partner of its practitioners and focusing on attracting, building loyalty and renewing the customer base. We sponsor events that enables us to get closer to audience, such as BGS, Expo

CIEE and UEB League. In the year, we recorded increases of 16% increase in the number of university customers and of 31% in net share on a year-on-year basis.

Strategy for Digital Native Customer

In 2020, we noticed that the customer's digital behavior has evolved against the backdrop of the Covid-19 pandemic. In the year, we reached the mark of 6.83 million incoming digital customers, up 78% on a year-on-year basis. We seek to improve this audience relationship model by providing resolute and agile service through digital channels, WhatsApp included, with directed communication according to the customer's moment of life profile.

The number of customers who started their relationship exclusively through digital channels reached 2.3 million in 2020.

Expansion of the Investor Estilo segment

The service expert move aims to provide better customer experience in connection with fund management, financial planning focused on hedging and increasing equity and family succession. Furthermore, it deepens the relationship with qualified attentive service to the customer's needs and expectations, without losing sight of focus on sustainable business.

In 2020, we provided six more Estilo branches specialized in serving investment customers, reaching nine specialized facilities, totaling 273 Estilo Investidor portfolios and over 120,000 investment customers served.

Altus Card

In partnership with Visa, we launched Altus, the first credit card especially designed for the Private Banking public, with differential benefits from other products in our



In 2020, R\$ 8.0 billion were released under Pronaf operations via this channel, compared to R\$ 4.6 billion in 2019.



portfolio and in the market. Produced with encapsulated metal, it offers credit points that never expire (up to 4 per US dollar spent), unlimited stays at VIP lounge rooms at top airports in the world, extended warranty insurance, exclusive concierge service and extra travel coverage, among other benefits.

By the publication of this report, Altus was regarded as the best credit card in Brazilian card market, according Melhores Destinos travel website.

Negotiation and Financial Orientation Week

|SASB FN-CB-240a.4|

In December 2020, organized by Febraban and affiliates, the Financial Guidance Task-Force was held to provide individual customers with access to financial education content through videos with tips and guidance on a number of personal budget management issues, such as debts negotiation, new sources of income, and credit score. Customers from different segments were informed and encouraged to join the event that may potentially benefit over 2,3 million people who face a significant bank debt to income ratio.

Companies

In 2020, within the scope of the Retail Companies relationship model, 401 Entrepreneur Poles were open to offer in-person assistance to micro and small

We reached the mark of 6.8 million incoming digital customers, up 78% on a year-on-year basis.

companies, preferably with annual gross revenue of up to R\$ 1 million. One of the major features of this service profile is making available a qualified team to offer proper financial guidance for the sustainable growth of companies and increase their satisfaction.

As a result of this strategy, we increased the number of clients served under this model to 257,000 companies, with higher credit volume and improved financial results.

As part of the strategy to expand the MPE customer base, 321,000 new micro and small companies joined our portfolio, contributing to a net increase of 10% in 2020. In 2020, we reached a total of 1,688 specialized SME service points across the country. The model has about 6,700 employees focused on serving Micro and Small Companies. |SASB FN-CB-240a.1|SASB FN-CB-240a.4|

Contingent Visits

With the outbreak of the Covid-19 pandemic, the need arose to keep regular qualified visits, even remotely. The solution

Investalk

The InvesTalk playlist, launched in 2019 on our YouTube channel, also became available on Spotify in 2020. To share simplified and unbiased quality information focused on each investor's prior experience, this playlist includes investment suggestions, economic scenario, market analysis, tips, chats, among others. In the year, 10 live stream events open to the public were held, with over 400,000 views. This playlist had overall over 22,5 million views.



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found was paying virtual visits, held weekly by relationship managers from the Corporate Service offices with their related customers. This strategy resulted in an increase to 83% of the portfolio visited per week from 50% in the pre-pandemic period.

New service platforms

We proceeded with the strategy to open platforms, have leaner relationship units linked to Corporate Offices in regions with significant business potential and a reasonable number of customers with a Wholesale profile. In 2020 we opened three new platforms.

Virtual events

To proceed with the strategy to come closer to Wholesale customers, we have invested in holding Relationship and

Content live streaming events of the BB Corporate Cycle, which addressed current material topics, such as innovation, trends and capital markets.

Conta Fácil MEI 100% digital (100% digital account for Microbusinesses)

The BB Conta Fácil account for Microbusinesses enables individual microentrepreneurs (MEI) to open their account with a simplified and fully digital solution using the BB mobile app. This transaction allows access to services such as: automatic debit, withdrawals, deposits, payments, transfers, in addition to giving access to the Ourocard Elo debit card, thus providing entrepreneurs with more independence.

We closed 2020 with an 86% rise in the number of open accounts: were 67,093 new accounts via app, outnumbering the 48,024 accounts in 2019.

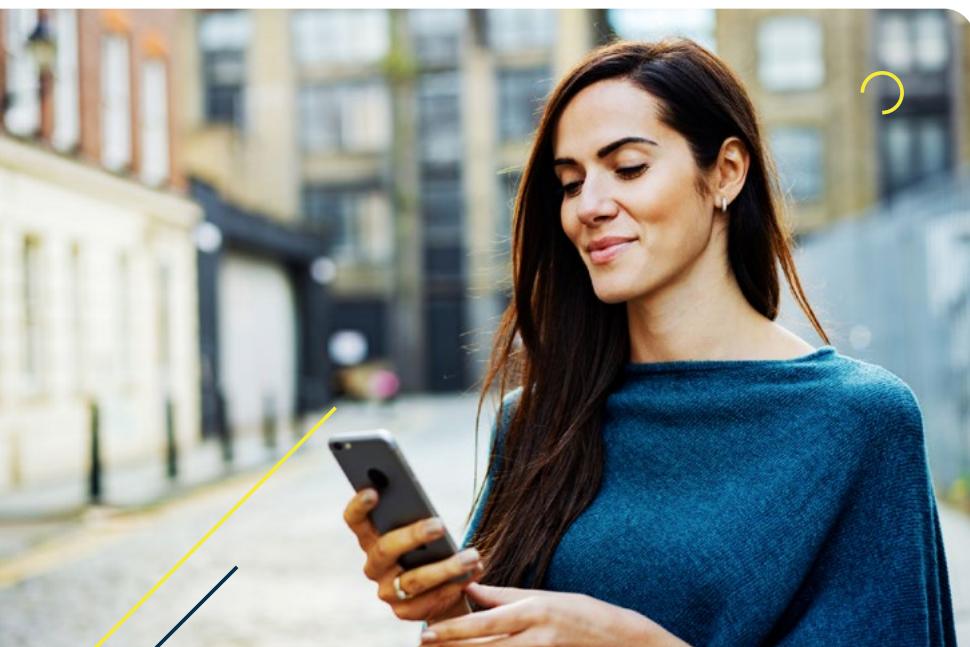
The Hunter Project

The Hunter Project aims to improve and add value to the customer experience, as well as optimize operating efficiency, offer top advisory services, decentralize results, attract new customers, and increase the contribution margin. In 2020, the project included 1,153 business groups broken down into 28 business portfolios and served by four Corporate Offices. By December 2020, loan portfolio increased 200% (R\$ 650 million), with a 127% increase (R\$ 3,327 million) in the contribution margin of this group.

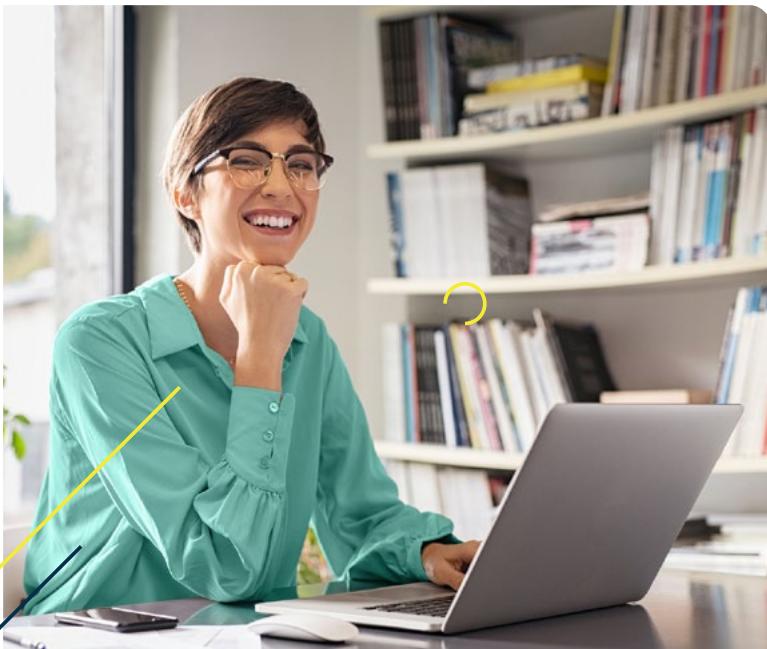
Mobile PJ App

With a focus on customer needs and experience improvement, the Mobile PJ App offers more than 100 transactions, allowing entrepreneurs to conduct their banking transactions with more convenience.

The app allows customers to carry out card transactions, such as checking and paying card bills, including and excluding account debits, preventing printed-out bills, requesting a second copy, blocking/unblocking cards, and changing valid dates. In 2020, we recorded over 1.05 billion transactions.



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With a focus on customer needs and experience improvement, the Mobile PJ App offers more than 100 transactions.

Public Sector

Among the actions and projects with relevant impact in 2020, we highlight expanding remote services to all customer segments of the Public Sector Market through digital solutions, such as Fale com BB, for video calling, sending documents and real time interactions.

The model enables settling demands and business deals, without the need for customers to physically go to our branches. This specialized relationship is expected to be expanded to over 1,900 municipalities in Brazil's countryside.

Due to the need to migrate from in-person to electronic trading process, either driven by such requirement to States and Municipality authorities whenever funds used come from federal

onlending or by the need to carry out processes free of physical contact as a measure to curb the expansion of the Covid-19 pandemic, the "Licitações-e" (e-Bidding platform) was featured as a solution for holding online public procurement bidding processes by offering public buyers and suppliers an agile, transparent and safe online competition environment to select the best products and services.

To keep up with the needs of the Public Sector customers seeking improvement and efficiency, the "Licitações-e" was one of the first platforms to adjust to the new electronic trading rules, which aims to transfer a significant number of in-person to electronic trading. Furthermore, to improve the customer relations,

we implemented the first chatbot in Brazil to respond to buyers' and suppliers' questions. This chatbot automatically, quickly and intuitively performed 140,000 services on average per month, facilitating the journey of customers, auctioneers and bidding companies. Noteworthy mentioning is the concentration in the first six months of the year, a period in which users of small and medium-sized municipalities started to increasingly use of electronic trading. This way, the doubts are cleared up online.

We move forward with interconnection by integrating our systems into those of the Regional Labor Court of the 13th Region (Paraíba), the 22nd Region (Piauí), the 1st Region (Rio de Janeiro), the 9th Region



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(Paraná), the 24th region (Mato Grosso do Sul), the 5th Region (Bahia) and the 4th Region (Rio Grande do Sul). We have eliminated the need for hardcopy permits with the courts that have already started using SisconDJ. This process is under way within those Courts that have installed the system.

The automated procedures for reception and withdrawing judicial deposits have generated savings of 40 tons of paper in 2020, with a 72% growth compared to 2019.

Service channels

The App accounts for 68.40% of all transactions carried out and is being recognized as the main customer relations channel: 16.7 million+ unique users access this App per month. Another material milestone is the assessment of the tool by app stores: 4.6 for Android platform and 4.7 for iOS, the best results among all banking and fintech apps.

With the pandemic, the number of users increased by 4.7 million on the Banco do Brasil App, totaling 19.4 million customers on

this channel. The average number of new users on the App per day, between April and December, is up 273% from the average in the previous six months; noteworthy was the 20% increase in access in December.

The number of employees increased by 6,000 working at remote channels such as WhatsApp and Fale Com, an instant messaging tool accessed via App or website. With this increase, we now total 16,000 employees dedicated to digital service, up 60% in capacity.

Artificial Intelligence has been extensively used in customer relations through web robot service (Bot) - virtual assistants who manage conversations. The solution is applied to the offer of services, contributing to the proximity and availability of social network interactions, chatbot readiness and safety of the BB brand, with end-to-end encrypted information.

We aim to make this version of the app available to all customers, providing for the expansion of the businesses achieved through digital service and more active financial consultancy.

Support to states and municipalities

|203-2|

In 2020, we disbursed approximately R\$ 4.4 billion in loan operations with states and municipalities to enable the performance of investment programs included in the multi-annual plan of public entities.

In another initiative developed in the year, a partnership with the Inter-American Development Bank (IDB) resulted in the execution of a loan contract worth US\$ 600 million to offer a credit solution and technical support to municipalities with up to 500,000 inhabitants to implement transport, energy and water infrastructure improvements. In December, US\$ 100 million was disbursed.



(1) Based on the April / 2020 comparison basis.

The pandemic has intensified the change in customer behavior seeking for channels for movement of transactions. Transactions on digital channels rose 8% on a year-on-year basis, which in turn had increased 2% from 2018. Transactions on physical channels fell 31%, a drop already noticed in the 2019 to 2018 comparison, but which was stressed as it was short of 4.4 times in 2020, compared to the 2019 percentage fall.

BB App

|102-15|

In 2020, the Banco do Brasil App held on to its prominent position among the world's best rated apps.

Highlights in 2020

- Recurring users (+2 times a week): 10.2 million

- 38.39% increase in the number of unique users on the channel: 19,436,855

- 20.3% increase in average daily users: 6,175,342

- A 0.095% drop in the number of products and services hired: 9,756,688.

Service channels

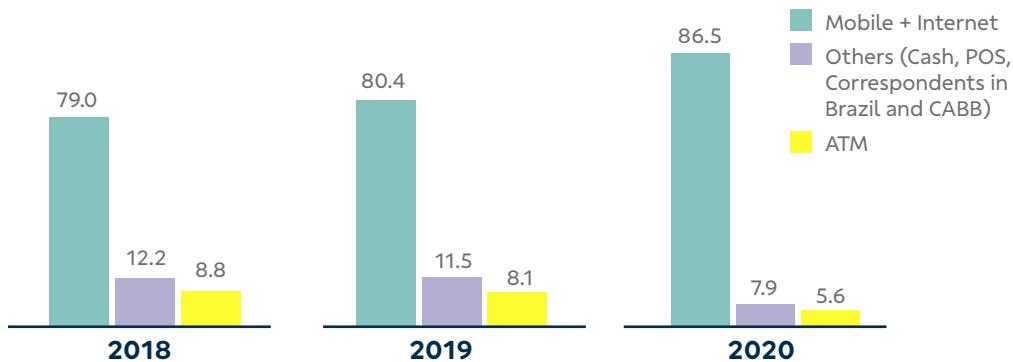
	2019	2020
% of total transactions via App	62.38%	68.40%
Customers who access the App monthly	+ de 12.8 million	+ de 16.7 million
Tool assessed by the app stores	4.6 for Android 4.7 for iOS	4.6 for Android 4.7 for iOS

Number of App users (million)



(1) Revised Series – Methodology for calculating mobile users was revised to suit market practices, including recurring customers. Mobile users are defined as active customers who have accessed the App in the last 3 months (quarters closed).

Transactions by Type (%)



3 Benefits platform – BB store on the app

4 Solution that allows the 5 settlement or reimbursement + of accounts and products by using points accumulated in the Ponto pra Você Program. The BB Store helps retain and build customer loyalty, contributing to their satisfaction with the delivery of the benefit chosen by the customer.

As an unprecedented market solution, in February 2020 we made available the possibility for our customers to make online payment of bills by using their accumulated points. In 2020, this solution totaled 1.62 million transactions, moving 4.23 billion points.

Suppliers

|408-1|409-1|412-1|

|103-2|103-3|

|Socioenvironmental|

We adopt selection, hiring and assessment unbiased and transparent criteria to provide plurality and competition between suppliers. These prerogatives include the right to exercise freedom of association and collective bargaining by supplier employees. The Code of Ethics also provides for a specific section on supplier relations, covering the compliance with labor, social security and tax laws – including the bar from using child or compulsory labor. The Supplier Relationship Policy also addresses these aspects.

The fulfillment of labor and social security obligations is a contractual and legal duty. Therefore, prior to payment, we check for supplier's complying with these provisions, in addition to analyzing indications or reports of possible infractions and non-compliance. All contracts include contractual clauses and obligations on Human Rights in which the supplier represents and agrees to:

|205-2|408-1|412-1|414-1|

|103-2|103-3|

|Socioenvironmental risk|

- Perform its activities in accordance with current legislation (labor, social security and tax);
- Not use, directly or indirectly, through their suppliers of products and services, illegal labor or from exploiting child labor, work in degrading conditions or forced labor;
- Not employ, directly or indirectly, through their suppliers of products and services, minors in night shifts, or under unhealthy or hazardous conditions;
- Not employ, directly or indirectly, through their suppliers of products and services, minors aged under 16, except as apprentices and with guaranteed school attendance;
- Not adopt negative and restrictive discrimination practices for accessing and holding jobs; and

Digital Channels Survey Result

In 2020, digital channels achieved:

81.29% satisfaction

83.71% for apps

78.88% for internet



- Not use corrupt and/or unethical practices aiming to obtain or grant undue advantage, directly or indirectly, among others.

A contract inspector, a service inspector and the Internal Ombudsman are made available to outsourced company employees for them to report any employment contract related complaints.

Considering preventive and inhibitory measures adopted in the procurement and hiring processes and supplier contracts kept in the companies systems in 2020, operations and suppliers posing significant risk with respect to the forced or compulsory labor were not identified; the Internal Ombudsman registered no complaints involving the exploitation of work in degrading conditions or

slave labor. The Company had no knowledge of operations and/or suppliers in which the right to freedom of association and collective bargaining was at risk. |409-1|414-2|

During the performance of the contract, if it is found that the supplier has breached related provisions or legislation, an administrative proceeding is open that may lead to administrative sanctions or, as a last resort, unilateral termination.

In 2020, 10 non-compliance with labor legislation were found in contracts with 3,212 suppliers, out of a total of 16,041 current contracts, that is, a 0.06% non-compliance rate. Of these 10 cases, 20% were fined and 30% received a warning and a fine, after administrative proceedings were opened, as required

by law and contractual provisions. 30% of them were also fined and terminated; and 20% of contracts were suspended. In 2019, 28.26% of non-compliant suppliers had their contracts suspended or terminated.

In 2020, no case was identified. All administrative proceedings opened have led to the application of a sanction.

Based on the fact that we engage services rather than workers, these suppliers have full responsibility for complying with all labor, tax and social security obligations, including those arising from accidents, indemnities, fines, insurance, payments and other obligations. Main infractions found refer to non-payment of wages, failure to provide transportation vouchers, meal vouchers, non-payment of termination amounts, failure to pay FGTS and social security obligations



**The fulfillment
of the work
and social
security
obligations
it's a contract
and legal duty
of suppliers
with the BB.**

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We adopt segmented management to control and monitor the provision of services and the quality of delivered products. Therefore, we use criteria such as cost-benefit, operational capacity, quality, trustworthiness, environmental and social (E&S) responsibility, safety and risk and compliance with legal, mainly labor requirements and those associated with business continuity.

Suppliers are selected based on a bidding process, in accordance with State-Owned Company Laws and its New Bidding and Contracts Regulation. Among the legal aspects for choosing the most advantageous proposal are: best technique, lowest price or best combination of technique and price.

The supply chain covers a series of sectors and activities, from supply of goods (such as furniture and equipment), the provision of services (such as surveillance, consulting, engineering and

architecture), and lease of properties. |102-9|

Total payments to suppliers in the year totaled approximately R\$ 8.5 billion. Of this amount, R\$ 22.2 million was paid to five suppliers domiciled abroad in connection with eight contracts - 0.26% of payments released. |102-9|

For all procurement processes, managers must formally comment on the any environmental criteria or justify their inapplicability. The Internal Charter includes specific rules for sustainable contracts, which factor in the Sustainable Procurement and Disposal Standard document available for consultation on the BB Portal, therefore meeting legal requirements and socioenvironmental commitments assumed. |308-1|

This socioenvironmental responsibility statement includes the supplier's contractual commitment to environmental preservation

and social development practices, as well as its compliance with labor and social security laws and its commitment to combat corruption. Another contractual requirement refers to the selected company's submission of a statement that no minor is employed at its staff. No suppliers with potential or actual negative environmental impact were identified. |308-1| |308-2| |408-1| |414-1| |103-2| |103-3| |Socioenvironmental Risk|

To improve the documentary due diligence carried out when engaging and paying suppliers, in 2020 we held the 2nd Integrated BB Supplier Due Diligence cycle, including the Environmental, Human Rights and Integrity dimensions. In this period, 150 companies were assessed. The improvement of the socioenvironmental due diligence process started in 2016, when we joined the Carbon Disclosure Program (CDP) through the Supply Chain Program. Therefore, in 2020, 117 suppliers

We adopt segmented management to control and monitor the provision of services and the quality of delivered products.





were invited for an environmental assessment on climate change and 115 on water management. According to the schedule set, we achieved a response rate of 46% for climate and 33% for water.

[308-2|408-1|409-1]
[414-2]
[103-2|103-3]
[Socioenvironmental Risk]

CDP Supply Chain Program

[308-2]
[103-2|103-3]
[Socioenvironmental Risk]

By joining the CDP Supply Chain in 2017, Banco do Brasil has been able to better monitor suppliers with respect to their impacts on the environment, on climate change and the water management. Accordingly, we have guided our performance in fighting climate emergency by encouraging behavioral changes in the supply chain, something that can be perceived in the results achieved in the 2020 CDP Cycle.

Even in the scenario of the Covid-19 pandemic, of the total respondents in the year, 70% reported that Climate Change is part of their business strategy, an increase from the previous year and the result of awareness-raising actions among our suppliers.

With respect to the risk analysis, 56% confirmed they carry out climate risk management. With respect to climate risks, CDP respondents stated that

35% are classified as physical and 61% as transition risk.

With respect to water resources, of the total of 38 respondents, 21% included water issues in their long-term strategies. Of the remaining suppliers, 18% intend to address this issue in the next two years, 40% do not foresee any actions, 16% reported that water is not a strategic asset for their operation, and 5% have not commented thereon.

The results obtained in the Climate questionnaire represented an advancement in the supplier's climate change management. On the other hand, the results concerning water management have signaled that this issue should be more closely followed by BB. We also underline that the list of respondent suppliers has been improved year by year to improve its representation and capture our supply chain complexity. Therefore, we seek to optimize the monitoring of emissions and mobilize our supply chain to achieve an increasingly low carbon economy.
[102-11|102-15]

Private social investment

Private social investment (PSI) comprises the voluntary, monitored and systematic transfer of private resources to environmental, social and cultural public interest initiatives. The PSI may be leveraged through tax incentives and the allocation of non-financial and intangible resources.

Fundação Banco do Brasil (Fundação BB)

The social investment made by Fundação BB is allocated to urban and rural activities in line with one of the Foundation's two action axes: environment and education. The goal is to contribute to improving the quality of life of most vulnerable people and promoting sustainability through the sustainable development and the application of social technologies nationwide.

Monitoring and assessing the effectiveness of programs and projects are deemed essential management tools. Results are used to drive the work developed and improve actions carried out, in addition to offering inputs for decision making and understanding the project success factors.

In 2020, due to the emergency situation caused by the pandemic and that demanded social distancing measures, the Fundação BB carried out remote monitoring and selected a sample of 41 projects to be virtually monitored, 19 less than in 2019. In addition to identifying the project's stage of development and any need for adjustments, it also assessed some issues such as the young and women's participation and engagement, acquisition of knowledge and development of skills, meeting human right related aspects, and forming partnerships for developing projects and/or servicing its participants.



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Programs

AABB Community

The Fundação BB, in partnership with the National Federation of Athletic Associations Banco do Brasil (FENABB) and local institutions, invested R\$ 16.72 million in the AABB Community program, with 31,270 beneficiaries served in 235 municipalities. The

program offers school supplementary classes for children and adolescents in the public school system, aged between 6 and 18. In the last 10 years, about 500,000 children have been assisted by this program.

Humanitarian Aid Program

Set up by the Fundação BB in December 2019, the

Structured Humanitarian Program is designed to support actions to assist socially vulnerable people against the backdrop of occasional or chronic disasters and/or emergencies.

In the second half of January, the program supported the population affected by heavy rainfalls in the states of Minas Gerais and Espírito Santo: exclusive accounts were opened to receive voluntary donations from individuals or companies. In addition to the amount raised by the campaign, that is, over R\$ 764,000 in voluntary donations made by roughly 6,000 people, the Fundação BB has transferred R\$ 1.25 million from own funds, totaling over R\$ 2 million, which made it feasible to aid over 25,000 people affected by the floods. Full accountability of how donated funds were used is available by the Foundation for public consultation on website <https://enchentes.fbb.org.br/>.

Protect and save lives

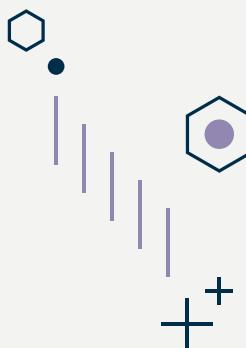
In March 2020, after major disaster was declared in Brazil in connection with the Covid-19 pandemic, BB Seguros and Banco BV, companies of the Banco do Brasil conglomerate, in addition to the Cooperforte credit cooperative, allocated funds to the Fundação BB in the amounts of R\$ 40 million, R\$ 15 million and R\$ 1.5 million, respectively, to support Covid-19 pandemic relief efforts through the "Protect and Save Lives" campaign.

This initiative favored socially vulnerable people and sought to primarily support

Fundação Banco do Brasil | 35 years of social transformation

In 2020, Banco do Brasil Foundation celebrated its 35th anniversary. Along its journey, it has contributed to the societal transformation of Brazilians and the sustainable development of the country, focused on serving the society's most vulnerable segments, from north to south, from east to west, in cities and the countryside.

Our private social investment and the mobilization of partners, investors, entrepreneurs, volunteers and employees positively impact millions of people through initiatives aimed at Education for the future, Environment and income, Humanitarian aid, Volunteering and Social Technology. Since 2010, over 5.6 million people have been benefited across 2,200+ Brazilian municipalities. Of this total, about 2 million have received aid to face the impacts of the Covid-19 pandemic. |203-2|



Contributions to Fundação Banco do Brasil by Source (R\$ million)

Sources of funds

	2019	2020
Banco do Brasil S.A.	51.8	81.9
Brasilcap Capitalização S.A.	0.1	0
BB Gestão de Recursos Distribuidora de Títulos e Valores Mobiliários S.A. - BB DTVM	2.4	1.2
National Federation of Athletic Associations Banco do Brasil – FENABB	20.9	20.9
Ativos S.A.	1	1
BB Seguridade ⁽²⁾	-	40
Banco Votorantim ^{(2) (3)}	-	15.7
Livelo S.A. ⁽²⁾	-	0.1

(1) Restricted to 5% of results of operations, according to Bylaws.

(2) Funds donated with allocation conditioned on actions to fight the effects of the Covid-19 pandemic.

(3) Donations made by Banco Votorantim were as follows: R\$ 14 million by Votorantim Corretora de Seguros S.A., R\$ 1 million by Promotiva S.A., R\$ 400,000 by Banco Votorantim S.A., and R\$ 306,000 by BV Financeira S.A. Crédito Financiamento e Investimento.

AABB Community

	2019	2020
Amount invested in the AABB Community program	R\$ 16.56 million	R\$ 16.72 million
Beneficiaries of the AABB Community	32,291	31,270
Municipalities served by AABB Community	243	235

those in risk groups exposed to the Covid-19 pandemic. Funds were allocated to social assistance, food, health care, purchase of supplies, personal protective equipment (PPE) and medical-hospital equipment, such as lung ventilators and oximeters. This action also supported micro and small entrepreneurs who were the main suppliers of inputs. Overall, over 1.7 million people were benefited in all Brazilian states. For further

information, visit <https://coronavirus.fbb.org.br/>

Weaving Tomorrow

A partnership between Fundação BB and the Proeza Institute aimed to generate income for 50 women living in the city of Recanto das Emas (Federal District), in vulnerable conditions, by offering sewing, embroidery and crochet courses. The social investment for this action will be R\$ 589,000,

R\$ 202,000 allocated by Fundação BB and R\$ 387,000 by the entity's counterparty. This project is expected to last 12 months.

Think Pink Campaign

A joint effort of Fundação BB and BB Seguros, this project, carried out by Orientavida – Association for Community Assistance and Promotion, aims to contribute to the early detection of breast cancer and ensure proper



and timely treatment for 3,000 women who await in the queue of the Unified Health System (SUS) to undertake mammograms and additional examinations in municipalities located in the North, Northeast and Midwest regions. The total investment amounts to R\$ 579,000 and the project is expected to last 12 months.

Volunteering

The BB Volunteering Program supports and encourages the engagement of active or retired employees, family members and friends to provide voluntary services. To promote greater public interaction, a platform is available on the Internet (<http://voluntariadobb>.

com.br/) to facilitate the program and the communication between BB volunteers, institutions, unit committees, the BB and the general public.

In 2020, the BB Volunteering Portal totaled 33,365 registered users as volunteers, 1,209 volunteering actions and 3,192 registered social entities. Under this program, the Internal Call for Volunteers BB/Fundação BB 2020 was held to support social projects developed by non-profit organizations (NPO) who work with BB volunteers. The internal call received totaled 166 proposals, with individual value between R\$ 50,000 and R\$ 100,000, totaling R\$ 2.6 million in non-reimbursable

funds and support for 29 proposals handpicked.

Tax incentives

Our tax incentives comply with specific legislation and are earmarked for Funds for the Rights of Children and Adolescents (FIA), Funds for the Elderly, National Program for Cancer Care (Pronon) and the National Program for Health Care for People with Disabilities (Pronas/PWD). FIA and the Fund for the Elderly work with government-prioritized audiences for social inclusion and protection, while donations to Pronon and Pronas/PWD support initiatives and services developed by entities, associations and non-profit private foundations in the fields of oncology and PWD.

The Structured Humanitarian Program supported the population affected by heavy rainfalls in the states of Minas Gerais and Espírito Santo.



Investments in sports and culture

|203-2|

Sports sponsorships play an important social role to foster grassroots categories. We support and hold up to one of the longest-running partnerships between a company and national sport: sponsorship of volleyball (beach and indoor).

Even with the pandemic, over 20 volleyball events (beach and indoor) brought together about 45,000 people, in games held in arenas and gymnasiums across Brazil. Worth mentioning is "Arquibancasa", in which over 3,000 fans attended virtually to the beach volleyball circuits, held in the second half of 2020.

Social projects sponsored by the Brazilian Volleyball Confederation (CBV) benefited about 1,000 children (aged between 7 and 14), in 15 training centers/schools in different cities in Brazil. Volleyball clinics held during the beach volleyball circuits, with the public participation, engaged 450 children.

The Sport Ambassadors project brings together Brazilian idols to act as spokespeople and share the values and attributes of Banco do Brasil and sports. In 2020, due to the pandemic and the cancellation of in-person events, 30 actions, mostly virtual, were held with the participation of former

Tax incentives 1 (R\$ million)⁽¹⁾⁽²⁾

	2019	2020
Rouanet Law to Support Culture	28.9	18.22
Sports Incentive Law	5.2	6.06
Total	34.1	24.28

(1) The Funds for Children and Adolescents FIA, National Fund for the Elderly, National Program to Support Oncological Care - Pronon and National Program to Support Health Care for People with Disabilities (Pronas/PWD) received no transferred amounts in 2020.

(2) Amounts considered for the Multiple Bank. Transferred amounts are calculated based on the income tax payable by the company in the base year, in accordance with current legislation. Therefore, when there is a change, the donation amounts are impacted.

athletes, in 10 cities in all Brazilian regions.

Under the Social Investment in Culture, we maintain four Banco do Brasil Cultural Centers (CCBB) – in the cities of Belo Horizonte (MG), Brasília (DF), Rio de Janeiro (RJ) and São Paulo (SP). In 2020, CCBB in Rio de Janeiro celebrated its 31st anniversary.

Due to the Covid-19 pandemic, in-person activities were suspended from March to September 2020. That is why we set up the CCBB em Casa, to keep on bringing art and culture through virtual projects. Which projects will make up the cultural program are defined by public calls for selection and careful prospectus in the cultural market to provide access to opportunities for all, keep transparency and ensure

quality and adherence to the CCBB's curator axis.

In 2020, the CCBBs held 62 in-person cultural initiatives, with 1.7 million visitors. In the virtual environment, 33 initiatives were viewed by over 2.6 million visitors.

CCBB socioenvironmental actions

The Educational Program serves students and spontaneous audiences, developing teaching materials for the most visible exhibitions, with language suitable for elementary and high school students. All exhibitions have specific culture-related programs, such as museology and education, in addition to visits supported by sign language to include the hearing impaired audience. |203-2|



CCBB socioenvironmental actions

Direct jobs

2,958

Indirect jobs

14,790



Selective Collection

3,732

tons

Educational project

45,191

visitors serviced

Educational transport

1,155

children in the Educational Program

Free shuttle service

6,289

people

Information, Complaint and Reporting Channels

|102-17|

|SASB FN-CB-510a.2|

We provide channels to meet stakeholders' calls and address specific issues, breach of the Code of Ethics, and torts of any nature reported, corruption included.

Customers have two service channels: the Relationship Center (CRBB) and the Customer Service (SAC). The first is a phone service channel focused on customer relations and meeting banking consumers' calls, aiming to provide speedy quality solutions with convenience and safety, contribute to results and support the branch network in connection with customer service and doing business.

The SAC is a multichannel (telephone, Internet and mobile) aimed to resolve consumers calls based on information, questions, complaints, suspension or cancellation of contracts and services. SAC covers calls falling into consumer relations, regardless of whether the complainant is a customer or not. SAC receives and seeks to resolve calls at first contact (First Call Resolution - FCR), which occurs in 93%+ cases.

If the call is not resolved by these primary service channels, customers may escalate the call to the External Ombudsman. In 2020, 99.41% of complainants sought our internal channels, such as SAC and the Ombudsman, and only 0.43% escalated the call and sought the Central Bank (Bacen).

The Illegal Acts Reporting Channel was set up for reporting of situations with suspected torts of any nature

in connection with the bank's activities. Complaints may be reported anonymously or be identified, with guaranteed protection for complainants.

Aimed at employees, interns, apprentices and contractors, the Internal Ombudsman receives calls and complaints about conflicts in the workplace, misconduct, non-compliance with internal rules and complaints regarding human management processes. Furthermore, it acts as an intermediary in conflict resolution and assesses any suspected objectionable behavior. Once a serious incident is identified, the case is referred to investigation, analysis and trial by the Disciplinary Control, which sets involvement, accountability and defines how to handle the case and those involved.

Investor's questions about shares, dividend payouts and accounting information are handled by the IR Contact channel.



Relationship between internal public and service channels

Internal Ombudsman

Treatment methodologies				
Complaints – Human Management Processes	Restorative mediation	Reconciliation	Restorative conversation	Ombudsman case studies
Complainants				
Employees, interns, apprentices and contractors	Employees	Employees	Employees	Employees
Covered topics				
Possibility of improving the people management process	Personal conflicts	Personal conflicts	Personal conflicts	Reprehensible behavior
Nature				
Improvement	Restorative	Restorative	Restorative	Investigative
Terms				
5 working days	20 working days	20 working days	20 working days	30 working days
Solution				
If it is possible to improve the people management process, the call is forwarded to the management area as a recommendation	Compensating damage and recovering interpersonal relations after a meeting is held by a mediator aimed to identify and converging and diverging issues and cooperatively developing proposals to settle the controversy, under secrecy and confidential conditions.		Action plan (when applicable): behavior reeducation. The person is barred for a determinate period from ascending in the career and taking part in recognition and award programs	



Service Channels

Telephone service			
CRBB	Customers	Covered topics: Information or question, complaint, cancellation or suspension of contracts and services	Terms: Depending on the type of call, it may be prompt or within 5 working days.
Form is on the BB website			
Illegal Acts Reporting	Society and Clients	Covered topics: Reporting criminal offenses of any kind, including corruption	Terms: Depending on the type of call
Form is on the RI website a Telephone service			
IR Contact	Shareholders/ Investors	Covered topics: Questions about shares, dividend payouts and accounting information	Terms: 2 working days.
Telephone and Internet service			
External Ombudsman	Customers	Covered topics: Complaints about consumer relations not resolved at the primary service channels.	Terms: 10 working days.
Multichannel performance ⁽¹⁾			
Customer Service (SAC)	Customers	Covered topics: Information or question, complaint, cancellation or suspension of contracts and services	Terms: Average response time is less than 3 days. Regarding social media, average resolution time is less than 24 hours.

(1) 0800, APF Internet, APF Mobile, consumer.gov, Reclame AQUI, CNJ, Facebook, Twitter, Talk to us on the BB Portal





SAC Results

Information	2019	2020
Average monthly calls	415 thousand	614 thousand
% resolved at first call (FCR)	93.3%	94.4%
Average resolution time	0.31 business day (including those resolved at first call (FCR))	0.18 business day
Average time for other calls not resolved at first call	2.03 working days	1.93 working days
Monthly calls resolved via social media	27 thousand	+33 thousand

External Ombudsman Results |102-17|SASB FN-CB-510a.2|

Information	2019	2020
Calls received	92,887	134,513 ⁽¹⁾
Average response time (without FCR)	4.99 days	3.60 days
First Call Resolution – Customer Service (SAC)	4,640,458	6,958,296
SAC calls	650,177	516,743
Ombudsman – calls (reopened from External Ombudsman)	50,792	89,264 ⁽¹⁾
Complainants who seek internal channels (SAC and Ombudsman)	99.52%	99.41%
Complainants who seek Bacen	0.48%	0.43% ⁽²⁾

(1) Social distancing, driven by the measures to fight Covid-19, has impacted the number of calls received at the Ombudsman, mainly due to the closure of branches and consumers' fear to seek in-person service.

(2) The percentage difference between total number of customers who sought internal channels and those who sought Bacen refers to calls by customers who have sought customer protection bodies (such as Procons, Nudecons or other Ombudsmans), totaling 0.16%.

Direct Access

Through the Direct Access project, the Ombudsman strives to prevent complaints received from being escalated to external forums by coordinating the resolutions for the calls made at the Customer Service network with the product, service and process managers. In 2020, 668 calls were resolved, in addition to assistance granted to guide employees on how to use available solution tools available focused on resolving customer calls and customer-centricity.



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Illegal Acts Reporting

|102-17| SASB FN-CB-510a.2|

	2019	2020
Calls reported	1,034	1,762
Fraud, misrepresentation on a public or private document, swindling, forgery, etc.	47.78%	75.09%
Other crimes	15.18%	3.69%
Corruption	9.86%	6.58%
Crime against the National or Foreign Public Administration, Crimes against the Financial System, Money Laundering etc.	9.09%	8.80%
Cyber crime	6.96%	0%
Breach of banking and functional secrecy	4.74%	1.48%
Sexual harassment, discrimination, defamation (slander and libel; inputting criminal offense; imputing non-criminal but disreputable conduct)	3.29%	0.51%
Robbery, break-in, theft and kidnapping	3.00%	1.31%
Bodily Injury, battery, etc.	0.10%	0%
Consumer relationship	-	2.55%

Bacen Complaints indicators

Every quarter, Bacen prepares a ranking of most and least complained-about financial institutions. In 2020, we remained well positioned in this ranking, refraining from ranked in the first places, as shown in the table below.

In the first three quarters of 2020, the ranking was made up of all financial institutions with over 4 million customers. In the fourth quarter of 2020, the Central Bank changed the methodology to identify the most complained-about institutions. The institutions were broken down into two groups: the 'Top 10' included the 10 largest institutions in

number of customers and the 'Secondary' included the remaining institutions. That is why we are ranked fifth. In the third quarter of 2020, the ranking included 19 banks; In the fourth quarter, it included only 10 institutions. Our goal is refraining from being ranked in the first three places.

Bacen Ranking Position

	Posição
1Q20	9th
2Q20	7th
3Q20	7th
4Q20	5th

Bacen Complaints

	2018	2019	2020
Complaints Received	32,450	25,664	32,589
Complaints considered legitimate	5,980	5,210	6,229



Financial

Earnings Summary



- Adjusted Net Income of R\$ 13.9 billion



Adjusted net income totaled R\$ 13.9 billion in 2020, down 22.2% on a year-on-year basis, mainly due to the increase in ALLL Expanded Vies in 47.6%, which in turn was caused by the anticipation of prudential provisions that added up to R\$ 8.1 billion. Despite this, the Pre-Tax and Pre-Provision Earnings (PPOP) grew 5.9%, evidencing

the resilience of operating performance in the period. Positive highlights in year-over-year comparison (2020/2019) was +5.1% NII's increase, the stability of administrative expenses (+0.1%) and the reduction of 51.1% in legal risk. Annual Market ROE was 12.0%.

In 2020, we distributed R\$ 4.2 billion in interest

on own capital to our shareholders, a 37.7% drop on a year-on-year basis. Adjusted earnings per share totaled R\$ 4.39 in 2020 from R\$ 6.39 in 2019, while our dividend yield reached 5.8% in 2020 from 4.5% in the previous year.

We present below the changes in the main items that make up our results.

“ We reinforce the commitment to increase profitability in a sustainable manner and seek to optimize capital allocation in order to absorb the potential economic impacts of Covid-19 and support the expansion of long-term businesses, expanding the generation of value for our stakeholders. ”

Carlos André
Chief Financial and Investor Relations Officer



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+**Summarized Income Statement – R\$ million**

	2019	2020	Variação (%)
Net Interest Income	53,999	56,726	5.1
ALLL Expanded view	(14,983)	(22,110)	47.6
ALLL Expenses – Credit Risk	(19,748)	(25,561)	29.4
ALLL Expenses – Recovery of Write-Offs	6,745	7,359	9.1
ALLL Expenses – Discounts Granted	(990)	(7.3)	(1,068)
ALLL Expenses – Impairment	(913)	(2,919)	219.7
Net Financial Margin	39,016	34,616	(11.3)
Fee Income	29,209	28,702	(1.7)
Administrative Expenses	(31,537)	(31,583)	0.1
Legal Risk ⁽¹⁾	(8,603)	(4,207)	(51.1)
Other Components of Income ⁽²⁾	(3,046)	(7,272)	138.8
Income before Taxes	25,038	20,256	(19.1)
Income and Social Contribution Taxes	(3,140)	(3,093)	(1.5)
Corporate Profit Sharing	(2,347)	(1,702)	(27.5)
Adjusted Net Income ⁽³⁾	17,848	13,884	(22.2)
One-off Items	315	(1,186)	–
Net Income	18,162	12,697	(30.1)

(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'.


• **Net Interest income rises 5.1%**


Net Interest income (NII) is composed of financial income from loan operations, funding expenses and financial expenses for institutional financing and treasury income. In 2020, NII was R\$ 56.7 billion, an increase of 5.1% compared to 2019, explained by the 30.1% decrease in funding expenses, partially offset by the reduction in loan operations revenues (-7.3%) and in treasury results (-16.8%).

Financial income from loan operations

Financial income from loan operations decreased R\$ 5.5 billion (-7.3%), having as main catalyst the structural effect of the (a) CDI/TMS reduction, reducing average market credit rates. 2020 ended with an effective annualized TMS of 2.76%, against 5.96% in the previous year, 53.7% down.

Also, in 2020, individuals' loans were negatively

influenced by the reduction of overdraft revenues - due to Resolution No. 4,765/19, which limited the interest rate practiced in this type of loan, in force since June 1, 2020 for contracts in stock.

The drop in the companies portfolio balance, mainly in the working capital and advance on foreign exchange contract/ Advances on Trade Receivables in Foreign Exchange (ACC/ACE) lines, added to the drop in CDI



Net Interest Income – R\$ million

	2019	2020	Variação (%)
Net Interest Income	53,999	56,726	5.1
Loan Operations	74,694	69,221	(7.3)
Funding Expenses	(24,481)	(14,340)	(41.4)
Financial Expense for Institutional Funding ⁽¹⁾	(11,124)	(10,561)	(5.1)
Treasury ⁽²⁾	14,910	12,406	(16.8)

(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.

rate, to which part of the operations are indexed, contributed to the reduction in revenue in this segment. It is worth mentioning that the retail portfolio growth strategy has offset this drop in credit revenues and the service to corporates via capital market tends to increase fee income.

Financial income from agribusiness loans was mainly driven by the fall in TMS, which makes up the equalization rate. Considering the financial income from agribusiness loans, and excluding equalization revenues, the company recorded a growth that was driven by the increase in rural portfolio.

In 2020, funding expenses dropped by R\$ 10.1 billion (-41.4%), justified by lower

expenses with judicial deposits in addition to the structural trend of Selic rate reduction. Institutional funding expenses fell 5.1%, explained by the reduction of expenses with financial letters (-60.6%) and borrowings, assignments and onlending (-15.6%).

The treasury income was mainly influenced by the fall in TMS, which impacted the fixed loan portfolio, as well as by the lower volume of securities traded. In this line, we posted a 27.4% increase.

Fee Income fell 1.7%

In 2020, fee income totaled R\$ 28.7 billion, down 1.7% on a year-on-year basis. The decrease is mainly explained by the reduction in the checking account and loan operations. The asset management (+7.2%),

insurance, pension plans and premium bonds (+4.8%) and consortium (+ 14.5%) segments were the highlights of positive performance.

Administrative expenses and a 36.6% Efficiency Ratio

We constantly seek to improve operational efficiency and productivity, by controlling our administrative and personnel expenses, while bringing sustainable and diversified increases to our revenue base.

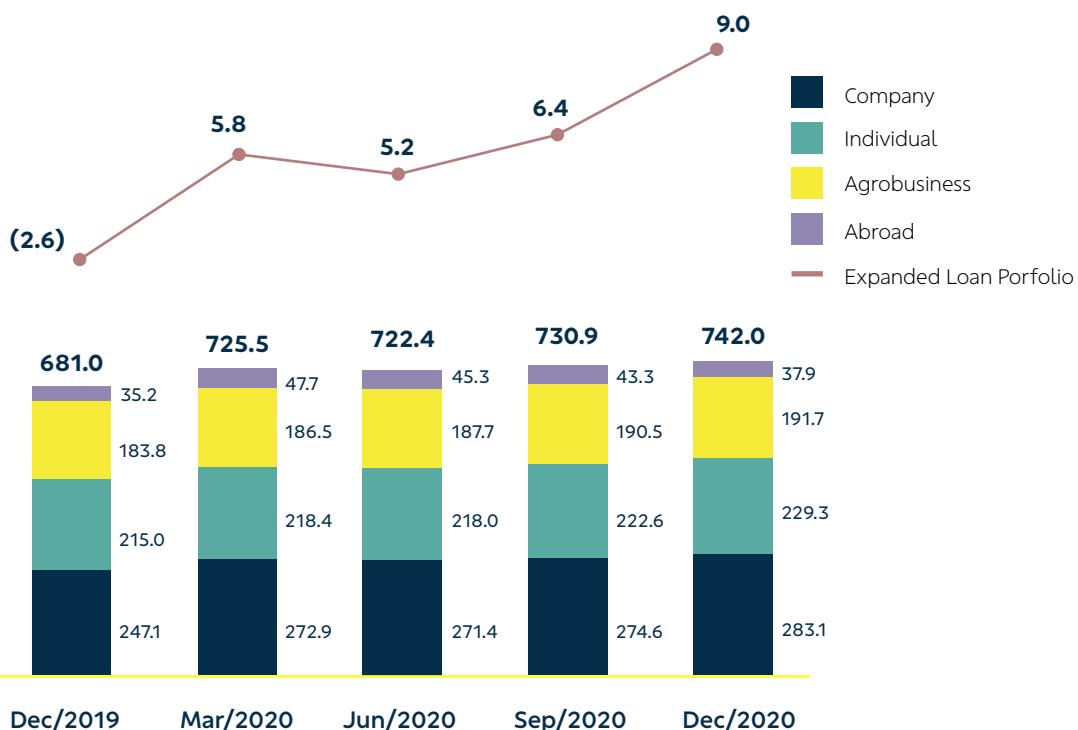
In 2020, the administrative expenses were R\$31.6 billion, remaining stable (+0.1%) in relation to the previous year. The performance was influenced by 1.1% decrease in personnel expenses, especially due to the adoption of the

Change in fee income (R\$ billion)

2019	2020	Change (%)	Administrative expenses and Cost-to-Income Ratio (%)
29,209	28,702	-1.7	36.6



Expanded Loan Portfolio – In R\$ billion



new Compensation Plan in February 2020.

Loan portfolio

[SASB FN-CB-000.A]

The loan portfolio expanded view, which includes in addition to the classified loan portfolio, private securities and guarantees, was R\$742.0 billion in December/20, up 1.5% over September/20, with emphasis on retail and agribusiness operations. The individual portfolio grew 3.0%, mainly due to the positive performance in payroll loan (+4.0%) and credit cards (+15.9%).

In companies, the operations with SME (+11.1%) stood

out, driven by the quarterly variation of R\$2.5 billion in credit lines under the Working Capital for Companies

Preservation (CGPE) program. In agribusiness, the highlight is rural loan (+2.7%). In the same period of comparison, the Agribusiness loans to companies (-29.1%) and the agricultural selling (-31.0%) showed a reduction. The decrease in the loans to companies line decrease can be explained by the specific case renegotiation with the balance transfer to the companies segment. The agricultural selling line can be explained by the amortizations and the price increase of agricultural products, making the sale of the products more attractive

to the market, in detriment to the storage. [SASB FN-CB-240a.1]

Over December/19 (+9.0%), highlight to the return of Individuals (+6.7%) and the SME (+25.6%) in addition to the 4.3% increase in the rural portfolio.

Allowance for loan and lease losses (ALLL) increases 47.6%

In 2020, the ALLL expanded view was R\$22.1 billion, up 47.6% over 2019. In the period there was a prudential reinforcement of R\$8.1 billion being 39.8% in the individuals, 45.9% in the companies and 14.3% in the Agribusiness. Prudential

provisions are individualized by customers and by segments and to build them we have a proprietary model of analytical intelligence that considers several factors such as the business or income dynamics of the customers, perspective for the segment in which the client is inserted and level of indebtedness.

The broad scope of government measures adopted, including the prerogative of renegotiations and debts, has significantly

attenuated the negative impacts, but even so, a strong economic contraction is expected this year, with varying impacts on the different sectors and activities of the economy.

In order to understand this behavior, it was necessary to seek new data and instruments to evaluate and monitor credit risk. Based on evaluations of the level of impact on companies' revenues in the different sectors of the economy

and its future perspective based on internal and market studies, the Resilience Indicator of companies and individuals was created, considering the fact that some may have more or less difficulty to go through this period of slower economy until its full recovery. Based on a Resilience Matrix, which combines, among other variables, the sector perspectives with the Credit Risk Sensing, it is possible to assign each company's Resilience Indicator, which has been used as an instrument

ALLL Expanded View

	2019	2020	Variation % 2019
ALLL Expanded View	(14,983)	(22,110)	47.6
ALLL - Expenses Credit Risk	(19,748)	(25,561)	29.4
ALLL - Expenses Recovery of Write-Offs	6,745	7,359	9.1
ALLL - Expenses Discounts Granted	(1,068)	(990)	(7.3)
ALLL - Expenses Impairment	(913)	(2,919)	-

for the adoption of differentiated strategies for new loan concessions and especially for the treatment of Loan Portfolio under Covid 19 forbearance.

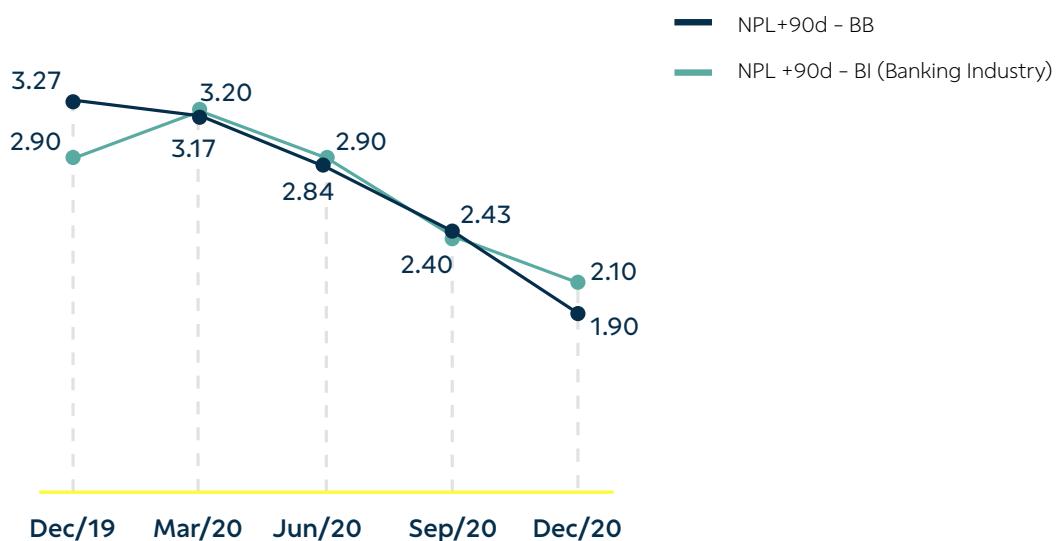
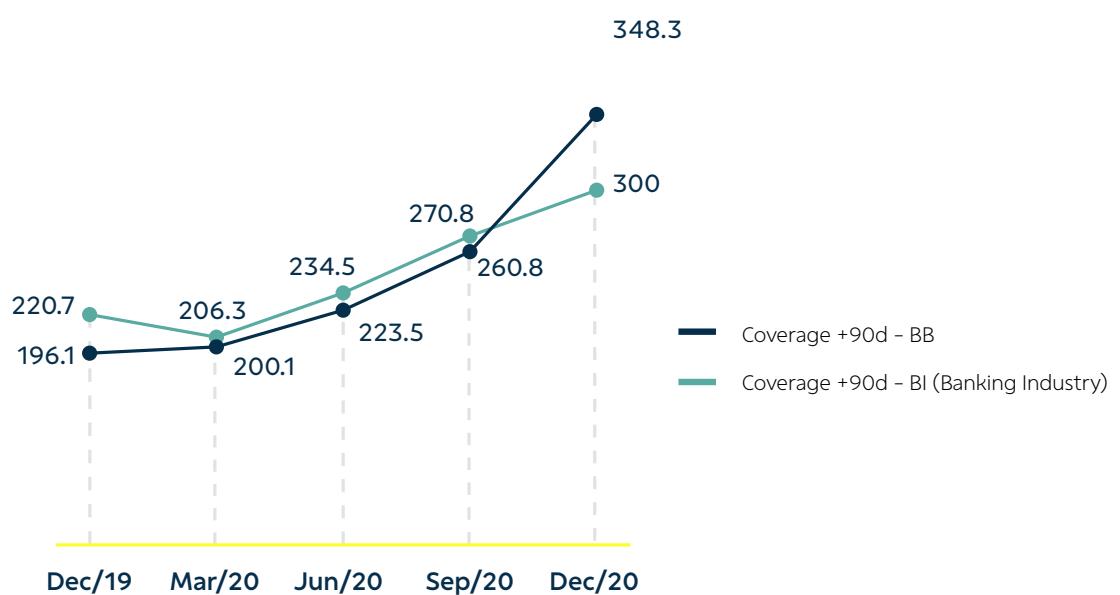
Credit quality

Non-performing loans (NPL) + 90 days (ratio of operations overdue for over 90 days to the related loan portfolio balance) decreased compared to December 2019 and reached 1.90% in December 2020.

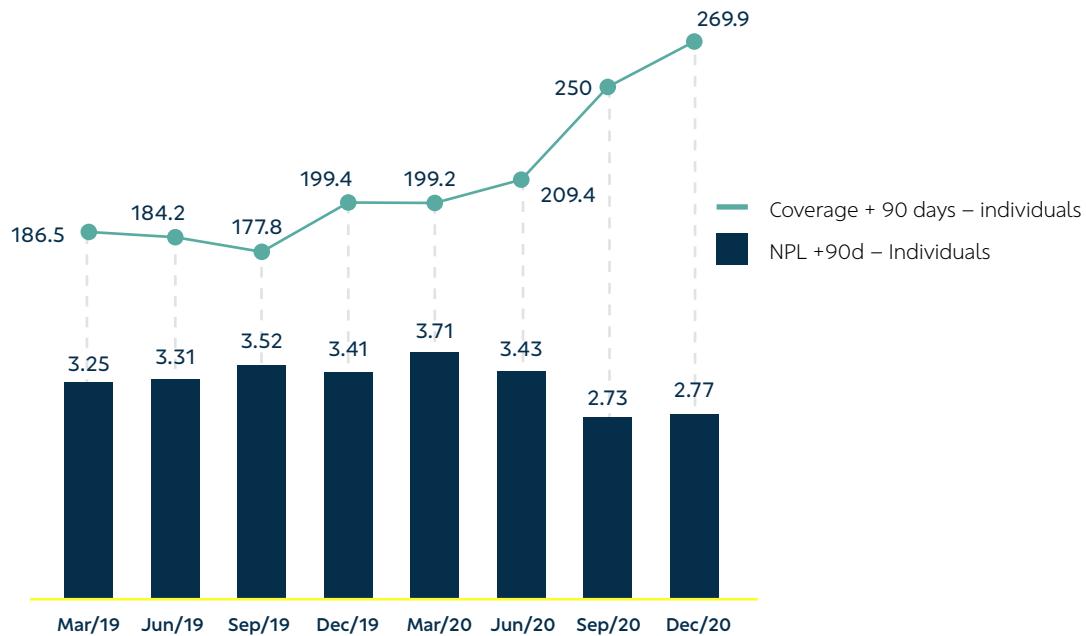
The Bank maintains coverage compatible with the risk profile of its portfolio. The coverage index maintained



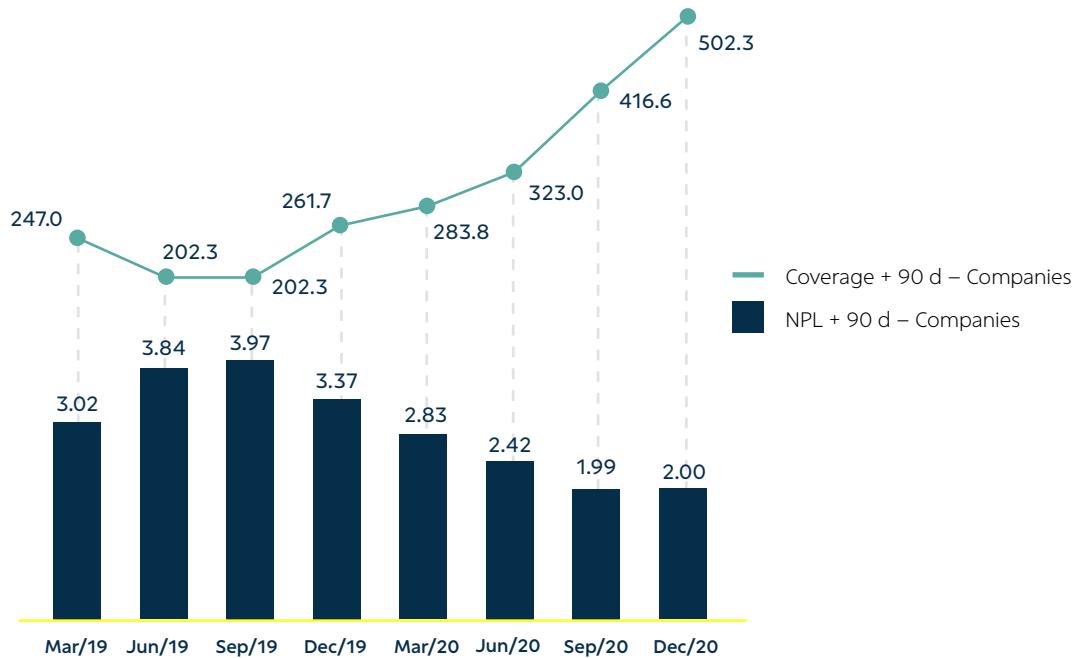
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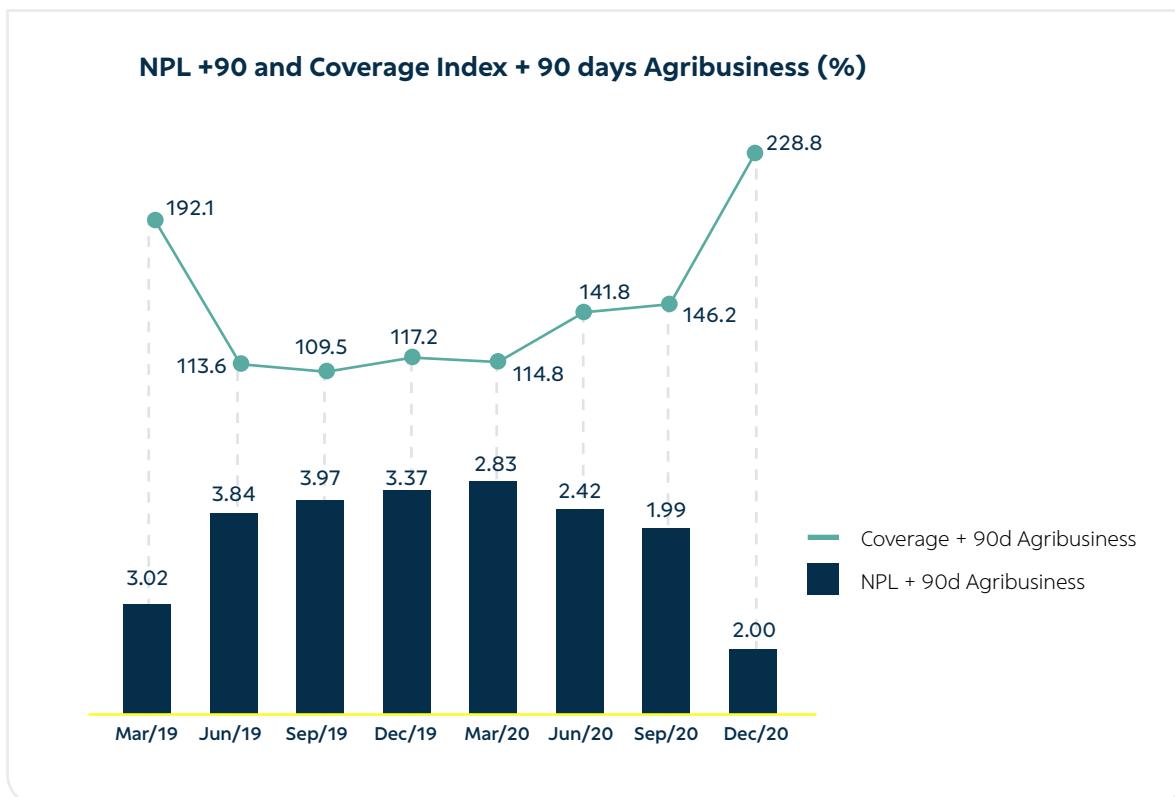
**NPL +90 days (%)****Coverage Index + 90 days (%)**

Coverage Index + 90 days – Individuals (%)



Coverage Index + 90 days – Companies (%)



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an increasing trajectory throughout 2020, closing the year at 348.3%. The prudential anticipations of ALLL reinforcement and the specific case renegotiation lead the coverage growth.

Basel Ratio

Our Capital Plan has a three-year prospective view, considering (a) the Risk Appetite Statement (RAS), (b) the Corporate Strategy and (c) the Corporate Budget. In the RAS and Capital Plan, a minimum CET1 of 11% is defined as of January 2022.

In December 2020, the Basel ratio was 21.14. The Tier I capital ratio was 17.26%, with 13.62% of CET 1.

Digital Strategy

Our investments in technology and the focus on digital transformation in recent years have proved essential. For the next three years, we approved an additional investment of R\$2.3 billion for technology, cybersecurity and analytics, to offer customers new experiences with more practical, safe and fast options in the digital world.

We reached 21.2 million digital customers¹, while transactions made through internet and mobile channels represented 86.5% of transactions carried out by our customers. The App BB remained one of the best rated in the financial industry with a rating of 4.6 on Google Play (the rating

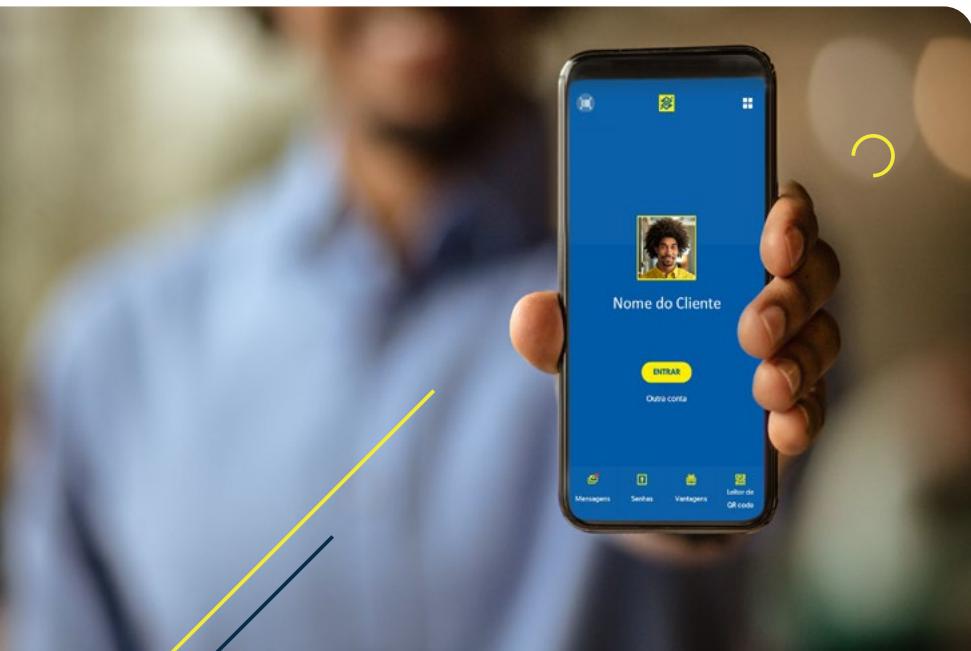
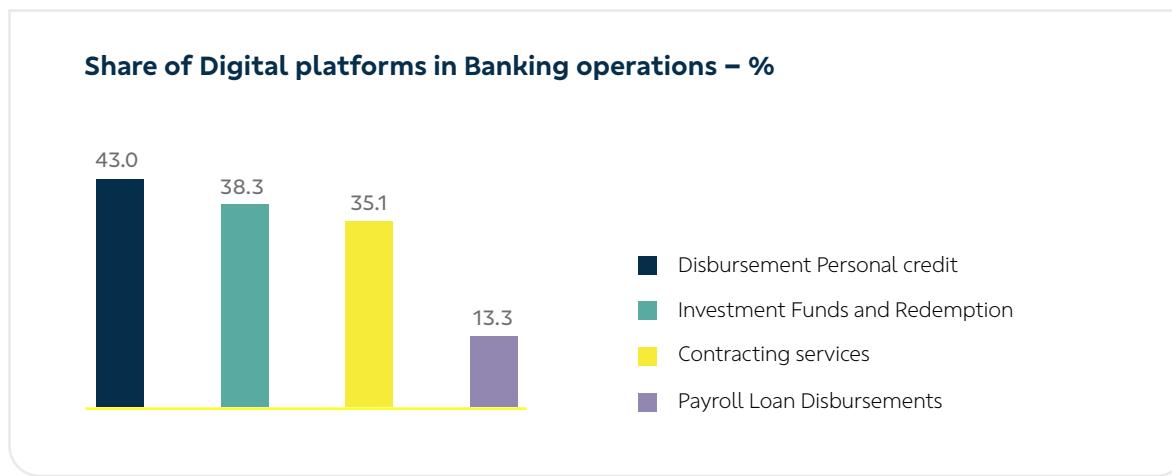
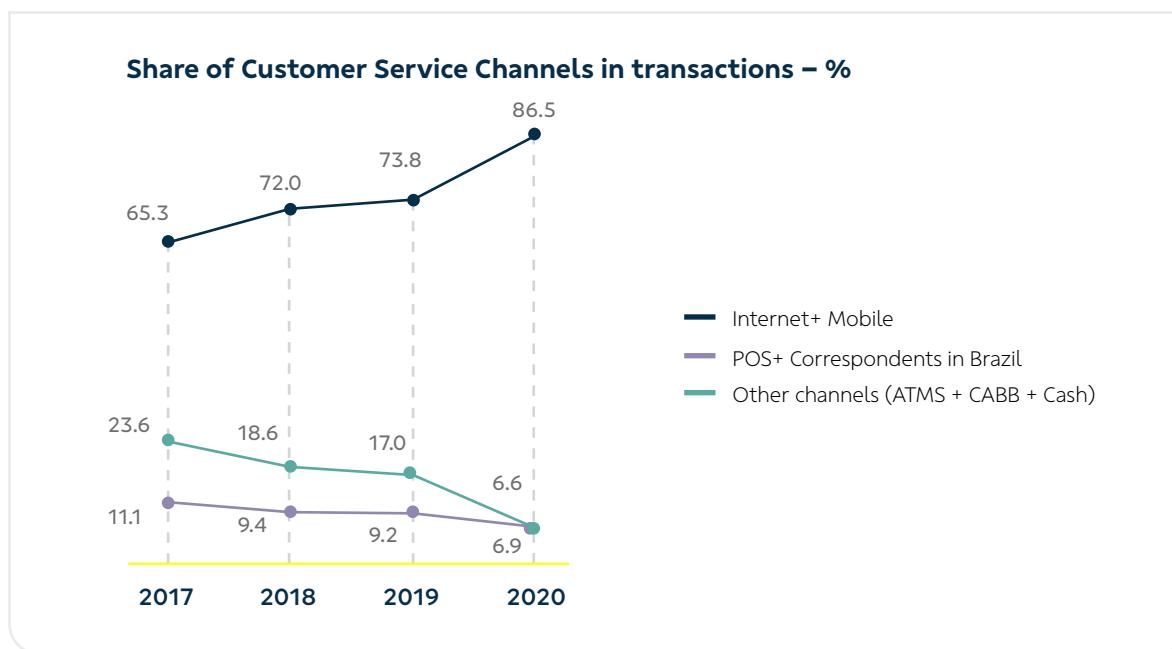
has already been made by more than 3.1 million users) and 4.7 on the Apple Store (being rated by more 1.9 million users). The maximum score is 5.

BB reached the number of 6.8 million of digital native customers, that is, who started the relationship with us, through digital channels, including through the wallet, presented a growth of 78% in twelve months.

Digital channels (internet and mobile) accounted for 43.0% of disbursements in consumer loans, 13.3% in payroll loans, 38.3% of investments and redemptions in investment funds and 35.1% in the number of transactions in services (checking accounts, service packages, investment funds, cards, premium bonds, insurance and consortium).

(1) Individuals and companies customers who carried out at least one transaction in the last 90 days on BB digital platforms: APP, BB Wallet, APF, Financial Manager, APP Ourocard, APP and Home of investments and Whatsapp.





We remain at the forefront of digital solutions, allowing customers to interact with us and get served.

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Shareholders

We have a base of 750,000+ shareholders, 98.0% of whom are individuals and 1.9% are companies. From January 2018 to December 2020, our individual shareholder base grew to 735,000 from 330,000. From December 2019 to December 2020, 251,000+ people started to invest in Banco do Brasil. These figures show our

shareholders' trust and the strength of our company in scenarios of greater volatility.

We understand the importance of being close to our shareholders and holders of debt instrument, providing clarifications on any potential impacts on our results and updates on our business management actions. We took part in

404 service calls in 2020, totaling 2,109 investors, market analysts and rating agencies. Our shares (ticker BBAS3) remained present in all B3 trading sessions and represented for 2.34% of Ibovespa for the last four-month period. We also have a level 1 ADR program (BDORY) traded over the counter in the United States.

Shareholding structure

Dividends and Interest on Own Capital / Share - Shareholders - R\$ million

	2019 ⁽³⁾	2020	Ownership interest (%) in 2019	Ownership interest (%) in 2020
Federal government	3,466	2,108	50.00	50.00
Individuals	445	490	7.50	11.95
Companies	1,101	676	16.73	15.11
Foreign capital	1,696	922	25.28	22.52
Other	25 ⁽¹⁾		0.50 ⁽²⁾	0.43 ⁽²⁾
Total	6,732	4,197	100.00	100.00

(1) National Bank for Social and Economic Development – BNDES.

(2) Others refers to Treasury Shares, shares held by Members of the CA, CD and Executive Board and shares relating to the merger of BNC and BESC.

(3) Restatement of information |102-48|

Market ratios (no treasury shares)

	2018	2019	2020
Earnings per share (R\$)	4.54	6.39	4.39
Price/Profit 12 Months	10.07	8.29	8.72
Price/Book Value	1.27	1.39	0.87
Market capitalization (R\$ billion)	129.5	150.6	110.7
Price of common shares (R\$)	46.5	52.8	38.80



Challenge 1 ||| |

Anticipate market trends and promote necessary innovations in order to guarantee continuity of Banco do Brasil.

Customer behavior, boosted by new trends and innovations, drive business tendencies and opportunities. Trend monitoring directly benefits customers and other stakeholders, since solutions and easiness that not only satisfy but anticipate their needs may be offered.

This context assumes new, more efficient and agile business models. Therefore, we remain at the forefront of digital solutions with the use of artificial intelligence (AI), enabling customers to interact with us and enjoy services via WhatsApp and social networks. The virtual assistant responds in natural language and is continuously learning, as it responds to the users' demands and questions. It does not replace other channels, such as Internet banking, and if there is a need for personal service, customers may be serviced by human employees.

We have improved our investments in cloud computing, big data, social platforms and cognitive computing. We provide solutions capable of identifying our customers' feelings and interests in the affective computing field, an AI application. This tool also provides for the identification of the customer's satisfaction level.

Since 2017 we have an agreement with the National Innovation Reference Center – coordinated by Fundação Dom Cabral –, a community that shares and discusses innovation management practices and challenging topics. The diversity of this group, composed of managers, academics and experts, is one of its greatest assets and provides a high potential for the collaborative development of solutions.

|103-1| 103-2|103-3|
|Innovation and technology|

Innovation and Digital Business

|103-1| 103-2|103-3|
|Innovation and technology|

Financial services have improved to keep up with the customers' demands in terms of convenience, opportunity and diversity of services for starting and keeping hold of relationships. Accordingly, the banking sector has developed solutions aiming to support customers by adjusting their portfolio and offers to customer's expectations.

“
2020 was a year for us to accelerate the construction of a new perspective for our business. We have been supporting our customers during the pandemic and have intensified our digital transformation. Our solutions are increasingly innovative and integrated in several channels, in addition to expanding our analytics processes for customer knowledge, aiming at greater specialization in service and gain of scale in the digital relationship.**”**

Gustavo Fosse
Chief Technology and Business Development Officer



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An increasingly digital bank

86.5%

Transactions carried out at **digital platforms⁽¹⁾** in December 2020



21.2 million active customers on **digital channels⁽²⁾** +40% in December 2019

6.8 million **digital natives⁽³⁾** +78% in December 2019

30.6 million

"Talk to" service center⁽⁴⁾ +51% in December 2019

WhatsApp 17 million service calls + 662% from 2019 77% questions sorted out AI 70% positive reviews

PIX 31.5%

Market Share⁽⁵⁾ the only Bank featuring PIX on Whatsapp and by Voice Command

72%

loan disbursements to individuals **digitally/remotely**

CIO 100 Awards

Among the 100 most innovative companies in the world, 2020

iBest

Popular jury Digital Bank of the year 2020

The Innovators

Global Finance 2019 and 2020 Most innovative institution in Latin America

BB App

best rated among banks
Apple: 4.7
Google Play 4.6

(1) Mobile and Internet

(2) Individual and companies customers who have made at least one transaction in the last 90 days on BB digital platforms: APP, BB Wallet, APF, Financial Manager, APP Gold card, APP and investment home and whatsapp

(3) Customers who started their relationship with Banco do Brasil through Digital Channels.

(4) includes customer services to individuals, companies and the government

(5) In transferred funds.

Transaction cost mobile



108 times cheaper



CRBB⁽¹⁾

16 times cheaper



ATMS⁽¹⁾

1.4 times cheaper



Internet⁽¹⁾

CDC (Personal Credit) product: **315 times cheaper**

Card orders (Individuals): **195 times cheaper**

Investment Funds: **1,287 times cheaper**



branches

(1) CDC (Personal Credit), Opening Checking account (Individuals), Card order (Individuals) and Investment Funds.



Other innovation initiatives

Acceleration – Liga Emerging Technologies

We sponsor and take part in the start-up acceleration program called Liga Emerging Technologies. The program has brought us closer to the innovation ecosystem and made it possible for us to carry out Proof of Concept (PoC) testing with solutions presented by the acceleration programs. As a result, we highlight the implementation of a checkout solution in partnership with Startup SpinPay to offer BB Crediário (credit solutions) on e-commerce websites.

BB Squads Program

We have selected 12 strategic highly innovative projects with potential of scale to test the Squad model, in which the project teams have greater autonomy and agility to develop new products and business models. The program has had the support of the Center for the Study of Advanced Systems of the city of Recife – (CESAR).

Our goal is strengthening the squad-based project management model to enable the company to more quickly respond to financial market demands, increasingly complex and volatile, in addition to competing on equal

footing with major open financial system players, especially digital natives, and consistently meet our customers' actual needs.

Open Banking

One of the material issues we have today is the Open Banking - OpB. We have carried out actions for both regulatory compliance and our own related initiatives. The Regulatory Open Banking scheme is defined by the Central Bank and will be implemented in Brazil in 2021. The Unregulated Open Banking scheme corresponds to external integration, through which we set partnerships with customers to carry out transactions through Application Programming interfaces (APIs).

The actions developed over 2020 factored in both the Regulatory OpB, with specific deadlines and delivery dates, as well as the evolution of business with customers in external integrations.

We launched the New Developer Portal (<https://developers.bb.com.br/home>), a platform for creating and managing APIs, with fully free access to our customers and non-customers through a simple register. In this portal, you can access the APIs developed for the Instant Payment System (PIX), as well as those APIs

developed to meet Phase 1 of Open Banking – Open Data.

In 2020, over 350 new integrations were signed with partners. Of the APIs already available for use, the highlights are BB Crediário, Working Capital, Cards, Clients, Public Accounts, Financial Consultations, PIX, and Open Data.

PIX

Payment platform PIX was launched in November 2020, duly regulated by the Central Bank. Our PIX solution, embedded into all our business apps, quickly carries out customer transfers (payer and receiver).

The ease of registering PIX keys, as well as the simplicity and promptness to carry out transfers, supports our network to retain customers by registering PIX keys on a fully online basis via our APP, with no need for customers to physically go to branches. Customers may make PIX transfers via our app, Whatsapp and even by Google Assistant voice command. After the close of this report, these two last services were offered exclusively by Banco do Brasil.

In December 2020 alone, we recorded over 30.1 million transactions via Pix, forwarding and receiving included, and reached a value greater than R\$ 37.11 billion movement and a 31.5% market share.





The bB Wallet was made available for receiving emergency government aid in connection with the Covid-19 pandemic scenario.

bB Wallet

The bB Wallet was launched to advance the way people deal with money and the financial world, and to simplify bank transactions, making them more practical, accessible, safe and advantageous. The digital wallet integrates several functionalities to help users in their daily lives, such as cash-in transactions (via deposit, transfer, payment slip and receipt of benefits), cash-out transactions (payments via QR Code, payment slips, agreements, automatic debit, mobile recharge, cardless withdrawals, transfers and purchases with a BB card), participation in promotions, discount

coupons, partnerships with small and corporates, paid invitation, in addition to fully digital service on the app.

In April 2020, the bB Wallet was made available for receiving emergency government aid in connection with the Covid-19 pandemic scenario, thus helping the population and Brazil's economy, as well as strengthening our stance on caring for what is valuable to people.

At the end of 2020, the bB Wallet had over 2.5 million customers and a total of R\$ 13 billion in transaction volume. It has transferred over R\$ 2.5 billion as emergency aid.

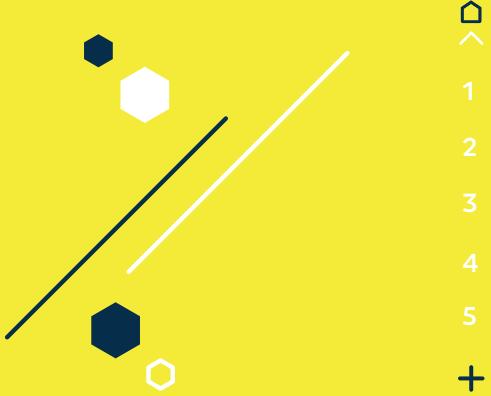
NFC technology

With contactless cards, Banco do Brasil customers may make their purchases by using their credit or debit cards in a quicker and easier way, by just bringing the card closer to the device, a benefit of the NFC (Near Field Communication) payment technology. Depending on the purchase amount, there is no need to enter a password, therefore making the transaction even more agile.

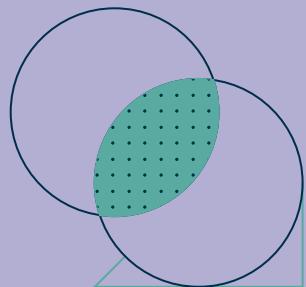
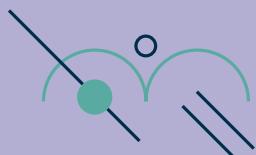
In 2020, we have issued 12.36 million cards with NFC technology.

For further information, please see the Digital Strategy chapter in our [4Q20 MD&A](#) |SASB418-1 FN-CB-230a.2|





We are on the list of the 100 most innovative companies in the world. We were the only Latin American institution awarded. We are the best bank in the world in the Private Banker Education and Training category.



3 Governance, ethics and transparency <

Corporate Governance

|103-1| 103-2|103-3 | Ethics and Compliance

By adopting good corporate governance practices, we show our commitment to the basic principles of transparency, accountability, equity and corporate responsibility and foster trust in relations with all stakeholders, especially shareholders and investors - a critical factor for decision making, investment and, therefore, capital attraction. We show commitment to sustainable management, which balances and protects the interests of all parties, so that none is benefited at the expense of others.

In line with the best practices applicable to the domestic scenario, our activities are governed, guided and restricted by the State-Owned Entities Law (Lei das Estatais), which outstrips, in terms of corporate governance, the Brazilian Corporations' Law (Lei das Sociedades Anônimas) requirements. Our nature as a publicly traded company and our area of operation, we are subject to the regulations of the Brazilian Securities and Exchange Commission

(CVM) and the National Monetary Council (CMN), among others, which deal with several corporate governance aspects. We are listed on the Brasil, Bolsa, Balcão (B3)'s New Market (Novo Mercado), the most demanding corporate governance segment, and we are one of the first companies to be certified under the B3 State-Owned Enterprises Governance Program (PDGE).

Our internal governance architecture comprises our Bylaws, the minutes of the General Shareholders' Meeting, the Internal Rules of the governance bodies and the Board of Directors advisory committees, as well as our policies, rules and procedures.

The decision-making body model has been adopted since 1995, and all decisions, regardless of hierarchical level, are made with the involvement of unit representatives and support from executive committees to set strategies and approve proposals for different business.

We adopt the segregation of functions within the corporate governance scope. The units responsible for risk management and internal controls, for example, are not under the direct supervision of the Vice Chairmen, in which officers or units responsible for business activities are linked; the officers or units responsible for the credit risk analysis activities must not report directly to the Vice Chairman to which the officers or units responsible for granting credits or guarantees are linked, except for credit recovery cases; and Vice Chairmen, Executive Officers or any other person responsible for the administration of the Bank's own resources must not manage third party resources. |102-25|

The objective, clear, reliable and timely provision of information is assured. All facts are subject to disclosure, except those of a restricted nature, which expose the institution's activity and image to risk, or those protected by law. |102-25|



BB Leadership Program

|102-27|

The BB Leadership Program kicked off in 2016 and its goals include the assessment and mitigation of possible succession risks and guidance on the development of participants in a planned and proactive manner, in addition to providing inputs for decisions on senior management succession and changes.

In 2020, 30 leaders were evaluated by using online behavioral profile tools; 197 Executives, Superintendents and Statutory Officers of nine Entities Affiliated to Banco do Brasil (ELBB)

underwent evaluation at 26 management committees, with the resulting identification of areas with greater risk of succession and corresponding actions to speed up the training

of talents; 25 positions of officers of nine ELBBs updated and over 80 names were analyzed to support the succession decisions for 10 positions at the Conglomerate.

The BB Leadership Program goals include the assessment and mitigation of possible succession risks and guidance on the development of participants.

Senior Management Remuneration

|102-35|

|103-2|103-3 | Talent attraction and retention|

Fixed compensation amounts and benefits granted to senior managers are calculated based on market surveys, internal balance, required capabilities and responsibilities, according to the position.

The portions that make up the total compensation (fixed compensation, variable compensation and benefits) are submitted every year for approval of the Annual General Meeting, subject to relevant legal provisions.

In compliance with CMN Resolution, we have a Human, Remuneration



and Eligibility Committee (Corem), whose purpose is to assist the Board of Directors to set compensation policies for executives. |102-36|

The body is composed of five effective members, one chosen from among the members of the Board of Directors, nominated by minority shareholders; one chosen from among the members of the Board of Directors, nominated by the Federal Government; and three chosen at the discretion of the Board of Directors. The committee should be composed by most independent members. |102-36| |102-37|

The remuneration for directors policy, which comprises senior management, is available on the Investor Relations website. The policy's goals are to attract, encourage, reward and retain senior managers to conduct business in a sustainable way, subject to proper risk limits, in short, medium and long-term strategies and

by combining the interests of shareholders and other stakeholders. Amounts actually paid are also disclosed, in each period, in accordance with legislation and regulations in force.

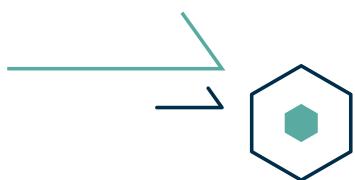
The Program of Variable Remuneration (RVA) is intended exclusively for Executive Board members on an annual basis. It is set according to the management members' risks and activities and conditioned on activating the Participation in Profit and Results Program (PLR) and achieving accounting profits.

The RVA is calculated based on corporate, individual, collegiate and unit indicators, linked to the application of the business plan and the Companies Strategy. Part of the amount granted under this Program is paid in kind and part in shares, partially deferred over up to 4 years. Deferred installments are subject to the company's continuing results and may be reversed to us. |103-2| |103-3| Attraction and retention of amounts|

In the 2020 edition, the RVA was calculated based on 11 indicators monitored at the corporate, unit, collegiate and individual levels. Two indicators relate to financial return: Return on Equity (ROE), Market and Productivity per Capita.

The percentages of contributions made to the highest governance body are equal to those of other employees. Therefore, contributions and payments made, both for the General Social Security Regime (RGPS - INSS) and the Supplementary Social Security Regime, are the same for all audiences, either restricted or associated.

Private Pension Entities (Entidades Fechadas de Previdência Complementar - EFPC), which sponsor benefit plans, make no distinction between its members, with benefits being granted according to each Plan regulation. |102-35|



The remuneration for directors policy goals are to attract, encourage, reward and retain senior managers to conduct business in a sustainable way.

Senior Management Evaluation

The performance evaluation of the Executive Board members is carried out by a specific analysis of the professional capabilities that covers different aspects, such as management acts and quality of decisions, strategic communication, commitment, mobilization and engagement, stakeholders's relation, sustainable results, innovation, focus on client and strategic and market vision. Since 2009 the Board of Directors has evaluated the collegiate performance of the Executive Board and, as of 2018 it has also evaluated the individual performance of members on an annual basis.

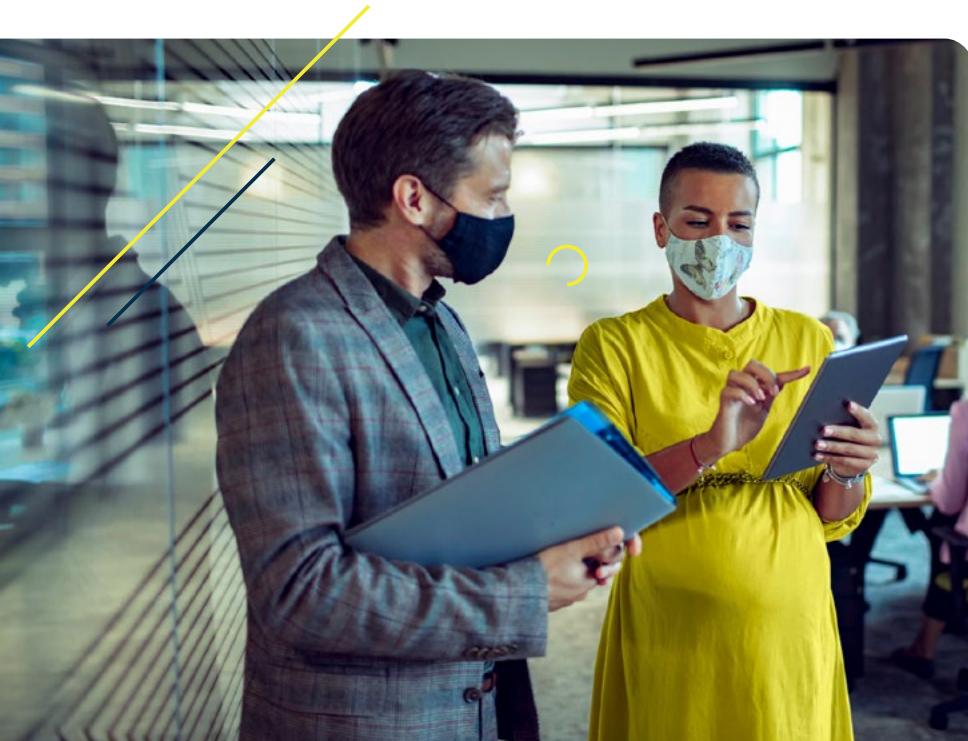
Every six months, the Executive Board members conduct a self-evaluation and are evaluated by their

superior officer, so that the members of the Board of Directors evaluate the Chairman, who, in turn, evaluates the Vice Chairmen and Officers directly reporting to them and, at last, Vice Chairmen evaluate the Executives Officers reporting to their area of operation.

The performance of the units, used to measure the amount to be paid as variable compensation, is measured by a corporate tool called the Work Agreement (Acordo de Trabalho - ATB). This evaluation model, based on the goals proposed at the Corporate Strategy, allows for a balance between short and long-term visions. The ATB indicators relate to several topics, including commercial and financial

performance, customer satisfaction and experience, operational efficiency, risk management, human management, and corporate socioenvironmental (E&S) responsibility. |102-28|
|102-35|103-3|Sustainability Culture|

Sustainability drivers are evaluated through indicators ranging from the strategic level, with the Master Plan, to the operational level, with the work agreement of units and the employee performance evaluation (Radar do Gestor - Manager's Radar). Indicators include the assessment of results of the units' operating plans, which impacts the variable remuneration of statutory officers and strategic, tactical and operational unit employees.



The evaluation model, based on the goals proposed at the Corporate Strategy, allows for a balance between short and long-term visions.

Board of Directors' Evaluation

As provided for in the Bylaws and Internal Regulation of the Board of Directors, the directors annually evaluate, through a specific tool, the performance of the Board of Directors and the committees set up under its scope. This evaluation model was revised in 2018, so that the members of the Board of

Directors now evaluate the performance of the Board Chairman and the individual performance of the Board committee members.

The items that make up the evaluation tool, updated in the 2018 revision, cover different corporate governance

aspects. Evaluations are not independent and take place annually. The results of the evaluations carried out by the Board of Directors are forwarded to the Board itself, with the possibility of discussing and proposing measures or recommendations accordingly. |102-28 |102-35|

Governance Innovations and Adjustments

Since 2017 we have been certified in the Outstanding B3 State-Owned Enterprises Governance Program (PDGE). In 2019, we again obtained the Level I Governance Seal (IG-SEST), reaching in the four cycles performed the maximum score (10) in all criteria evaluated by Secretariat for Coordination and Governance of State-Owned Companies (Sest) from the Ministry of Economy.

In 2020, the Federal Court of Accounts (TCU) granted us the level of excellence after our completing the work related to the adjustment of federal state-owned companies to the regulatory framework applicable to state-owned companies, Law 13303/2016 (process TC 036.817/2018-0). These recognitions are the result of several improvements in our internal governance practices and frameworks.

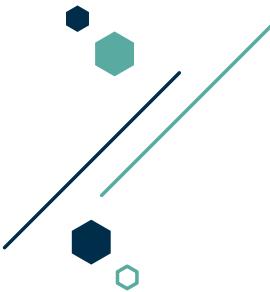
Over the year we undertook actions to improve the governance framework

and practices, among which the revision of the BB Report on the Corporate Governance Code stands out; the revision of the General Policies of Institutional Scope, Marketing Guidelines, Operational Guidelines and Human Management, and the Specific Related-Party Transaction Policy; and amendments to the Bylaws, among which we highlight:

- the provision that the management of third-party asset may also be carried out directly by the Bank;
 - the increase in capital driven by the premium bonds of part of the Bank's Operating Margin Reserve and the merger of Bescval, through the transfer of shareholders' equity into Banco do Brasil;
 - the possibility of taking out additional coverage for D&O insurance and including the provision
- for entering into an Indemnity Agreement;
- the adequacy of composition of effective members of the Human, Remuneration and Eligibility Committee and the Technology, Strategy and Innovation Committee;
 - the inclusion of the provision that acting Officers requesting retirement under the Pension Plan of Banco do Brasil's Employees (Previ) are entitled to be elected as Executive Officer ; and
 - Evidencing the procedures to be adopted when conflicts of interest are identified at meetings of the Board of Directors, Board of Officers (CD), Executive officers Board and Supervisory Board.

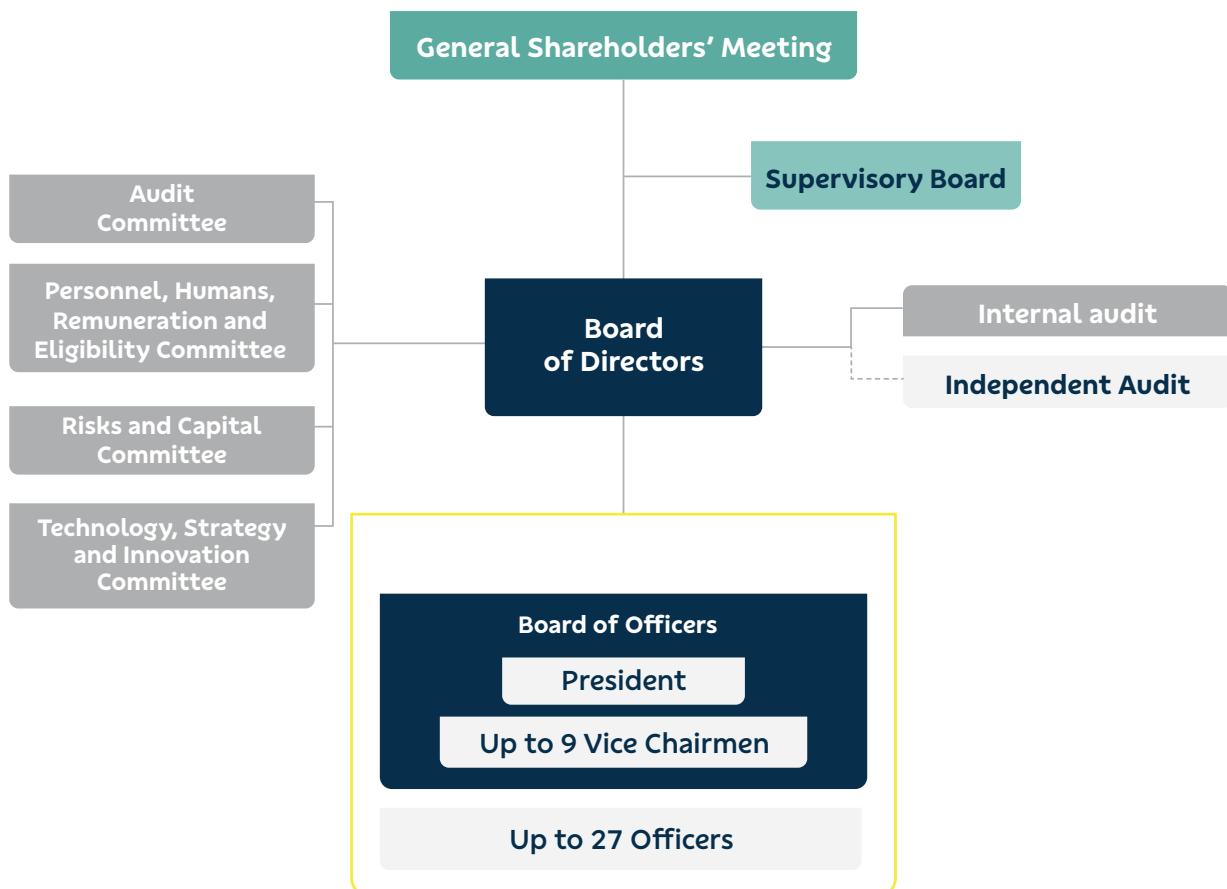
⁽¹⁾ From December 9, 2020.





Governance structure

|102-18|



* Article 24, subsections II and III, of our Bylaws, allows up to 9 Vice Chairmen and 27 Officers. We have currently 7 Vice Chairmen and 26 Officers, in view of the revised Organizational Architecture approved by the Board of Directors in November 2020.

Access the [organization chart with BB's new macrostructure](#).



General Shareholders' Meeting (GSM)

In addition to the duties provided for in the Brazilian Corporation Law and other legal requirements, the General Meeting is responsible for deciding on the following:

- Sale of all or any shares of the capital stock of the Bank or its subsidiary companies; initial public offering; increase of capital stock through subscription of new shares; waiver of rights of subscription of shares or debentures convertible into shares of subsidiaries; sale of debentures convertible into shares of the Bank issued by subsidiaries; or, also, issuance of any other securities in Brazil or abroad;
- Transformation, merger, take-over, spin-off, dissolution and liquidation;
- Exchange of shares or other securities; and
- Differential corporate governance practices and execution of contracts for this purpose with the Stock Exchange.

Board of Directors (CA)

Management body that brings together strategic, guiding, elective and auditing functions, not including operational or executive functions.

[Internal Regulation available at:](#)

Board of Executive Officers (Direx)

The administration is the responsibility of the Executive Board, composed

of the CEO, Chief Officers and Executive Officers. The Executive Board is responsible for complying with the Bylaws, the decisions of the General Shareholders' Meeting and of the Board of Directors, and for exercising the assignments defined by the Board of Directors, always observing the principles of good banking techniques and good corporate governance procedures.

[Internal Regulation available at:](#)

Board of Officers (CD)

A collegiate body composed of the CEO and Chief Officers; responsible for proposing and enforcing execution of policies, the corporate strategy, the investment Plan, the Master Plan and General Budget of the Bank; approving and enforcing execution of the Markets Business Plan and the Work Agreement; decide on the internal organization and administrative structure; distribute and invest profitly, as resolved by the General Shareholders' Meeting or by the Board of Directors, observing the legislation in force, among other statutory duties.

[Internal Regulation available at:](#)

Supervisory Board (CF)

The Supervisory Board is the permanent supervisory body for administrative management actions, aimed at protecting our interests and those of the shareholders, subject to the public good and the Company's social function requirements.

[Internal Regulation available at:](#)

Audit Committee (Coaud)

A permanent body responsible for advising the Board of Directors with respect to the exercise of its audit and supervisory functions. It is responsible for the regular supervision of activities and assessment of the independent audit work, as well as for exercising its duties and responsibilities concerning the controlled companies that adopt the single audit committee regime. It is also required to monitor and assess the Internal Audit activities, evaluating and monitoring risk exposures, following accounting practices and information transparency and assist the Board of Directors on deliberation on matters within its competence, notably those related to supervision of management and strict compliance with principles and rules of compliance, corporate accountability and governance.

[Internal Regulation available at:](#)

Human, remuneration and Eligibility Committee (Corem)

A permanent body, whose duties, among other functions provided for in legislation, are to advise the Board of Directors on setting out policies on human resources management, remuneration, appointment and succession of directors; opine, to assist shareholders in the appointment of directors, members of the Board of Directors and Supervisory Board advisory committees, the fulfillment of requirements and lack of restrictions for the respective elections; Check the conformity of the evaluation



of management members, and members of the Board of Directors and Supervisory Board advisory committees.

 [Internal Regulation available at:](#)

Risks and Capital Committee (Coris)

A permanent collegiate body whose primary role is to advise the Board of Directors on risk and capital management. Therefore, among other functions, Coris supervises the Executive Board' compliance with the Declaration of Appetite and Risk Tolerance; It assesses proposals for setting out and revising specific risk and capital management policies; It supervises compliance with said policies; It assesses the level of compliance of risk management processes and structures with the risk and capital management policies.

 [Internal Regulation available at:](#)

Technology, Strategy and Innovation Committee (Cotei)

A collegiate body whose purpose is to advise the Board of Directors on technological trends and new business models, projects or innovation initiatives to cope with new trends and their effects, as well as to monitor the performance of the Corporate Strategy.

 [Internal Regulation available at:](#)

Internal Audit

The Internal Audit reports to the Board of Directors and is responsible for assessing the adequacy of internal controls, the effectiveness of risk management and governance processes and the reliability of the collection, measurement, classification, accumulation, registration and disclosure processes of events and transactions, with a view to preparing the financial statements.

Independent Audit

The Independent Audit Function is responsible for auditing and expressing its opinion on the financial statements, including the adequacy to the accounting standards issued by the National Monetary Council (CMN) and the Central Bank of Brazil (Bacen); evaluate the quality and adequacy of the internal control system, including electronic data processing and risk management, evidencing identified deficiencies; describe the non-compliance with legal and regulatory provisions that have or may come to have relevant reflexes on financial statements or on audited entity transactions. It is incumbent upon the Board of Directors to hire and remove the independent auditors, whose names may be subject to a duly justified veto by the elected director.

SASN FN-CB-230a.2

The Risk and Capital Committee advises the Board of Directors on risk and capital management.

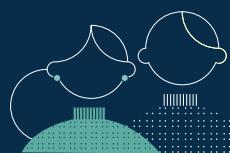


Governance of the Conglomerate

Principle of independence of appointed members

Respect for the legal personality of each entity

BB's deliberations of an advisory/guidance nature



Key Dimensions

People

Strategic Alignment

Economic-Financial Performance

System of Controls, Risk Management and Compliance

Value Creation and **Sustainability**

Segmentation of the ELBBs by type of participation:

Subsidiaries

Affiliates

Complementary Pension Plans

Operators of Private Health Plans to Employees

Foundations

Accounting Information:

Link to FSs

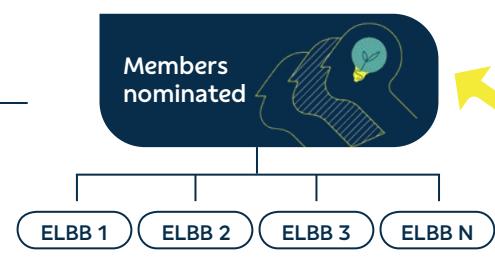
Information on share capital



Participants:

- Direg- Related Companies Governance (coord.)
- Dicoi- Internal Controls
- Dirco- Controllership
- Dijur- Legal
- Diris- Risk Management
- Coger- Accounting
- Difin- Finance

Advisory



Corporate governance, strategic guidance, and monitoring of the business of ELBBs, with the aim of aligning policies and practices, monitoring performance, minimizing risks, adding value, and quality decision making

Information



+ Ethics and Transparency

|102-17| SASB FN-CB-510a.21

|103-2|

|103-3 Ethics and Compliance|

Ethical actions and conduct are translated into credibility, transparency and strength – a must-have for financial institutions. Ethical performance and compliance with laws and regulations by the organization and employees ensure greater reliability and determine customers' and shareholders' satisfaction. Weaknesses in processes, systems and people may pose risks to the institution and, consequently, damage to stakeholders. Ethics management contributes to the prevention of torts and mitigates financial losses and damage to reputation.

In addition to being a legal obligation, preventing and combating corruption and crime is our social responsibility for building a better country. Preventive actions corroborate the fight against other crimes, such as theft, drug and arms trafficking, by making it difficult to use the money from these acts and their feedback.

We have a robust system for corporate ethics management comprising Ethics Management, Internal Ombudsman,

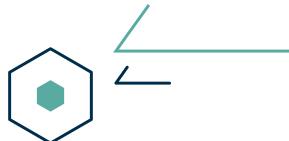
Disciplinary Control, Integrity and Compliance processes, which operate in a coordinated and structured way with other product, process and service managers.

We act preventively by sharing values and standards of functional conduct, with internal communication actions and provision of ethics courses and training events, in addition to informing and registering the regular acknowledgment of the Code of Ethics. The code contains assumptions, guidelines

and responsibilities to be assumed by all employees, senior management included.

We are members of the Financial Action Task Force against money laundering and Financing of Terrorism group (FATF) and the National Strategy to Combat Corruption and Money Laundering (Enccla), Febraban's Sectorial Commission for Money Laundering and Terrorism Financing Prevention and the Money Laundering Subcommittee. Learn more about it on the [Sustainability website](#).





Challenge 8 |||

Strengthen Banco do Brasil's performance in relation to ethics and compliance in its businesses and processes, with the adoption of increasingly efficient internal controls.

Anti-corruption actions are structured to mitigate the risk that employees or third parties, acting in our interest or benefit, will carry out an act of corruption against public entities. Anti-money laundering procedures set out by regulatory bodies require permanent adjustments to procedures and computerized systems and communication and training actions for employees. In 2020, over 10,000 anti-money laundering training courses were held.

A major challenge faced in view of our broad network is developing, implementing and consolidating an organizational culture based on ethical principles and respecting regional, cultural and individual differences. To this end, actions are taken to share anti-corruption culture, training on this topic is provided and controls are implemented in processes. When a illegal act is identified, proper disciplinary measures are taken, including a timely and comprehensive investigation and the application of sanctions to those involved.

In addition to maintaining strategic policies and investing in compliance programs aimed to ensure that all planned and approved actions are carried out properly, we seek to comply with the best governance practices, including by signing up to programs set out by regulatory bodies, such as the Ministry of Transparency and Office of the Controller General of the Government's Pro-Ethics program.

All units are responsible for ensuring the application of ethical guidelines. The staff has a leading role in carrying out those actions that make up the guidelines. Every day, in the exercise of their duties, employees apply laws, regulations, rules, policies and procedures, complying with principles of integrity, ethical conduct, efficiency and business sustainability.

With respect to disciplinary sanctions, Internal Ombudsman, via Ethics Committees, is responsible for applying due disciplinary treatment to those

involved. In 2020, the Regional Ethics Committees resolved complaints claiming interpersonal conflicts regarded as legitimate by the Internal Ombudsman, investigating any alleged misconduct of each defendant and assigning measures aimed at their repositioning.

Access to information

In compliance with the Access to Information Law (Law 12527/11), we make available, on the Access to Information page, public information of collective or general interest produced or kept by the institution. On the same website, a link is made available to the SIC - Citizen Information Service channel, to ensure access to public information not actively made available by us.

In 2020, 1,110 requests for access to information were received at our SIC, representing a monthly average of 92.50 requests. The average response time has been 16.42 days.

Code of Ethics

[SASB FN-CB-510a.2]
 [102-16 | 102-17 | 205-2]
 [103-2 | 103-3 | Ethics and Compliance]

The Code of Ethics provides guidance on the values that must be adopted by senior management, employees, third parties (interns, apprentices, officers and outsourced companies' employees) and those operating or providing services on our behalf or for us.

The document is reviewed annually to provide guidelines on how to act when current ethical dilemmas and challenges arise. It is currently under approval, considering changes aimed to align its content to the new Corporate Strategy. An updated Code of Ethics keeps us compliant with legal requirements, joining

the best companies governance practices for state-owned companies, in conformity with the commitment to investing in ethics promotion actions (Pro-Ethics) and reflects the desire to get closer to employees. The new version is innovative and in line with the content of the codes of ethics of major global companies.

To provide greater representativeness and legitimacy to documents, all members of the Board of Directors and the Board of Officers (CD) take part in resolutions upon approval and sign the Code of Ethics. The signatures evidence their commitment and involvement with corporate ethics.

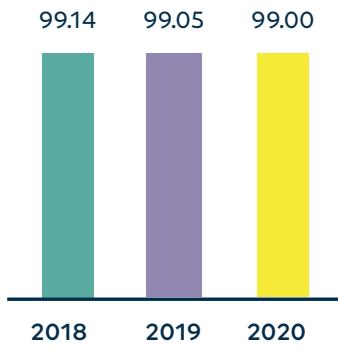
Challenge 8 |||

Strengthen Banco do Brasil's performance in relation to ethics and compliance in its businesses and processes, with the adoption of increasingly efficient internal controls.

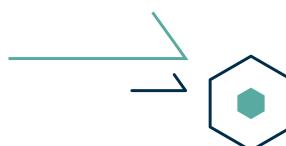
With each update of the Code, we promote a communication campaign to the staff (via Intranet, email and companies systems) for sharing, raising awareness of, and registering their acknowledgment of the document. In 2020, we reached a 99.00% awareness rate for the Code.

All audiences are encouraged to report suspicious situations to the Internal Ombudsman, and failure to comply with the Code of Ethics guidelines can result in sanctions according to the severity of the occurrence, its circumstances and the level of participation of each one involved.

Employees who declared their adherence to the Code of Ethics (%)



2019 Target: 98.00
 2020 Target: 99.00
 2021 Target: 99.50



In 2020, the Internal Ombudsman received:

1,237

complaints, of which 197 related to disciplinary investigation due to indications of irregularities.

119

complaints involving social and functional misconduct were investigated by the Internal Ombudsman Case Study (ECO).

270

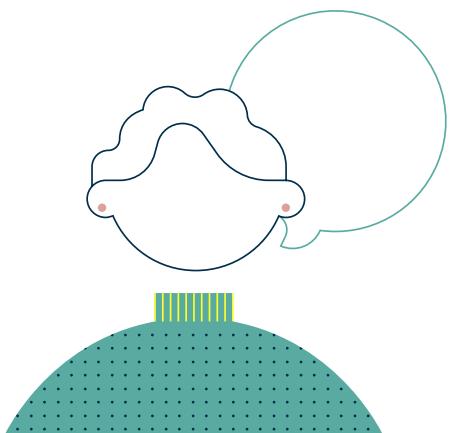
calls claiming timely conflicts between two employees were dealt with through mediation.

402

complaints regarding administrative matters were sent to the process managers or units involved.

249

calls involving inappropriate communication and minor misconduct were dealt with by repositioning feedback.



1
2
3
4
5
+

Complaints falling into mediation proceeding, which aim to reach agreement between the parties involved, may be carried out through three modalities: restorative mediation, conciliation and restorative conversation. Of the mediation proceedings carried out, totaling 270, 152

agreements were reached between the parties, and 31 were left unsettled. For the remaining 87, claimants dropped charges or the subject-matter of the issue was dismissed, and some of them were under analysis by the end of 2020.

The ECO methodology is used if a complaint against an employee includes misconduct and/or non-compliance with the Code of Ethics affecting a group of people. Investigation is carried out through interviews to conclude whether the



Breaches of the Code of Ethics reported

Finding	Treatment	2018	2019	2020
Indications of irregularities	Disciplinary Investigation	586	193	197
Social and functional misconduct	Internal Ombudsman Case Study (ECO)	285	201	119
Improper communication and minor misconduct	Repositioning feedback	635	329	249
Conflicts between two employees	Conflict mediation	274	280	270
Administrative Issues	Forwarded to process managers or units involved	62	434	402

1,237 complaints received by the Internal Ombudsman

complaint is either legitimate or illegitimate.

The Internal Ombudsman, also through the ECO methodology, is responsible for confirming the misconduct

and/or non-compliance with the Code of Ethics, in which case the demand is classified as legitimate. Of the 119 ECO complaints, 39 were found illegitimate, 43 were found legitimate with the

application of administrative and educational measures, 22 were found inconclusive, and 15 were under analysis by the end of 2020.

When it receives complaints with indications of serious irregularities, in non-compliance with laws, Internal Regulations and/or the Code of Ethics, which give rise to losses or expose us to risks, the Internal Ombudsman submits them to the Disciplinary Control - a process that governs discipline of current and former employees involved in irregularities.

The process has investigation, analysis and trial stages

Ombudsman Case Study Solution

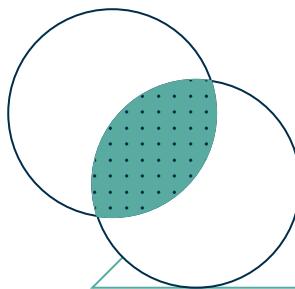
	2018	2019	2020
Unfounded	176	86	39
Founded, with administrative/educative measure	71	68	43
Impaired analysis	21	37	22
Early stage	16	9	15
Charges dropped	1	1	0



and instances. Once the employee's responsibility for the irregularity is proven legitimate, they may be sanctioned with a guidance, such as Acknowledge Term, to a restrictive right sanction, such as suspension, removal or dismissal. Furthermore, in- and out-of-court

measures may be adopted against the employee to recover the damage incurred.

In 2020, disciplinary measures were applied (more than one employee involved in the same irregularity), as shown in the table below.



Solution by Employee

	2018	2019	2020
Under progress by the end of 2020	96	103	83
Term of acknowledgment	22	113	20
Dismissal	13	23	6
Suspension	9	52	1
Warning	8	28	0
Irregularity Not proven	5	0	18
Removal from office	5	2	1
Acknowledge Term and Pecuniary Liability	3	1	0
Warning and Pecuniary Liability	1	0	0

Ethical trail

|205-2|

The Ethical Trail program, available at the Corporate University, is directed toward Code of Ethics training. By the end of 2020, the Trail consisted of 14 educational solutions (courses, video classes, articles and booklets, among others) for discussing ethical behaviors: Preventing and Combating Corruption, Moral and Sexual harassment and

Getting to Know the Code of Ethics, Non-Violent Communication, BB Values, Inclusive Culture and Leading Role.

Completing the courses is a requirement for selective processes and enrolling employees for opportunities of internal professional growth and getting Continuing Education Program internships.

In addition to the Ethics Trail courses, training is provided in semiannual lectures for senior management. In 2020, aiming to subsidize strategic planning for the 2021 – 2025 period, lectures with economists and specialists in the financial market and in the technology area were held to give rise to insights on the senior management's role in defining strategies and sustainability.



+ Preventing and Combating Corruption and Money Laundering

|205-1 |205-2|

|103-2|

|103-3| Combat against Corruption, Bribery and Money Laundering

Challenge 9 ||||

Improve and provide transparency to policies and processes related to combating corruption, illegal actions, money laundering and tax evasion.

To address this issue, we have the [Policy on Prevention and Combat of Money Laundering, Terrorism Financing and Corruption](#).

The Internal Audit regularly evaluates the effectiveness of the anti-money laundering and corruption process, pointing out the need to take actions to improve controls and mitigate any risks involved. The

process is also periodically evaluated by inspection and control authorities and by the Independent Audit function, which includes rules, procedures, monitoring systems, training program and compliance with applicable laws and regulations. Businesses with Politically Exposed Persons (PPE) are previously authorized by senior management.

Specifically in the Entities Affiliated to the Bank (ELBB), the policies and procedures established are evaluated periodically to check whether they are in line with our guidelines; the review and structuring of processes are supported and guided by a specific area. Additionally, ELBB's technicians and/or executives are invited to attend training events. In 2020, a risk management assessment of the 44 main ELBB was carried out, focused on preventing and combating corruption, and 46 were evaluated in the context of preventing money laundering.

The training courses "Prevention and combat against Corruption" and "Companies and Prevention of Corruption" are available on the UniBB Portal and are accessible to all employees. The course "Prevention and combat against Corruption" aims at enabling them to identify situations or business that are indications of corruption, based on the





All members of the Board of Directors and Board of Officers are aware of the Policy on Preventing and Combat Against Money Laundering, Financing of Terrorism and Corruption.

definition of harmful acts practiced against the Public Administration, in accordance with legal requirements. The "Companies and the Prevention of Corruption" course aims at enabling trainees to identify elements that make up the various aspects of integrity in companies and mechanisms to strengthen them within the corporate culture.

All members of the Board of Directors (CA) and Board of Officers (CD) are aware of the [Policy on Prevention and Combat Against Money Laundering, Financing of Terrorism and Corruption](#). We also maintain training courses on the topic on the UniBB Portal.

The Senior Management Track, intended for our leadership, includes courses such as Prevention and Combat Against Corruption; Experiencing the Code of Ethics; Banco do Brasil cares for Values; Synapse – Prevention and Combating Money Laundering and

Terrorism Financing. The main course of the Track, Senior Management in Focus, addresses topics such as: Anticorruption Law, Internal Controls, Capital Markets, Corporate Law and Confidentiality and Disclosure of Information. By the end of 2020, 44 dos 51 board members, statutory officers and members of the advisory committees of the Board of Directors participated in the track.

The Business Security and Prevention of illegal Acts Track is intended for all employees and makes available 23 educational solutions on the UniBB Portal, nine of which are directly related to prevention and combat against corruption and money laundering. At the end of 2020, we recorded more than 94 thousand attendances in training in the track.

Investigation

We are exposed to risks that employees, third parties or intermediaries of any nature,

acting to their benefit or in their interest, may carry out harmful acts such as corruption against the Public Administration, either national or foreign, set forth in the Anticorruption Law, or in any legislation of this type, of transnational scope and those applicable to the jurisdictions in which we operate.

The main risks identified regarding our possibility of being classified as perpetrators of a corruption act are present in business involving public entities as counterparties, through the action of direct agents or third parties acting on our behalf. The risks present in negotiations with legal entities due to bidding processes, contract management, and access to credit on lines with rates below those offered by the market were also considered relevant. |205-1|

We are not involved in any confirmed corruption case, as set forth in the Anti-

Corruption Law or Clean Company Law, so that no agreement has been terminated and has not been renewed because of violations. [205-3] [103-2|103-3] Combat against Corruption, Bribery and Money Laundering]

In 2020, eight new administrative accountability processes were filed to investigate the practice of corruption by companies against us, in addition to the 14 cases in ongoing 2019. At the end of fiscal year 2020, 11 cases were judged, five were subject to fines and extraordinary publication and six were dismissed. The other processes are still being investigated. [205-3] SASB FN-CB-510a.1]

During the year, no public lawsuits related to corruption were identified as filed against the organization or its employees. [205-3]

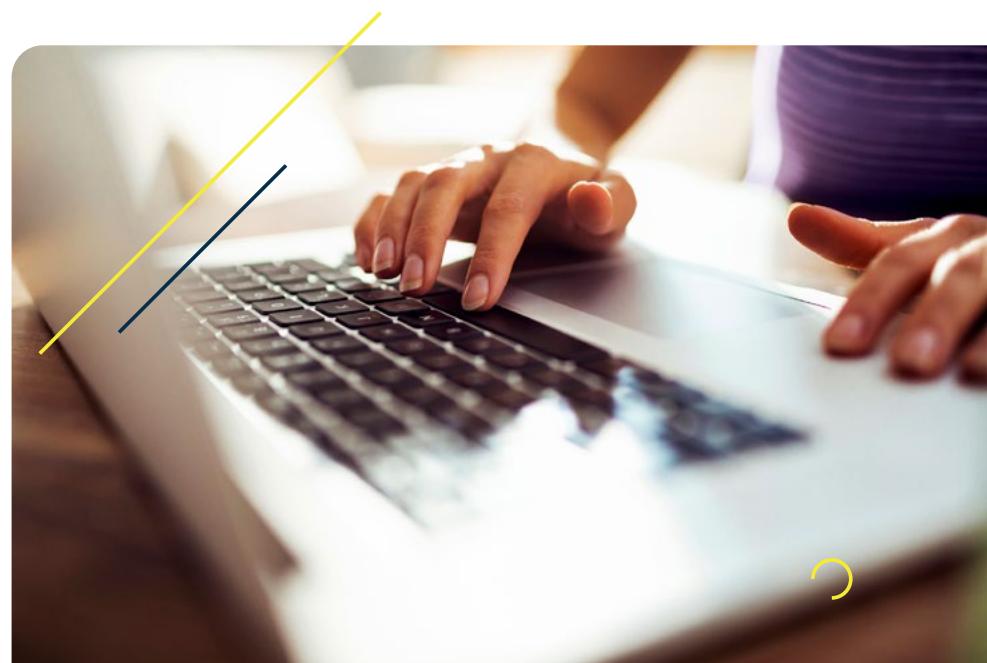
In 2020, there were no administrative procedures to determine accountability in cases involving the collection or receipt of undue commission for services rendered by employees. [205-3]

Efforts and Results

In 2020, measures were taken to mitigate the occurrence of harmful acts that could be qualified as corruption. Among them, we point out:

- **Integration of the Integrity Program into the Compliance Program**, approved by the Board of Directors (CA), comprising the integrity and compliance measures adopted by us;
- **Prospecting of an electronic management tool for the Administrative Accountability Process (Processo Administrativo de Responsabilização – PAR)**, under approval phase;
- **Reaching more than 64 thousand employees trained in the “Prevention and Combation Corruption” course**, enabling them to identify situations or businesses that are indicative of corruption, in accordance with legal requirements, and guiding them to use the appropriate communication channel to report suspicious situations or unlawful acts;
- **Training of more than 15 thousand employees in the course “Company and the Prevention of Corruption”**, developed in partnership with Alliance for Integrity, contemplating everyday situations in which

In 2020, the Integrity Program was integrated into the Compliance Program.



We trained more than 64 thousand employees in the "Corruption combat and prevention" course.

there are integrity risks, aiming at enabling the employee to act as an agent that applies the integrity measures in their daily lives;

- Training of members of the Preliminary Investigation Commission to PAR - Coinp and Commission for Conducting PAR in the "Online Course on Anticorruption Compliance" and in the "Online Course on Corporate Internal Investigations" taught by LEC (Legal Ethics Compliance), granting the CPIIC - Professional Certification in Corporate Internal Investigations, by FGV-Projetos, to each employee of the team; in the training "Working with Organizational Culture and Business Integrity", by Instituto Ethos; and attendance

in the "Control in the Combat Against Corruption" Forum, promoted by the Office of the Federal Controller General (CGU);

- Monitoring of news sites with the objective of verifying Legal Entities involved in crimes related to corruption and/or money laundering, recorded in the registration database, so that the situations are analyzed by the area in charge, prior to conducting business;
- Periodic monitoring of the National Register of Punished Companies (Cadastro Nacional de Empresas Punidas –CNEP) and the Foreign Corrupt Practices Act (FCPA), to support analysis of the maintenance of our

business relationship with companies punished for corruption;

- Monitoring of processes that enable the identification of facts subject to be addressed by Law 12.846/2013, such as disciplinary and administrative processes related to the bidding and contracts area;
- Preparation of the Annual Integrity Communication Plan;
- Issuance of specific guidelines for conducting the Process for Preventing and Combating Corruption in the ELBB.

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4 Risk management

Risk Management Governance

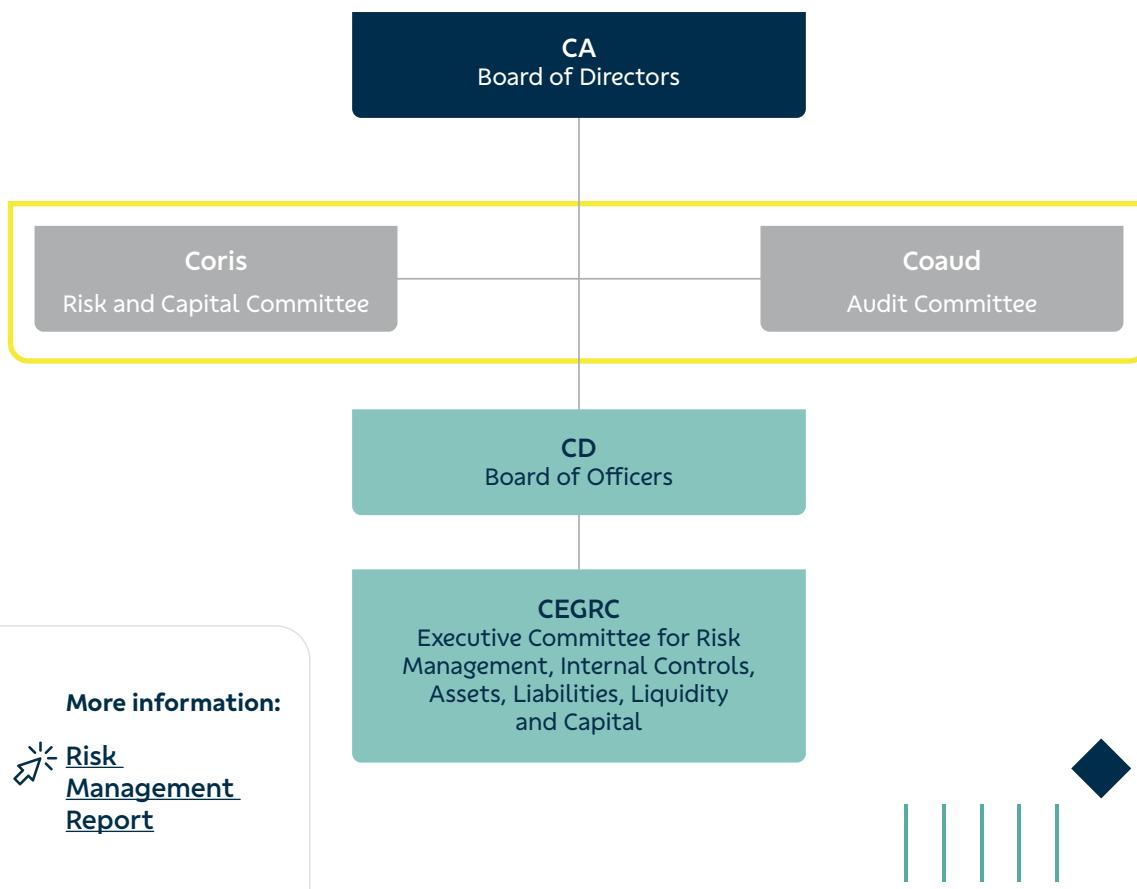
We have a risk and capital management system that meets the aspects and standards set forth in the rules issued by the National Monetary Council (CMN) and by the Central Bank of Brazil (Bacen) and seeks a permanent alignment with good management practices.

The governance model established for integrated risk and capital management adopted by us includes the following aspects:

- segregation of duties: business x risk;
- specific structure of risk management;
- defined management process;

- decisions at various hierarchical levels;
- clear rules and structures of authority; and
- benchmark for the best management practices.

The following figure represents the governance structure established for risk and capital management.



+ Risk mapping and identification

The continuous process of identifying risks is highly important for our organization, relies on the analysis of internal and external inputs and addresses prospectively the risks incurred. The Corporate Set of Relevant Risks plays an important role in risk and capital management, as well as in business management.

The identification of risks is based on:

- a. Risks that may impact the achievement of the

- objectives contained in the Corporate Strategy;
- b. Risks inherent to the activities of Entities Affiliated to Banco do Brasil;
- c. Risk factors included in the [BB Reference Form](#), which are considered to be more relevant and may impact our business and the results of our operations;
- d. Risks identified by the first line of defense managers in their processes;
- e. Regulatory guidelines in Brazil and abroad;
- f. Banking industry's concerns; and
- g. Benchmark of financial institutions in Brazil and abroad.

The assessment of the relevance of risks considers quantitative (direct losses) and qualitative (indirect losses) criteria that result in the risk relevance matrix. Further information is available in the [Risk Management Report](#).

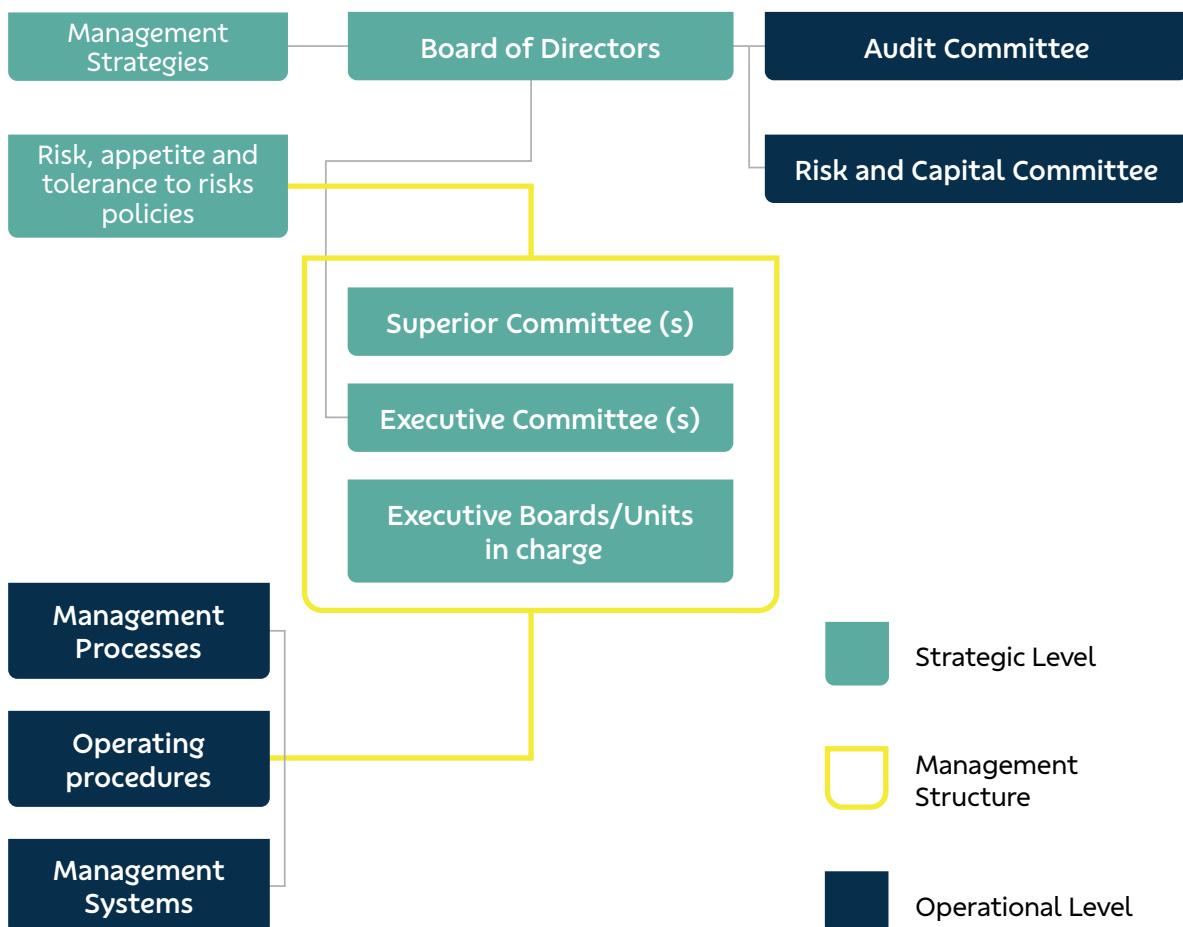
In 2020, we implemented the Radar Regulatório corporate tool, aimed at the automated capture of the rules published on the websites of the main Regulators, with more than 200 research sources. This resource collaborates to mitigate risks and ensure regulatory compliance and continuous adequacy of our processes, through the analysis of the impact of standards relevance and their association with internalization plans.



Management processes and strategies

In risk management, specific policies, Statement of Appetite and Risk Tolerance (RAS), strategies, processes, procedures and

management structures are comprised, respecting the specificities of each risk, according to the standard detailed on the next page.



The reviews of the relevant risk management frameworks carried out throughout 2020 enable

the maintenance of the internal controls system and effective and integrated risk management, contributing

to provide more security so that the strategic objectives can be achieved.



Referential Model for Lines of Defense - MRLD

|SASB FN-CB-550a.2|

The management of risks and controls is guided by Defense Lines Reference Model - MRLD, reviewed in 2020, with the support of an external consulting company. The management of the risks incurred by our businesses and the controls necessary for their mitigation is carried out therein, based on three protection line.



(1) Areas with corporate responsibility and autonomy for Specific Risk Management, in the 1st Protection Line, in view of their competence and/or significant influence in the management of relevant risks in the Institution's key processes,

(2) Areas responsible for processes, products, services and advisory services.

(3)They are responsible for corporate guidelines, advisory to the 1st Protection Line and supervision of risk management and internal controls.

(4) It has the function of evaluating the effectiveness of the entire risk and control management cycle, acting with autonomy and independence in the evaluation of the Internal Controls System.



The model allows the integration of corporate risk management and control processes, with well-established roles, providing greater assertiveness in risk and capital management.

In addition to the MLRD review, frameworks for Conduct, Compliance, Supplier, IT and Cyber Risk Management were approved Reputation, Contagion, Model, Legal, Market, Liquidity and Interest Rate Risks in the Banking Portfolio - IRRBB were reviewed. Additionally, in order to adapt to the best market practices, we approved the

Single Taxonomy of Internal Controls which establishes a common nomenclature for controls for use at the corporate level in our various units. For the identification and assessment of risks and controls, we adopted a methodology that contemplates four stages: identification, control assessment, risk assessment and conclusive opinion. The measurement of the risks criticality is carried out by means of a heat map methodology, composed of the axes of impact (estimate of exposure) and vulnerability (result of the controls effectiveness).



“ Facing the emergency scenario of the economic impacts of Covid-19, we positioned ourselves quickly, implementing solutions and improvements in the credit process, risk and opportunity management, aiming to mitigate the effects of the crisis caused by the pandemic to guarantee the customers' and employee's financial safety, and business continuity with the Bank.”

Renato Bonetti
VP Risk Management



+ Credit risk

Credit risk management is one of the main tools for making compatible the appropriate risk x return ratio. It is conducted on an integrated basis with the business objectives, it establishes limits and consolidates our vision. To do so, it is based on the following assumptions:

- Achievement of the minimum principal capital ratio, supported by a more favorable set of credit risk exposures in terms of profitability and maximum use of Risk Weighted Assets (RWA), in view of the projected exposures;

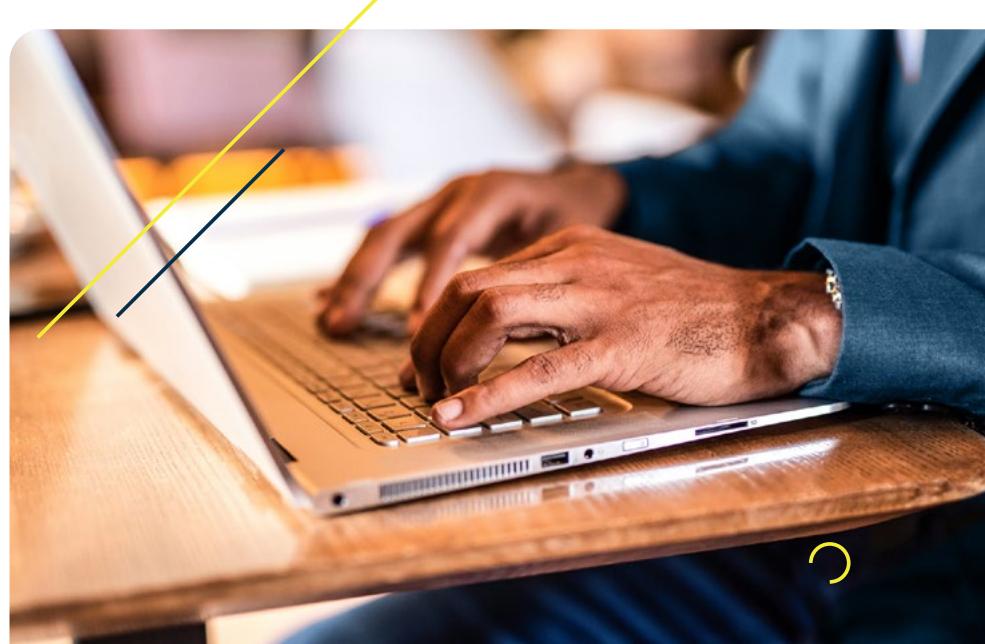
- Maintenance of the Value at Risk (VaR) as a metric for establishing limits, due to its greater capacity of representing the total losses (both expected and unexpected) associated with the portfolio exposed to credit risk; and
- Limits associated with the projected risk scenario (from the perspective of expected losses).

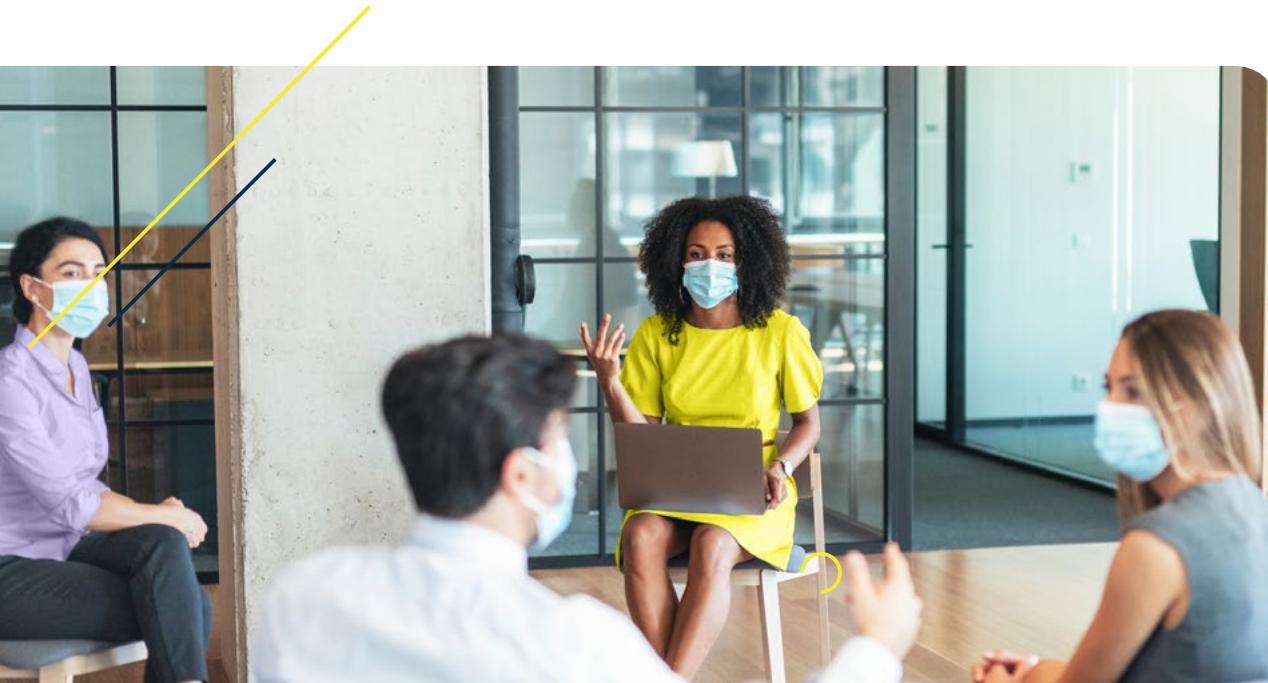
Our Specific Credit Policy guides the continuous, integrated and prospective management of credit

risk, comprising all phases of the credit process, the management of assets subject to this risk, as well as the credit collection and recovery processes, including those carried out on behalf of third parties.

The credit process is structured based on risk x limit calculation methodologies and it is developed in line with best management practices. It comprises the phases of registration, risk analysis and establishment of the credit limit, contracting and carrying out operations and risk management, with the support of regulations and

Credit risk management is conducted on an integrated basis with the business objectives, it establishes limits and consolidates our vision.





a specialized organizational structure. When establishing the credit limit, the maximum exposure to credit risk that can be assumed with the client is defined, regardless of the term and purpose, as well as the conditions for its use.

Credit risk management includes the counterparty

credit risk (RCC), country risk, foreign risk, transfer risk, credit concentration risk and the effectiveness of mitigating or risk transfer instruments used in exposures that generate the aforementioned risks. Its structure aims at identifying, measuring, evaluating, monitoring, reporting, controlling and mitigating

risk, in addition to ensuring the continuous improvement of management.

Progress in 2020

- Improvement of the process of monitoring the calculation of economic capital, allowing a greater understanding of the results and development of consistent histories;
- Restatement of the Specific Credit Policy;
- Development of a new methodology linked to the credit concentration risk; and
- Consolidation of the managers' participation in the structure of the credit portfolio management (CPM) in the building of the new RAS.

Credit risk measurement indices (R\$ billion)

	2018	2019	2020
NPL +90d ⁽¹⁾ (%)	2.5	3.3	1.9
Concentration ⁽²⁾ (%)	24.0	19.2	18.7
Write-offs (R\$ billion)	22.2	17.1	20.4

(1) Relationship between transactions overdue for over 90 days and the balance of the classified loan portfolio.

(2) Concentration of the 100 largest debtors in relation to the total loan portfolio.

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Market Risk and Interest Rate Risk in the Banking Portfolio (IRRBB)

|SASB FN-CB-550a.2|

+ Market risk management makes it possible to assess the risk exposure arising from changes in asset prices, interest rates or other economic factors compared to available capital. To measure it, statistical and simulation methods are used, which include the value at risk (VaR) and risk-weighted assets (RWA) metrics, in addition to stress tests and sensitivity analysis.

The management of the IRRBB refers to the risk of the impact of adverse changes in interest rates on capital and on the financial institution's results for instruments classified in the banking portfolio. The identification, measurement and control of the IRRBB are based on the approaches of economic value (Δ EVE) and the result of financial intermediation (Δ NII). For both risks, policies and

strategies are established and systems are used to guarantee the management of positions recorded in the trading and non-trading portfolios.

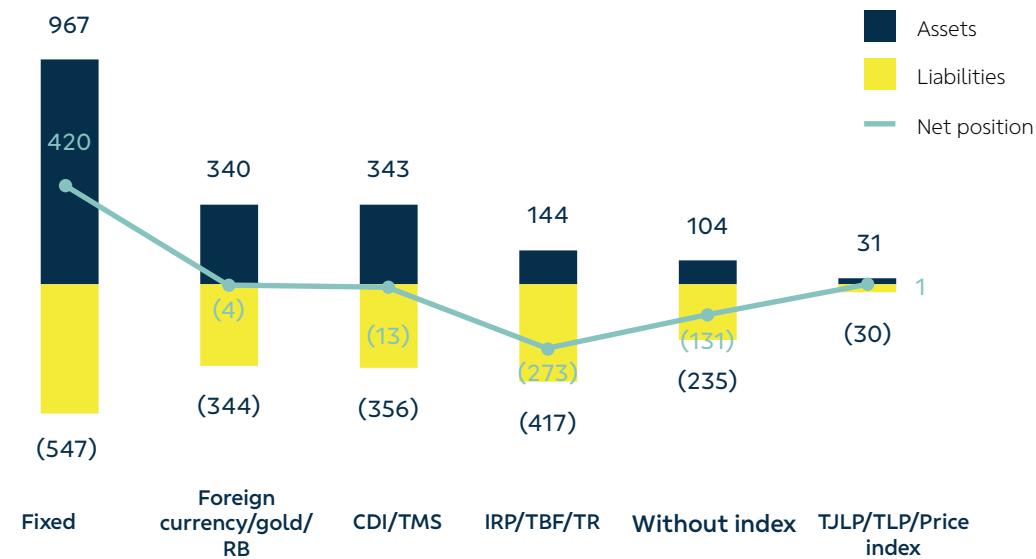
To reduce the market and IRRBB risks, we use a set of limits referenced to the availability of capital included in its Statement of Appetite and Risk Tolerance (RAS), with a daily monitoring process.

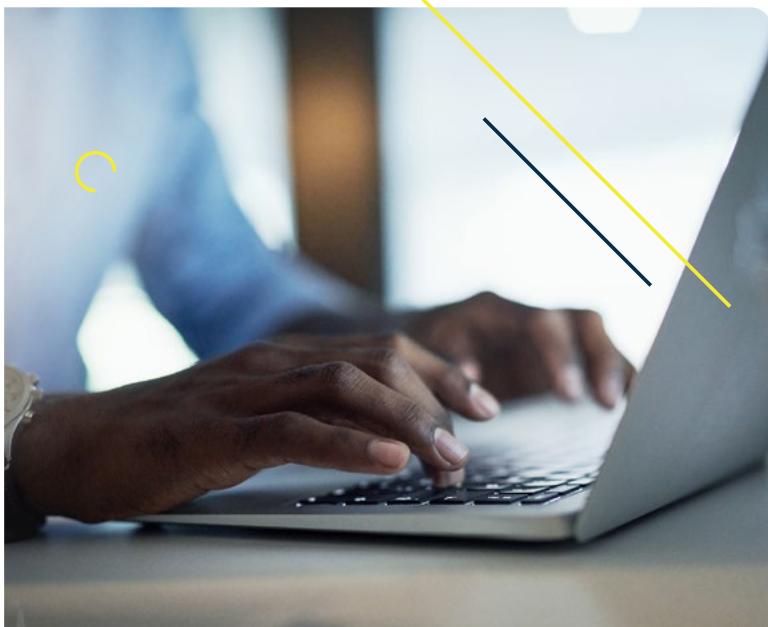
- Improvement of the dynamics of daily monitoring of market risk limits and IRRBB;
- Development of loan prepayment modeling for measurement of IRRBB; and
- Development of a fixed-rate hedging strategy to reduce exposure to the IRRBB Outlier Test indicator.

Progress in 2020

- Qualification of executive boards to conduct simulations of the impact of new operations through workshops;
- Calculation of the capital requirement for market risk, in line with the new guidelines of the Basel Committee, using a technological tool;

Net Position by Indexing Unit (R\$ billion)





We approved the short-term (LCR) and long-term (NSFR) liquidity ratios projection models.

Liquidity risk

Liquidity risk is defined as the possibility that the institution will be unable to pay its financial obligations at maturity, without incurring unacceptable losses. Liquidity risk management contributes to maintaining soundness and solvency, in addition to taking advantage of growth opportunities.¹

Liquidity levels adequate to the commitments, to the wide and diversified base of depositors, the quality of assets, the capillarity of the network and the level of access to the capital market are maintained.

Instruments reported to strategic committees and senior management are used and monitored, which include liquidity indicators and projections, with a prospective assessment of the mismatch effect between funding and investments; stress testing;

liquidity risk limits; and liquidity contingency plan.

Short-term Liquidity Ratio (LCR)

	%
4T18	242.5
4T19	337.1
4T20	314.5

Progress in 2020

- Approval of the projection models for short-term (LCR) and long-term (NSFR) liquidity ratios;
- Implementation of the effectiveness assessment process of the NSFR Recovery Plan (PRN) ;
- Implementation of data processing control tools in the GRL large corporate system (Liquidity Risk Management), covering information extraction, classification and reporting;
- Approval of the integration process between the banking portfolio interest rate (IRRBB), market and liquidity risks, including assessment of the combined effects, integration of technical forums, identification of exposure events, among others, and
- Establishment of the impact assessment process, from the perspective of sensitivity analysis, of the potentials of the Liquidity Contingency Measures (MCL), expanding the scope of the MCL Effectiveness Test.



Operating risk

|102-15| SASB FN-CB-550a.2|

|103-2|103-3 |Socioenvironmental Risk|

Operating risk is the possibility of losses resulting from failure, weakness or inadequacy of internal processes, people and systems or external events. Its management includes identification of weaknesses or inadequacies in activities, to enable the correct and timely mitigation action.

The Operational Risk Policy, reviewed annually, includes guidelines to ensure the effectiveness of the operational risk management model. Thus, ELBB are guided to establish their directions based on the document, considering the specific needs and the legal and regulatory aspects they are subject to.

The monitoring of operational losses occurs through the Operational Risk Panel tool. The tool makes enables the Strategic Units to monitor the losses linked to their processes, contributes to their adjustment to the global limit and to the specific limits established, as well as the adoption of preventive actions to mitigate the facts that generate these losses. The results of the panel are reported monthly to the Executive Committee for Risk Management, Internal Controls, Assets, Liabilities, Liquidity and Capital (CEGRC) and to the Risk and Capital Committee (Coris), and quarterly to the Board of Directors (CA), being previously sent to the Board of Officers (CD).

To minimize the impact of interruptions in strategic processes in different scenarios, we have adopted the Crises and Business Continuity Management (GCN) methodology. We invest in the improvement of strategic and tactical capabilities to plan and respond to incidents and interruptions. In 2020, we accounted for:

- › 1,138 employees trained in GCN;
- › 767 processes evaluated for criticality in case of interruption; and
- › 555 Business Continuity Plan (PCN) tests carried out to assess the effectiveness of the business continuity and IT strategies adopted.

Monitoring of Operational Losses by Category of Events (%)

	2018	2019	2020
Inadequate business, product and client practices	67.9	74.3	50.9
Labor practices and work environment conditions	19.8	20.5	34.3
External fraud and theft	9.6	2.2	13.2
Process execution and management failures	2.2	2.7	1.1
Internal fraud and theft	0.3	0.2	0.2
Damage to physical assets and injuries to people	0.2	0.1	0.2
Systems and technology failures	0	0	0.1
Total	100	100	100



Cyber Risk

|SASB FN-CB-230a.2|

The cyber risk arises from attacks against the IT infrastructure or corporate systems, which can affect the data integrity, confidentiality and availability.

Due to the nature of our activities, we operate in an environment subject to cyber security incidents, such as malware, phishing and other events, which may include sophisticated methods of attacks aimed at unauthorized access to IT infrastructures and systems, unauthorized disclosure of confidential data, manipulation or destruction of data and interruption of services.

Any cyber-attacks that result in unavailability of access to systems, unauthorized access to data, loss or unauthorized disclosure of data can result in litigation, regulatory fines, loss of clients, damage to the image and cause a relevant adverse effect.

We mitigate the cyber risk by investing resources in the security of infrastructure, in information technology systems, in the improvement of processes, as well as by adopting continuous training of teams to ensure the protection of operations, business and clients' information. In addition, we perform IT Security Incident Management, which consists of incident response, monitoring and evaluation, to ensure compliance with legal

requirements and to minimize response time and risks arising from attempted attacks and threats to the network and corporate systems.

We also adopt governance and corporate management of IT security and cyber security, identity management and access control, management of the IT security infrastructure and management of the IT Security Incident response processes; execution (operation) of IT Security Incident Handling processes and Tool Maintenance Processes Managed by the CSIRT (Computer Security Incident Response Team).

Progress 2020

- Approval of the risk management framework;
- Creation of a stress scenario for risk;
- Approval of a Specific Cyber Risk Policy;
- Cyber Risk Awareness Program; and
- Creation of a panel with risk management instruments.

Cyber Risk Awareness Program



Created in 2020 to improve the cyber risk culture and cyber resilience by raising awareness of the staff, the program establishes the dissemination of information on the main attack vectors, through short online events, which use humor as a tool of persuasion, and of awareness of actions and daily practices to mitigate cyber risk. One of the events of 2020 was broadcast by TVBB, which was disseminated at intranet news (Agência de Notícias) and open to all employees. The program will continue in 2021.

|SASB FN-CB-230a.2|

Information Security and Cyber Attacks

The Specific Information Security Policy addresses its own methodology for classifying corporate information to guarantee the correct handling and adequate protection of data. Suppliers and third parties should also know and disseminate the document.

The Information Security Management System (SGSI) aims at protecting the confidentiality, integrity and availability of corporate information, in addition to making those involved aware of their responsibilities.

To guarantee information security and prevent cyber-attacks, the following initiatives are noteworthy:

- Security management and governance structures;
- Teams dedicated to the identification and quick response to incidents;
- Service continuity plans, periodically tested and audited;

- Vulnerability tests;
- Use of encryption in the life cycle of sensitive information;
- Security infrastructure to protect communication networks, systems and applications;
- Access control in IT systems and resources; and
- Periodic audits (internal and external) related to the topic.

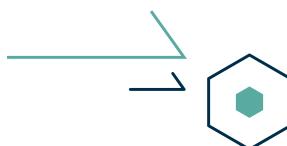
General Data Protection Law

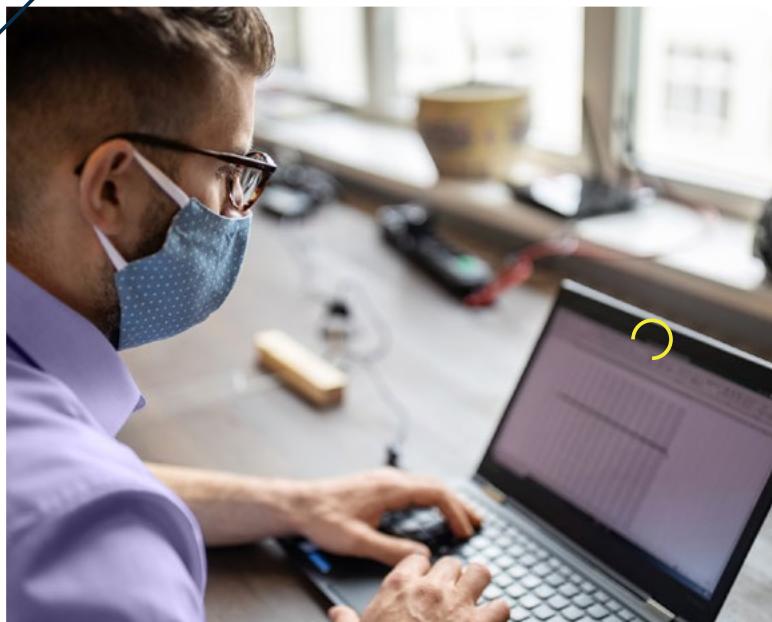
The General Data Protection Law (Lei Geral de Proteção de dados – LGPD) established a new legal framework to be observed in the processing of personal data and introduced significant changes in the rules applicable to the processing of such data, with a set of regulations and controls to be complied with.

We always prioritize confidentiality and data

protection and we have worked to adapt to the LGPD. Among the main actions taken for compliance with the LGPD, the following are noteworthy:

- Reformulation of the Privacy Policy, including mapping, inventory and privacy risk analysis in the processes that deal with personal data;
- Adaptation in information systems, including by creating a system dedicated to the protection of personal data;
- Adequacy in agreements, terms and other instruments, with the inclusion of data protection clauses;
- Requirement of adequacy of suppliers and partners regarding data protection;
- Qualification and training of employees;
- Provision of digital and physical channels to serve clients and data owners.





We have an internal channel for recording and reporting possible information security incidents.

Client protection

|SASB FN-CB-230a.2|
|102-15|

The incentive to use the BB Code, a solution that uses QR Code technology to authorize financial transactions, resulted in a 15% increase in the number of Individuals and 14% in Companies that are using the solution. In 2020, we exceeded 41 million clients with registered biometrics.

Transaction monitoring systems were also improved with the use of Big Data, increasing the accuracy of the rules and optimizing the detection time of transactions incompatible with the client's behavior,

predicting suspicious patterns and transactions in real time. 161 rules for digital channels were introduced, 35 of which were exclusive for PIX transactions, and the models for scoring behavioral profiles of Individuals and Companies with machine learning techniques were improved, which identify the clients most likely to be defrauded.

We have an internal channel for recording and reporting possible information security incidents. Among all the complaints received in 2020, related to the violation or loss of data of individuals, only one was considered valid and an internal process was

filed for investigation. The incident investigation aims at identifying possible weaknesses, mitigating risks and improving the internal processes related to the incident. |418-1|103-1|103-2|103-3| Customer relationship and satisfaction

In addition to managing information security incidents, we also manage information technology, cyber and physical security incidents.

Within the scope of the External Ombudsman demands related to privacy violations and loss of client data were neither identified nor dealt with in 2020. |418-1| SASB FN-CB-230a.2|

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Socioenvironmental Risk

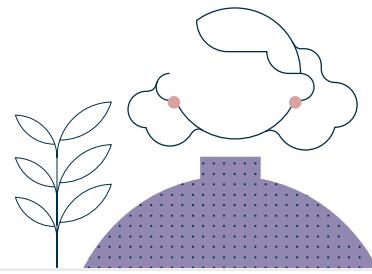
[SASB FN-CB-410a.2] SASB FN-CB-550a.2]
[103-1] 103-2|103-3 [Socioenvironmental Risk]

By incorporating socioenvironmental factors in investment decisions and asset selection practices, we seek to reduce risks, increase financial returns and meet clients' expectations. We also believe that the socioenvironmental responsibility provides positive, recurring and sustainable results over time. A more efficient use of resources can reduce costs; better governance positively interferes in productivity; environmental, safety and health rules reduce negative externalities; and innovation in sustainable products can attract new clients.

Based on the principles established by the National Monetary Council (CMN), we maintain a specific management structure to control the socioenvironmental risk inherent in the activities and operations that we carry out.

Challenge 7 | ||||

Strengthen management of socioenvironmental risk in Banco do Brasil's businesses, processes and commercial relations.



Risk assessment in affiliated entities (ELBB)

During the year, we carried out the assessment of the socioenvironmental risk management within the scope of the annual risk assessment in 45 of the main ELBB. The representatives were instructed to share the assessment report with the Boards of Directors of the investees, which may include guidance on practices and processes.

The assessment is part of the ELBB Integrated Supervision Cycle, which purpose is to understand and assess the adherence to risk management processes, internal controls and institutional security conducted by the entities affiliated to our best benchmarks and expectations. Improvement guidelines help to correct non-compliant practices.

Among the main advances in the 2020 cycle, noteworthy are the unification of tools and reports between the evaluating areas, the perception survey with BB's Directors at the ELBB and the deepening of Human Rights aspects in socioenvironmental risk, with the inclusion of specific questions on the theme for the Integrated Supervision Cycle.



Our [Socioenvironmental Responsibility Policy](#) (PRSA) guides the behavior related to the topic, considering actions with companies, governments and society in initiatives dedicated to reducing risks and taking advantage of opportunities related to environmental and social issues, including climate change, in addition to involving aspects related to the promotion of Human Rights and fundamental principles of work, the universalization of social rights and respect for diversity in business relationships.

In addition to PRSA, the management of the socioenvironmental risk is also guided by items in the Credit, Supplier

Relationship policies and the [BB Sustainable Guidelines for Credit](#) and [BB Socioenvironmental Guidelines](#) – Restrictive List and Exclusion List.

In 2020, we improved the management of the socioenvironmental risk and expanded its scope of operation. We developed a Corporate Socioenvironmental Risk Management Manual that brings together concepts and presents the new tools used in the management of our socioenvironmental risk. Examples include: A list of embargoes and media monitoring, as well as improved tools, such as the socioenvironmental questionnaire, in addition to the inputs already used,

such as the Dirty list, list of contaminated areas and monitoring of socioenvironmental legislation. These enable us to identify, classify and assess the socioenvironmental risk in a more consistent manner.

We point out the review of the socioenvironmental rating methodology, including social factors in its classification of risk potential by macro-sector and new inputs for its generation and expansion of its assignment to all our clients. Thus, we reinforce our commitment to making the socioenvironmental risk management a more comprehensive and efficient process.

Alignment with initiatives

The commitment to the management of the socioenvironmental risk is also shown in initiatives and pacts to which we are signatories, such as the Equator Principles, Principles for Sustainable Insurance (PSI) and the Principles for Responsible Investment (PRI). See more on the [Sustainability website](#).

For the Equator Principles, we have adopted the International Finance Corporation (IFC) Socioenvironmental Sustainability Performance standards and the World Bank Group's Environment, Health and Safety Guidelines for financial products that encompass large-scale industrial and infrastructure projects. They are evaluated and classified in a socioenvironmental risk matrix for the identification of impacts. See more in the [content FS10](#).



Client and supplier engagement

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The efficient management of the socioenvironmental risk involves a series of demands for clients and suppliers, such as the requirement for information and documents that attest to the practices. In relation to the Questionnaire for the Assessment of the Level of Socioenvironmental Responsibility, in 2020 we applied 1,574 questionnaires in the credit analysis (908 for business groups and 666 for individual companies) and 40 in the analysis of investment projects (26 from business groups and 14 from individual companies). |FS10|

Among the resources adopted to monitor clients is the Socioenvironmental rating, a tool that allows us to classify them according to the degree of socioenvironmental risk inherent in their activities and the level of excellence

in their practices related to the topic.

We apply the Precautionary Principle in analyses carried out in the credit granting process, subject to the applicable legislation, self-regulation and voluntary pacts and commitments assumed. The operations are guided by the [BB Sustainable Guidelines for Credit](#) for 10 sectors of the economy, comprising cross-cutting themes, such as forests and biodiversity, water and climate change and in the [BB Socioenvironmental Guidelines](#) – Restrictive List and Exclusion List. |102-11|103-2|103-3 Socioenvironmental Risk|

Our PRSA and the Credit Policy set forth the compliance with socioenvironmental criteria in the analysis and management of loans and

financing granted. Thus, borrowers are required to present documents that prove socioenvironmental good standing (licenses, water grants, CRF-FGTS, whenever applicable). We do not finance producers that appear on the list of embargoed areas due to deforestation or irregular fires published by Ibama. In the case of properties located in the Municipalities of the Amazon Biome, the granting of rural credit is also linked to the proof of environmental and land tenure good standing of the properties, with analyses centralized by expert teams and not linked to the agencies that originate the proposals, to ensure the compliance with all legal requirements.

In line with the socioenvironmental commitment, we also do not finance customers responsible for intentional damage to the environment, employers that submit workers to degrading forms of work or to conditions like slave labor, and we do not take credit risk with clients that practice sexual exploitation of minors or child labor. Our credit granting systems are prepared to inhibit new operations for clients with deterrent restrictions. |412-1|

For all the aforementioned topics, the contractual clauses of credit operations include the prerogative of suspension of the transfer of funds or early maturity of the agreement, with immediate



enforceability of the debt and immediate suspension of disbursements, in case of breaches.

In 2020, we included the suppliers risk as relevant, allowing for changes in the structure and the concentration of efforts by managers and the Supply area. Socioenvironmental risk has become one of the dimensions assessed in the Supplier Risk Management Model (MGRF).

The model is the result of the maturity of the theme, which, since 2019, has been included in the Suppliers Integrated Due Diligence (DDIF), its main tool. DDIF's target audience is critical suppliers and agreement with estimated values exceeding R\$ 10 million,

as well as in all purchases and agreements related to Information Technology.

With these good practices, we seek to mitigate risks to the environment and society and to reduce the impacts of its financing and investments, as well as to identify new opportunities for acting in the value chain of sustainable businesses, based on relevant socioenvironmental issues and strategic themes for sustainable development.

Progress in 2020

- Review of the concept, categories, dimensions, methodology, roles and functions of socioenvironmental risk management and the definition of socioenvironmental risk factors;
- Review of the socioenvironmental rating methodology;
- Application of socioenvironmental rating to the business flow;
- Creation of the Corporate Socioenvironmental Risk Management Manual;
- Review of the Socioenvironmental Losses Base;
- Revision of the Corporate Socioenvironmental Risk Indicators Manual; and
- Inclusion of a socioenvironmental Indicator in the Master Plan.

Financial

	2019	2020
Number of socioenvironmental questionnaires in credit analysis (Questionnaire for the Assessment of the Socioenvironmental Responsibility Level)	2,091	1,574
Total of socioenvironmental questionnaires for business groups	1,322	908
Total of socioenvironmental questionnaires for individual companies	769	666
Number of socioenvironmental questionnaires in the project analysis (Questionnaire for the Assessment of the Socioenvironmental Responsibility Level)	42	40
Total socioenvironmental questionnaires in the analysis of investment projects of business groups	23	26
Total socioenvironmental questionnaires in the analysis of investment projects of individual companies	19	14





Climate Changes

|201-2| SASB FN-CB-410a.2|

The climate risk has been considered by several international entities as one of the most relevant in terms of impact and probability. This type of risk is part of the corporate set of relevant risks and its concept was updated in 2020 to better express the risk: it refers to the possibility of losses arising from climate change, which may emerge from the transition of business to a low-carbon economy, from extreme weather events or those that will bring long-term consequences, and from climate-related liability for damage or loss to third parties.

We improved the management of climate risk with the approval of the new Climate Risk Management Policy, which aligned us with the global performance standards and the regulatory framework on the topic. The development of guidelines for proactive action in the management of this risk favored the incorporation of environmental, social and governance (ESG) indicators in business and processes.

We also developed a study for a climate risk management framework, which establishes responsibilities and functions, in accordance with the Referential Model for Lines of Defense (MRLD). In the study, an action plan was also outlined for the main management activities to

propose Adherence to the Task Force on Climate-Related Financial Disclosures (TCFD).

Additionally, we developed the climate risk taxonomy, considering risk events which we are subject to.

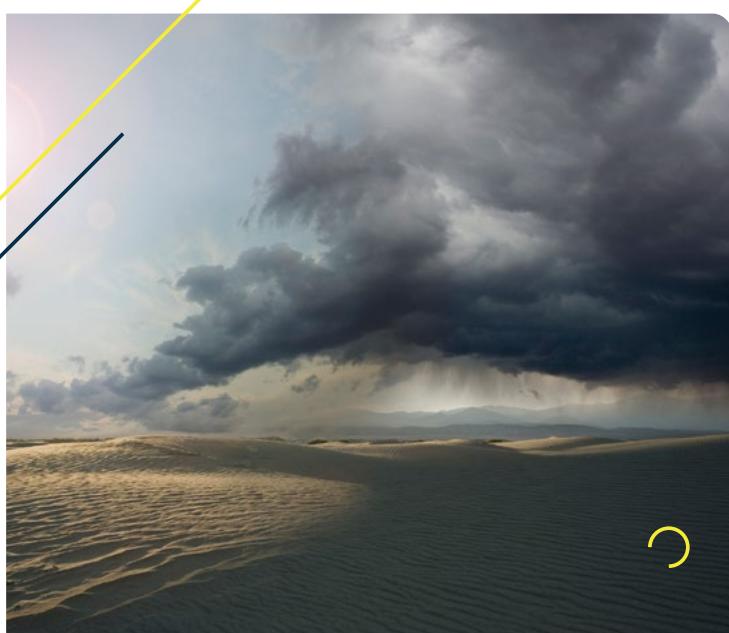
The internal management of the effects of climate change is aligned with the Sustainability Plan - Agenda 30 BB, in relation to the development of initiatives and the adoption of practices that contribute to mitigate the effects

of operations in view of socioenvironmental aspects.

The effects of climate change can influence different market segments. Thus, we seek to understand and measure the impact of physical and transition risks on the financing portfolios. Physical risks related to extreme weather events, such as floods and gales, are considered in the assessments since they are directly related to the increase in operational costs and the reduction in business revenue.

ABC Program

Initiatives focused on reducing CO₂ emissions in agricultural activities are supported and backed by the Low Carbon Agriculture Program (ABC Program). Through this Program, positive financial implications have been identified with the contracting of operations totaling R\$ 1.48 billion in 2020. Clients have at their disposal a product portfolio that includes Agricultural Insurance, Crop Revenue Agricultural Insurance, Proagro and Proagro Mais. In 2020, 59.2% of all agricultural costs, in the amount of R\$ 22.67 billion, were covered by Agricultural Insurance and Proagro to mitigate the risk of loss of production due to extreme climate events.



BB's Commitment to Climate Change describes our initiatives to reduce carbon emissions.

Reinforcing our position on the topic, we published [BB's Commitment to Climate Change](#) which describes our internal initiatives to reduce carbon emissions, the pacts and commitments taken on and the models of climate risk management that may assist in the implementation of mitigation and adaptation actions.

To mitigate impacts arising from the climate, tools such as the Climate Risk Agricultural Zoning (Zarc), published by the Ministry of Agriculture, Livestock and Supply (Mapa), and the Agricultural Technical Reference System (RTA), developed internally, are used.

The Zarc tool indicates the municipalities with climatic and soil suitability for certain crops and the most

adapted cultivars. It is the main macro reference for financing crop costs in the various cities in the country.

RTA, on the other hand, keeps information on production costs, price history and productivity by culture and municipality. The system's productivity history is fed at each harvest and directly affected by the occurrence of climatic phenomena. The historical series of productivity is sensitive to harmful events, which affect the degree of attractiveness of a crop in each municipality, being essential for the analysis of financing the cost of crops.

Climate risk monitoring is also performed throughout the national territory, based on Climate Event Alerts issued by the network of agribusiness advisors,

which are registered in the Harvest Monitoring Panel system and allow observing the recurrence of extreme events and changes in the local climate pattern.

In the short term, in a harvest period, the alerts also make it possible to adopt preventive measures to mitigate financial losses at the credit operation

Challenge 10 |||||

Improve governance and management of risks and opportunities related to climate issues, providing transparency to Banco do Brasil's commitments and practices in relation to the topic.



level, such as triggering production insurance. Throughout 2020, there were 7,417 Climate Alerts for 2,146 Brazilian municipalities, in 71 activities. Through the Harvest Monitoring Tool, we identify alerts of crop failure and decreases in the producer's payment capacity. During the year, 10,326 alerts on 81 different cultures were issued; of which 62,687 operations were impacted by critical alerts.

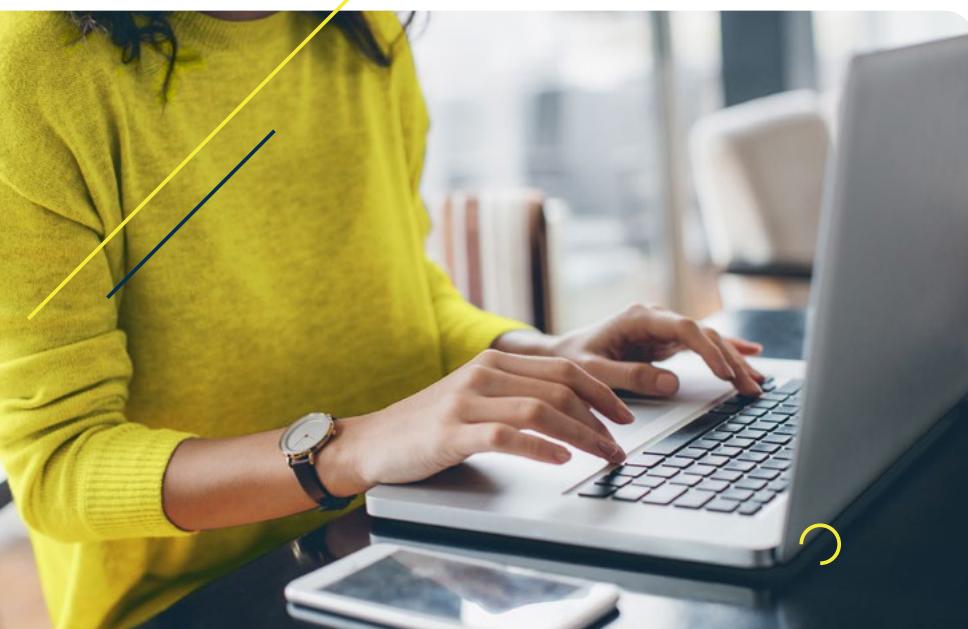
The climate events that gave rise to the alerts are related to the influence of "La Niña", which caused severe drought to the South Region, delay in planting in the Center West Region and increased rainfall in the North. The increase in the number of alerts is

also due to exchange rate variations and influences in the international export market, the Covid-19, the decrease in inventories in the United States and the increase in production and transportation costs, among other reasons.

Progress in 2020

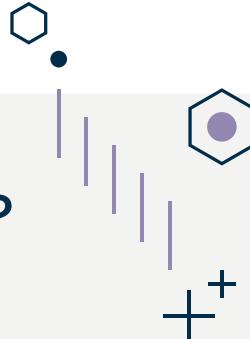
- Approval of the Specific Climate Risk Management Policy;
- Development of climate risk taxonomy; and
- Study to create the climate risk management framework.

⁽¹⁾ The climate alerts are included, since they also influence the producer's crop profitability.



In 2020, we approved the Specific Climate Risk Management Policy.

Increase in the CDP evaluation score



In December, Carbon Disclosure Program (CDP) released the result of the 2020 cycle of the Climate Change program. In this edition, we achieved our best result since 2005, reaching the B- score. In the past three years, the Bank's result had been D, on a scale ranging from A to E.

With the grade achieved, we became eligible to be included in 2021 in the CDP Brazil Climate Resilience Index (I-CDPR70), which measures the performance of companies' roles with climate management practices, in line with global trends and recommendations of international agreements, such the Task-Force for Climate-Related Financial Disclosure (TCFD), a task force created by the Financial Stability Board that makes easier the disclosure of climate-related financial information by companies around the world.

The evaluation of companies occurs through the analysis of a detailed questionnaire that covers the main parameters related to the climate change topic: Governance (policies and guidelines); Engagement of senior management; Risks and opportunities; Business strategy; Goals and performance; Emissions methodology; Checking; Carbon pricing.

The upgrade in our score reflects the improvement of practices, such as the adoption of a specific climate risk management policy, increased use of renewable energy, establishment of internal carbon price, incorporation of criteria related to climate change into the supply chain and expansion of the business portfolio with potential emission reduction, among others.

Controversial issues

In the credit risk management process, we have established, in addition to quantitative limits, qualitative restrictions for operations that may cause reputational damage or whose socioenvironmental risks are high. These guidelines are formalized in the Credit Policy, which considers not only the risks inherent in the business, corporate socioenvironmental responsibility and the counterparty's ability to generate employment and income.

We also adopted specific conditions for granting credit to sectors with the greatest potential for socioenvironmental impact, in accordance with the [BB Sustainable Guidelines for Credit](#) and [BB Socioenvironmental Guidelines](#) – Restrictive List and Exclusion List. The guidelines disclosed to the market seek to give visibility to the business and administrative practices adopted, strengthening the fulfillment of the public commitments assumed and aligned with the principles

of socioenvironmental responsibility included in our policies. Read the Guidelines in full.

To block transactions with individuals, companies, financial institutions,

vessels, entities and related countries included in local and international restrictive lists, the OFAC (Office of Foreign Assets Control) filter, also known as FCVW (Firco Continuity Verify Web), is used.

Accordingly, we do not take credit risk with clients who:

- Are involved in crimes of money laundering or concealment of assets, rights and values;
- Engage in any illegal activity;
- Offer guarantees arising, either directly or indirectly, from illegal activities;
- Are responsible for intentional environmental damage;
- Subject workers to degrading work or keep them in conditions like slave labor;
- Practice sexual exploitation of minors and/or child labor; and
- Political parties.





We invest in funds in line with the best national and international practices.

The tool is essential to assist financial institutions to comply with international policies against money laundering and financing of terrorism, in addition to observing the rules and definitions of international regulatory bodies.

In direct and indirect investments in companies and in Private Equity Funds (FIPs), the Internal Regulation recommends observing the Socioenvironmental Guidelines for Controversial Issues, updated in 2020, to be aligned with the best national and international practices

in corporate sustainability and with contributions from several Strategic Units.

The new version of the document, which name has been changed to [BB Socioenvironmental Guidelines](#) – Restrictive List and Exclusion List, presents two blocks of activities: (i) Restrictive List: activities in which we take credit risk under certain conditions; (ii) Exclusion List: activities in which we do not take credit risk due to legal impediments and because it is not aligned with our guidelines.

The regulations for investment in private equity funds to which we adhere cherish the adoption of best environmental, social and governance management practices.

Risk factors

The risk factors are detailed in such a way that potential buyers of the securities are aware of the respective specific risks. Thus, information capable of influencing investment decisions is public and can be found in section 4 of the [Reference Form](#).

Emerging Issues

|103-2|103-3|Innovation and technology|
Socioenvironmental Impacts of Activities
and Operations |Socioenvironmental Risks|

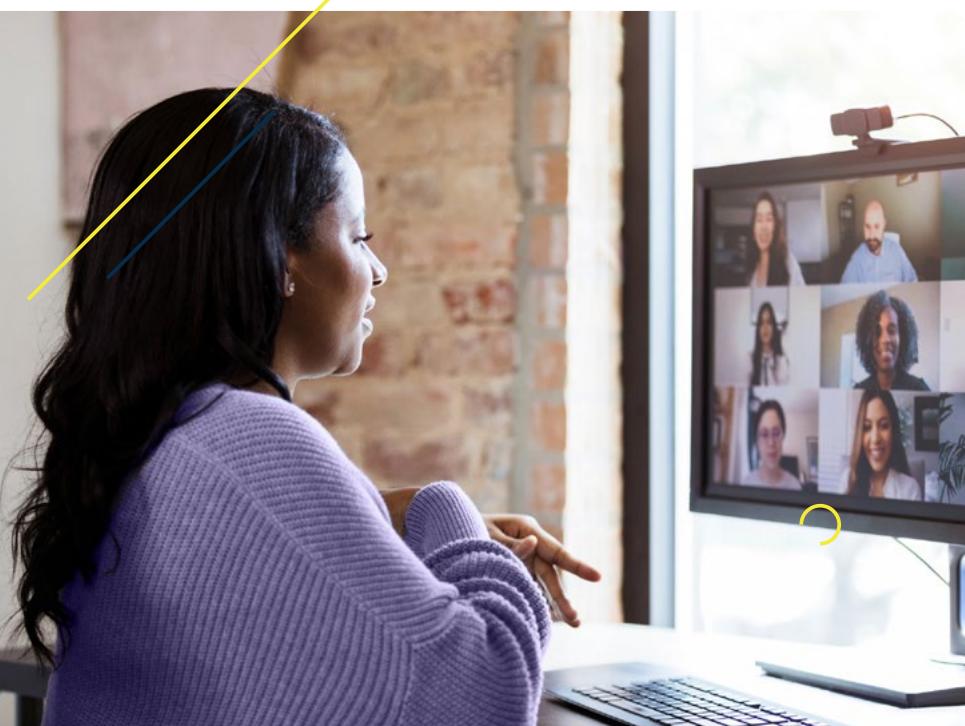
Emerging risks arise from changes in the market in which we operate or changes in strategy that may trigger new risks, which are still unknown or have not been fully understood. They may become relevant if their potential impact is increased, due to the interest in certain strategic objectives, which requires the adoption of specific management processes.

We have risk policies, standards, procedures,

structure, governance, Information Technology (IT) infrastructure and risk and capital management processes that provide the necessary security for business development. Risk management is carried out based on activities developed with the objective of identifying, measuring, evaluating, controlling, monitoring, reporting, improving and mitigating risks of the aggregate positions of the Prudential Conglomerate,

as well as identifying and monitoring the risks associated with the other companies controlled by the Conglomerate companies.

In 2020, we reviewed the Model for Identification and Definition of Risk Relevance, incorporating improvements in the quantitative and qualitative risk classification criteria, considering the level of exposure according to the factors that may cause the risks, and direct impacts depending on the Common



In 2020, we reviewed the Model for Identification and Definition of Risk Relevance.

Equity Tier I Capital (CET1) and indirect impacts such as on strategy and reputation. Inputs used in the Model expedites the process.

The criteria are applied to all assessed risks, including the emerging ones. The Risk Factors of the Reference Form that resulted in the inclusion in the Corporate Taxonomy of Risks of factors related to Covid-19, included with the name "Epidemic Disasters", in the sub-factor Unforeseen Events or Force Majeure were evaluated.

We incorporated the Corporate Process Base (BCP) into the Model, an input that allows the First Defense Line view to identify corporate risks. We reviewed the qualitative metric criteria to consider different weights established for the items, as well as the dimension of their impact. We used the limits established in the Statement of Risk Appetite and Tolerance (RAS) in the quantitative metric. The Model results in the risk relevance matrix. In this context, BB points out two risk factors:

Entry of non-bank competitors and changes in consumer's banking behavior

The risk arises from the stiffer competition, directly impacted by the fintechs performance and the emergence of new disruptive technologies such as the blockchain. The new players, digital natives, position themselves in the market quickly and offer creative, innovative solutions, developed based on the experience of different client profiles.

The economic scenarios indicate smaller gains in financial intermediation, expanding the need for repositioning the asset portfolio and a great increase in other sources of revenue, such as income from services provided.

Consumers, increasingly better informed, connected and demanding, by living positive experiences, put pressure on the market, increasing the urgency for banks to innovate and reinvent their business models. And there is also the fact that the emergence of a pandemic worldwide has significantly changed

the forms of consumption and interaction, requiring greater availability and efficiency in the provision of digital services.

As from 2019, we increased investments in operational efficiency, with the purpose of reducing expenses and optimizing processes. We also intensified the optimal allocation of capital, prioritizing credit portfolios with a better risk-to-return ratio, and joined the International Credit Portfolio Association - IACPM, guaranteeing our leading role in the global debate on the topic and paying attention to changes in the scenario.

Focusing on banking consumer behavior, we invest in service quality and convenience, mainly through the development of products and services suited to the consumers' demands and omnichannel technologies, i.e. the clients can choose the channel where they want to be served and can maintain their banking relationship even in a scenario of circulation restrictions imposed by the pandemic.



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The challenge remains to accelerate the digital transformation process with a continuous increase in productivity and in the spread of the digital mindset, to gain more efficiency and improve the user's experience and client's satisfaction.

We are attentive to innovations in the financial sector, especially due to the emergence of new business models and new technologies, and we seek to anticipate trends to ensure continuity, which includes investments in digital transformation and the creation of new relationship models. To do so, we revisit our service channels and models, intensifying digital solutions capable of improving the client's experience. We have also optimized our strategic committees, streamlining decision-making process and ensuring greater assertiveness in the digital transformation process. Another relevant achievement is investment in the Analytical Platform and Artificial Intelligence, crucial to the co-creation of prospective models capable of anticipating the consumer's behavior trends. We have also advanced in strategies such as Open Banking and Marketplace, in addition to seeking strategic positioning in the digital ecosystem.

Epidemic Disasters

They arise from the possibility of the emergence of infectious diseases that spread quickly and globally, resulting in new epidemics or pandemics, with a severe impact on health systems and on the economy of countries, especially in developing countries.

The Covid-19 pandemic resulted in increased volatility in the Brazilian and international financial markets and in economic indicators, including interest rates, foreign exchange, and credit spreads. Any unexpected shock or movement in these market factors may result in financial losses associated with our trading portfolio or financial assets, which could deteriorate the Bank's financial condition.

The negative impacts on our business, observed during the Covid-19 pandemic, may occur in the case of new epidemics or pandemics, mainly as:

- a. liquidity restrictions and reduced access to financing;
- b. reduction in the volume of transactions with debit and/or credit cards;
- c. relevant increase in the risks associated with the corporate debt market, including those resulting from the increase in delinquency, renegotiation of existing debt contracts and possible allegations of force majeure, which may increase the allowance for losses, making losses on loans to exceed the amounts provided for, and impact the proportion of loans in arrears in relation to the total loans granted by the Bank, with a particular impact on corporate loan businesses;
- d. reductions in Assets under Management (AUM) and Assets under Administration (AuA), because of the client's lower appetite for risk;
- e. restrictions on certain business activities that may impact us, as well as our employees, suppliers, clients, counterparty's clients and other business partners, thereby affecting our operations and our clients' ability to do business and fulfill their obligations to us;
- f. increased our investments and expenses with cyber security and information security, and measures to reduce operational risks, such as expanding the infrastructure for remote work or work from home; and



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We are attentive to innovations in the financial sector, especially due to the emergence of new business models and new technologies, and we seek to anticipate trends.

- g.** trading of common shares issued by the Company.

We mitigate the probability of negative impacts arising from epidemic or pandemic disasters through:

- a.** risk and capital management structure and processes that provide the necessary security for business development and ensure that the Bank maintains sufficient capital levels to cover risks and has prospective assessment processes capable of taking timely actions to maintain BB's capital at adequate levels to cover the risks taken;
- b.** maintenance of the flexibilities implemented for the Emergency Working From Home, aligned with operational efficiency, transformation of organizational culture and corporate sustainability;

- c.** crisis plans prepared by the ELBBs, in view of the crisis caused by the pandemic, to monitor the possible impact on the Conglomerate arising from these Entities. Among the actions in progress, we highlight the simulation and analysis of impacts in case of rating deterioration or increase in default, based on base, pessimistic and optimistic scenarios. The analyses of impacts on business include information regarding liquidity and potential measures to be adopted. Information is input for budget adjustments, review of limits, assessment of the need to trigger contingency plans and adoption of communication and support actions for clients.

It should be noted that, as an instrument of internal communication and crisis

management, Banco do Brasil made available a website on its intranet to guide its employees regarding customer service in the context of the pandemic, to transmit information for labor relations and working hours, to disseminate safety protocols and answer questions about actions in view of occurrences related to the COVID-19 pandemic.

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Capital

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Capital management consists of a continuous process for planning, controlling, evaluating and monitoring the capital necessary to face the relevant risks, ensuring solvency concurrently with the adoption of business strategies and support the capital required by the Regulator or established internally.

We maintain a Capital Plan, with a three-year prospective view, which incorporates the effects set forth by the Basel III Accord and considers the Statement of Risk Appetite and Tolerance, the corporate strategy and budget.

The focus is on organic capital generation, due to

the growth of credit in lines with lower capital consumption and more attractive under the return x risk criterion. According to the Statement of Risk Appetite and Tolerance, the goal is to reach a minimum of 11.00% of Common Equity Tier I Capital (CET1) Ratio by January 2022.

Basel Ratio (R\$ million)

	2018	2019	2020
Reference Equity (PR)	134,178	132,150	161,924
Tier I	95,290	96,380	132,248
Common Equity Tier I Capital (CET1)	71,169	71,289	104,315
Prudential adjustments	(28,947)	(35,732)	(20,726)
Additional Tier I Capital	24,121	25,091	27,932
Tier II	38,889	35,770	29,677
Risk-Weighted Assets (RWA)	711,490	711,402	766,065
Minimum Required Referential Equity (MRRE)	61,366	56,912	61,285
MRRE Margin (RE-MRRE)	72,812	75,238	100,639
Tier I Capital Ratio (Tier I/RWA) -%	13.39	13.55	17.26
CET1 Ratio (CET1/RWA) -%	10.00	10.02	13.62

Bis Ratio (RE/RWA)

	%
2018	18.86
2019	18.58
2020	21.14

RWA Composition (R\$ million)

	2018	2019	2020
Credit Risk (RWS CPAD)	624,019	612,630	677,256
Market Risk (RWA MPAD)	26,390	21,393	21,125
Operational Risk (RWA OPAD)	61,081	77,380	67,683
Total	711,490	711,402	766,065



Internal controls

The structure of internal controls, based on the Referential Model for Lines of Defense (MRLD), ensures greater reliability regarding the quality of processes, products, and services. It aims at ensuring compliance with internal policies as well as the regulators' standards.

The internal control system is based on referential documents and guidelines widely recognized in the national and international markets, such as the Committee of Sponsoring Organization of the Treadway Commission - Framework for the Evaluation of Internal Control Systems (COSO 2013), Committee of Sponsoring Organization of the Treadway Commission – Enterprise Risk Management

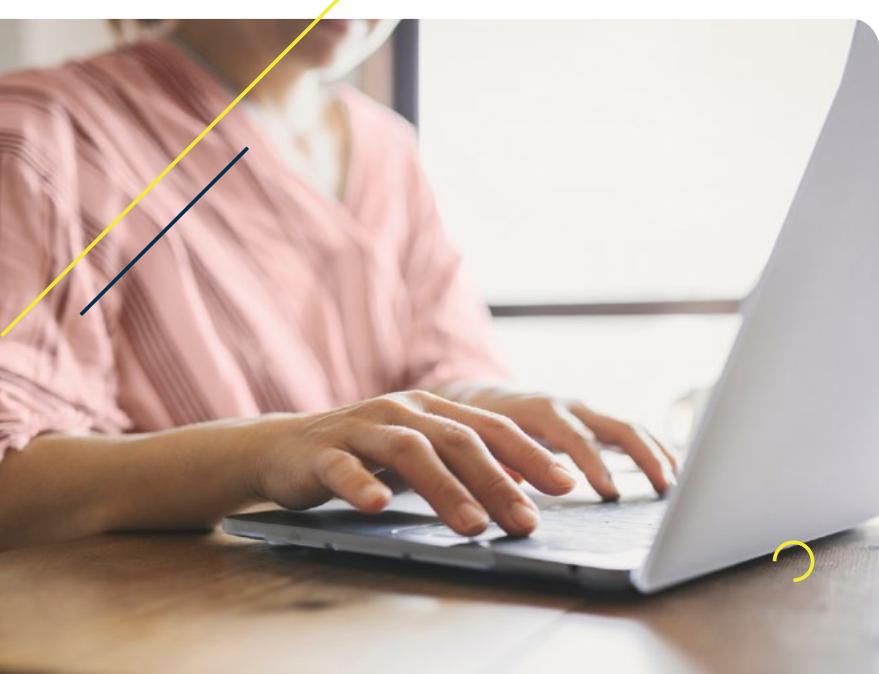
(COSO ERM 2017) and the Control Objectives for Information and Related Technology (CobiT). Innovative tools are also used to manage the control environment, including:

Control Environment Management (GAC): measures the quality of management of the organizational units' control environment based on a set of indicators related to relevant processes.

Internal Controls System Panel (PSCI): reflects, in an integrated and complete way, the risk management and controls of the areas evaluated through the consolidation of indicators related to the identification, assessment and mitigation of

operational and compliance risks, management of the control environment and the manager's degree of maturity in MRLD.

We improved the identification and assessment of risks and controls in line with COSO ERM 2017 and with the best market practices. The main threats that could impact the achievement of the Strategic Objectives have been identified. We conducted 455 evaluations by 36 managers, reaching 121 corporate macro-processes, with 1,020 tested controls. This strategy aims at improving processes, as well as optimizing controls, with estimated savings of R\$ 122 million in 2020 (Streamline Project – Projeto Simplifique).



We improved the identification and assessment of risks and controls in line with the best market practices.



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Compliance program

In November 2020, the Board of Directors approved the review of the Compliance Program. In this review, BB's Integrity Program, focusing on specific measures and controls for prevention and combat against corruption, was integrated into the Compliance Program, as a way of adhering to the best market practices.

BB's Compliance Program aims at managing compliance risk, with a focus on reaching the status of compliance, sustainability and safety in business, processes, products and services, also enabling reinforcement in the prevention of illegal acts, misconduct and damage to reputation, contributing to the reduction of financial losses.

- › **Objective:** Prevent, detect and correct the institution's exposure to situations of non-compliance with laws, standards and external and internal regulations, as well as with the Code of Ethics, in addition to being based on the guidelines of the compliance culture, ethical and integrity principles, and good corporate governance practices.
- › **Structure:** It is composed of nine integrated and complementary advisors, who guide the operational activities and our business practices, promoting the development of the best corporate management practices.
- › **References:** Best market practices and compliance with the main national and international standards, such as ISO 19600: 2014, The Federal Sentencing Guidelines – Effective Compliance and Ethics Program and Decree 8.240/15, which regulates Law 12.846/13 about Anticorruption.



Internal Audit

The Internal Audit assesses corporate processes and provides consulting services, on an independent and objective basis, aiming at the improvement of corporate governance and management of risks and controls. In 2020, the area completed 219 audits of processes.

During the evaluations, the audit findings that require improvements are mentioned in recommendations that also point out the manager in charge and the deadline for implementation - compatible with the level of associated risk.

The recommendations are followed up by the

Internal Audit until they are implemented. Thereafter, corrective actions are evaluated and, if considered sufficient to mitigate the risks involved, the recommendation is certified by the auditor.

Continuing with the strategy of adding value to audit work and contributing to the improvement of internal processes using advanced information analysis tools, analytics and data science, the following actions are noteworthy:

- The use of Robotic Process Automation (RPA), with 42 Virtual Audit Assistants (AVA), 17 more than in 2019, makes automated testing
- Expansion of the Continuous Audit Support Panels (PSAC) portfolio, which are tools for advanced information

feasible. With gains of quality and efficiency, RPA makes it possible to reduce operational losses through the identification of situations and operations not compliant with accepted rules and standards. Throughout the year, for example, the system performed the computational reading of documents and automated verification of more than 80 thousand operation agreements of the Pronampe line (Covid-19).

Continuing with the strategy of adding value to audit work and contributing to the improvement of internal processes using advanced information analysis tools, analytics and data science.



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analysis that expand the potential for evaluating corporate processes by Internal Audit, which increased from 27 in 2019 to 39 in 2020. For the development of the new panels, the Agile Scrum development methodology was adopted.

- Expansion of the use of automated tools, from which 17,900 databases and documents were generated and processed to support audit work, especially the investigation of irregularities, reducing the time spent and increasing operational efficiency of this process.

In 2020, the performance model for Internal Audit in Entities affiliated to Banco do Brasil was bettered, with emphasis

on the improvement of the information flow between the Conglomerate's internal audits, coordination of the model and review of technical cooperation agreements, among others, contributing to good governance of the process.

Internal Audit also monitors the audit and inspection work carried out by the Government Inspection and Control Entities. In the Conglomerate, it is responsible for receiving and forwarding requests for supervision and inspection, being incumbent upon the Unit to evaluate responses to requests regarding consistency and completeness.

The findings presented in these works result in determinations and recommendations to managers, which, together

with the Internal Audit's findings, contribute to improving governance and management of risks and controls. These recommendations are previously certified by the Internal Audit and the notes are considered in the process evaluations.

Throughout 2020, the Internal Audit evaluated agribusiness, business with public entities and retail credit processes, exposed to risks related to the guarantee of legality, legitimacy, economicity and transparency in the investment of public resources.

The Causal Analysis Project (Projeto Análise de Causas), focused on the timely treatment of the causes of recurrence of irregularities committed by employees, related to weaknesses or



We adopt automated tools for the management of audit work.



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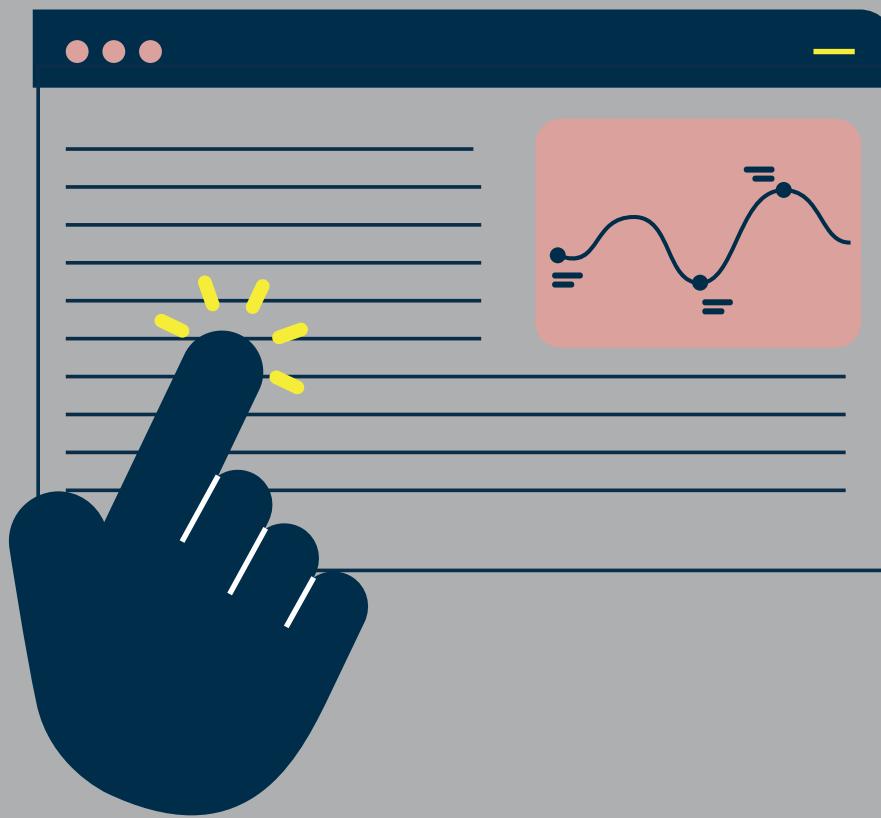
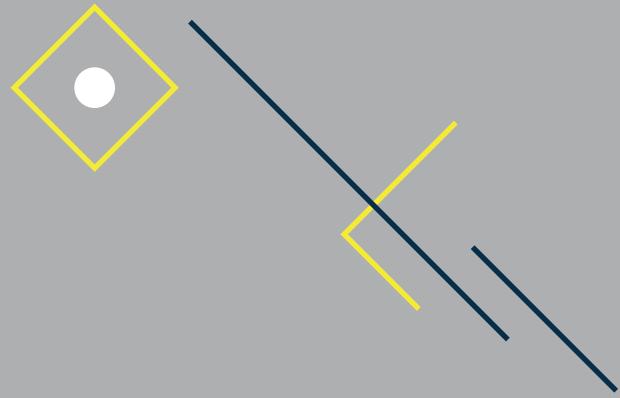
inadequacy of processes, was another highlight of the year. In the period from January to October 2020, of the 602 demands for Special Audits completed, 230 were analyzed in the project and they involved topics such as agribusiness, personal credit, ethics and rules of conduct, current account and insurance. In the project validation phase, from July to October 2020, 29 opportunities to improve controls in corporate processes were identified and corrective measures were implemented for the most critical situations.

On another area, the fronts of interaction between

the defense lines were intensified, with bimonthly meetings of the Defense line Forum, in addition to technical debates, to improve our risk management controls, and to monitor the implementation of mechanisms to reinforce the interaction between the second and third defense lines. We highlight initiatives such as the Planning Panel, the Single Information Repository and the Evaluation Integrated Vision Panel, tools under test, aimed at optimizing and integrating the views of the works in these areas.

We intensified the fronts of interaction between the defense lines.





Complementary
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GRI Appendix

|102-6: Markets served

Further information about the branch network can be found in the [MD&A 4Q20](#) (table 45) and in the [Structural Data of the Historical Series of the 4Q20](#). The credit portfolio by economic sectors can

be found in note 12, item c (Credit Operations), of the [Consolidated Financial Statements as of 2020](#). Our customer base can be consulted in the Structural Data of the Historical Series of the 4Q20.

|102-8: Information on employees and other workers

Permanent employees, by region (unit)

	2018	2019	2020
North	4,259	4,043	3,981
Northeast	16,116	15,387	15,106
Midwest	16,808	16,546	16,650
Southeast	42,586	40,864	39,800
South	17,096	16,327	16,117
Abroad	24	23	19
Total	96,889	93,190	91,673

Employees, by type of employment and gender (unit)

	2018	2019	2020	% of total
Full time - male	56,646	54,068	53,028	57.84%
Full time - female	40,243	39,122	38,645	42.16%
Total	96,889	93,190	91,673	100%



Information refers to the number of personnel on the last day of the year, extracted from the corporate bases of personnel systems. The numbers represent the total workforce, called

"Actual workforce" (or "real workforce"). This concept excludes the following situations: assignment, leave (sick leave, sabbatical and other leaves), those hired in a special regime, statutory and absent from the payroll.

|102-10: Significant changes to the organization and its supply chain

There was no change in the structure of significant suppliers or in the agreements entered into with them that could have any impact on our operations.

|102-12: External initiatives

|103-2|103-3| Sustainability Culture

Below are some public commitments and sustainability initiatives endorsed by us. Further information is available on the [Sustainability website](#).

- Brazilian Business Council for Sustainable Development (Cebds)
- OECD Guidelines for Multinational Enterprises for climate
- Enterprise for Climate Platform (EPC)
- Global Compact
- Equator Principles
- Principles for Responsible Investment (PRI)
- Principles for Insurance Sustainability (PSI)
- Business Pact for Integrity and Against Corruption
- Brazilian GHG Protocol Program.

Total number of outsourced jobs, by region^(1 to 5)

	2018	2019	2020
North	1,629	1,576	1,561
Northeast	6,524	5,704	5,518
Midwest	4,608	3,903	3,357
Southeast	14,063	12,350	11,992
South	5,110	4,448	4,544
Total	31,934	27,981	26,972

- (1) The number of outsourced jobs is restricted to agreements for services provided on a continuous basis (such as fire brigade, pantry, surveillance, cleaning, etc.) and they do not include data on the workers allocated in occasional hiring or contracts without assignment of labor.
- (2) Our hiring, through bidding notices, are based on commercial and/or technical proposals, hiring service positions without gender specification.
- (3) Workstations, as a rule, is the specification of the outsourced service to be performed. The number of people is not linked since there is a post that, for its execution, more than one outsourced person is needed, for example, type "c" guard post. There are also contracts that the service is defined with other parameters, for example, the cleaning service. For this reason, the Bank establishes a reference quantity.
- (4) For contracts whose object is surveillance, the number of stations is made per band, that is, it can vary within the minimum and maximum limit established in the contractual instrument, without the need for additives for its respective activation.
- (5) Due to the exceptional nature of the pandemic, due to some situations of temporary suspension of posts, there may be a variation in the number of jobs in the band established in the contract. In this case, an agreement is initially registered between the parties by correspondence letters for subsequent contractual amendment via additive after the end of the pandemic. The control of the number of jobs is determined manually and the figures presented are not absolute, subject to variation due to extraordinary events (temporary suspension of jobs, closure of facilities) in which the manual calculation is not able to specify.





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|102-13: Membership of Associations

The following are the main bodies, entities or associations to which we are signatories or representatives:

- Brazilian Association of Real Estate Loans and Savings Companies (Abecip)
- National Association of Credit, Financing and Investment Institutions (ACREFI)
- Brazilian Association of Credit Card and Service Companies (Abecs)
- Brazilian Association of Development Financial Institutions (ABDE).
- Brazilian Federation of Banks (FEBRABAN)
- Brazilian Financial and Capital Markets Association (Anbima)
- Association of Capital Market Investors (AMEC)
- Principles for Responsible Investment (PRI)
- Brazilian Association of Consortium Administrators (ABAC)
- National Confederation of Support and Assistance Institutions for Children and Adolescents with Cancer (Coniacc)

|102-19: Delegating authority

|103-2|103-3| Sustainability Culture

Our governance is rules by the [Bylaws](#), Internal

Regulations and applicable legislation. The Bylaws complement legislation, establishing the form of operation, as well as attributions and competence of each governance body. Pursuant to the Brazilian Corporate Law, it is incumbent upon the Annual Shareholders' Meeting to amend the Bylaws.

Internal regulations determine our governance bodies' functioning, including advisory committees to the Board of Directors (CA), to ensure that their performance is in line with precepts defined by the Bylaws. These regulations state, among other provisions, the purpose, composition and competence of governance bodies. Internal regulations are approved by CA, except for the Supervisory Board, which, as an inspection body for our administrative management acts and for protection of our interests and shareholders, decides on its own internal regulations.

Accordingly, authority delegation process is carried out by the Annual Shareholders' Meeting and materialized in our Bylaws, and by CA through of internal regulations.

Bylaws: article 21, item X; article 29, item X

|102-25: Conflicts of interest

|103-2|103-3| Ethics and Compliance

Banco do Brasil has a set of procedures and measures to identify and manage conflicts of interest. We act as a financial agent complying with standards defined by

the Federal Government and subject to the same conditions applied to other operators. Accordingly, there is no flexibility to change conditions that may represent a conflict of interest with the Bank.

Regarding rules, policies and practices related to the Board of Directors, those in the Bylaws of Banco do Brasil aimed at identification and management of conflicts of interest provide for the prohibition of purchase or sale of assets of any nature from/to Board of Directors and related committees' members, as well as from/to Executive Board and Supervisory Board's members. In its Art. 18, the Bylaws provide that Board member that is the employees' representative will not take part in discussions and deliberations on matters involving union relations, remuneration, benefits and advantages, including supplementary pension and social security matters, as well as in other cases in which conflict of interest is configured. Art. 16 of Board of Directors' Internal Regulations indicates that a specific meeting will be held at least once a year without the presence of the Board Member who is the CEO to approve the Annual Internal Audit Plan (PAINT) and the Internal Audit Activities' Annual Report (RAINT). More information in FR 12.3 item c

Among policies in this set of ethical commitments, the BB's Related Party Transactions Policy stands out as it establishes executed contracts pursuant to the



terms of Law 8666/93, whose rules are intended to avoid conflicts of interest. Accordingly, there is no flexibility to change conditions that may represent a conflict of interest with the Bank. Further information in FR 16

Regarding audits, also to avoid conflicts of interest or threats to external auditor's independence or objectivity, possible hiring of other services from the same company that provides accounting auditing services to Banco do Brasil Conglomerate is previously submitted to the Audit Committee (Coaud).

Corrective measures are brought about by the Internal Ombudsman, working through the Ethics Committees, or by disciplinary action against those involved.

|102-38: Annual total compensation ratio

	2019	2020
Ratio of the CEO's total annual remuneration to the total annual median remuneration for all employees (excluding the highest paid individual) in Brazil	22.31	21.83
Ratio between CEO's total annual remuneration to the total annual average remuneration for all employees (excluding the highest-paid individual)	14.90	15.87

|102-21: Consulting Stakeholders on Economic, Environmental and Social Topics | 102-29: Identifying and Managing Economic, Environmental, and Social Impacts | 102-43: Approach to Stakeholders Engagement | 102-44: Key topics and concerns raised|102-46: Defining Report Content and Topic Boundaries|102-47: List of Material Topics | 102-49 Changes in Reporting

Corporate strategy

Our stakeholders are periodically involved in different advisory and decision-making moments, with emphasis on preparation of Corporate Strategy and Sustainability Strategy.

In the 2021-2025 Strategic Planning process, premises of active participation by stakeholders, holding

company's vision and emphasis on customer experience were preserved. We also sought to ensure alignment of our Corporate Strategy (ECBB) with other documents of our strategic architecture; accordingly, strategic objectives were presented in Markets Business Plans, Planning of Strategic Units and in initiatives and actions in all areas of our organization.

This process also considered perceptions and expectations of different stakeholders. Internal stakeholders (employees and statutory officers, board members, as well as representatives of Entities Affiliated to Banco do Brasil) were interviewed, answered institutional surveys addressing trends, uncertainties and scenarios in the financial industry,



and participated in planning workshops when they were able to actively contribute to discussions, proposals and strategic decisions. To capture customers' perceptions and expectations, we use satisfaction surveys with different segments. Market studies on trends of banking consumers' behavior were also considered. To improve strategic discussions, guest market analysts pondered and discussed with the Board of Directors issues related to our performance and future perspectives.

Sustainability Strategy and Annual Report

We manage socioenvironmental impacts, risks and opportunities through contributions received from our stakeholders to collective process of building our Sustainability Plan – Agenda 30 BB, which is reviewed every two years.

These audiences actively participate in several engagement events to define materiality and updating of the Plan, which result in priority sustainability challenges and actions for our management. In 2020, we carried out a wide online consultation process with the participation of 15,878 stakeholders.

Regarding the process of prioritizing sustainability topics and challenges to update Sustainability Plan – Agenda 30 BB and guide Annual Report's content, in 2020 we reviewed our stakeholders map considering relevance of categories senior management, shareholders/investors, customers, affiliated entities, government, suppliers, employees, press/media, regulatory agencies, civil society representatives, and sustainability experts from the perspective of Strategic

Objectives (Strategic Map 2021-2025) and results of process carried out in 2016. This process also complies with the Global Reporting Initiative (GRI) and the International Integrated Reporting Council (IIRC) guidelines.

To keep up to date and in line with publics' demands, this process is reviewed every two years. In 2020, all categories of stakeholders were invited through virtual consultation to prioritize sustainability topics and challenges to guide management and reporting of BB's topic in coming years. Contributions of each category were consolidated according to weight of influence and impact axes; relevance was assigned according to priority in the stakeholders map. Also, different weights were considered for references used for preparation of materiality matrix:

Influence

- References: sectoral studies, trends, indices
- Media analysis
- External stakeholders' consultations

Impact

- Senior management consultation
- Competitors (benchmark)
- Internal public consultation
- Corporate strategy/ internal documents



The first ten topics were considered as priority in the convergence of analyses of competitors (benchmarking) and other references in sustainability, strategic objectives, media analysis and consultations with stakeholders. During the 43rd Sustainability Forum, executives had the

opportunity to debate and evaluate all mapped sustainability topics and challenges and raise to "material" status up to two new topics, according to established methodology. On the occasion, the topic of customer relationship and satisfaction became material and, therefore, a priority due

to relevance of this topic in Corporate Strategy (Customer Centrality) and the necessity of addressing this topic from socioenvironmental aspects. After this stage, materiality result was validated by the Management Committee of Investors Relations and Sustainability Unit.

Materiality Matrix Chart





1
2
3
4
5
+

Based on this and on Sustainability Plan structuring stage, managers evaluated actions, indicators addressed to each sustainability challenge. As a result, in March 2021 the Executive Sustainability Committee approved the Sustainability Plan - Agenda 30 BB 2021-2023. Approved 40 actions and 110 indicators were included in Labor Agreement (ATB) of responsible areas as one of the indicators that measures performance of our units' management in relation to established goals. This evaluation model impacts employees' variable

remuneration with payment of Profit Sharing (PLR). Finally, this cycle ends when we render accounts to stakeholders for actions developed and related to material topics and challenges through the Annual Report.

Rendering of accounts to Board of Officers and Board of Directors (CA) on progress of these actions and on our socioenvironmental performance occurs on a half-annual basis. The CA is responsible for approving Corporate Strategy, which consolidates decisions about the Company's performance

in the following five years. Upon receiving the matters for deliberation, the CA discusses them and makes decisions. After approval, topics are forwarded to areas responsible for their compliance. In some cases, upon making decisions, the Board determines that periodic reports on deliberated matters must be presented to it so that it is kept informed about progress.

A complete description of steps in our materiality process is presented below.

Definition and prioritization of Sustainability Topics and Challenges

Step 1: Identification	Step 2: Consultations with publics	Step 3: Analysis of scenarios and results	Step 4: Agenda 30 bb – validation and planning
<p>Map of topics - global references and agreements</p> <p>40 different documents and references were analyzed:</p> <ul style="list-style-type: none"> • Competitors' benchmarking and company that is reference in the market • Mapping of financial sector topics and landmarks and indices (such as DJSI and ISE) • Trend mapping – national and international studies • News about BB in the media and on social networks. • Review of Stakeholders Map 	<p>Online survey with 15,878 people of internal and external publics.</p> <p>12 categories of publics electronically consulted:</p> <ul style="list-style-type: none"> • Senior Management • Employees • Investor shareholders • Customers • Affiliated entities • Sustainability Expert • Competitors (secondary sources) • Suppliers • Government • Press/ Media • Regulatory agencies • Civil Society Representatives 	<p>Each result presented a different scenario, with different topics.</p> <p>Convergence of topics and the Company's gap analysis were carried out to prioritize the 24 sustainability topics and challenges mapped.</p> <p>For topics and challenges considered as priority, management reinforcement was decided, also pointing out the need for investment.</p>	<p>Materiality results were evaluated by executive managers at the 43rd BB Sustainability Forum.</p> <p>Materiality matrix validation by the Management Committee of the Investors Relations and Sustainability Unit</p> <p>Based on materiality results, Agenda 30 BB was updated with definitions of new actions and indicators. Long-term commitments have also been established.</p> <p>Evaluation and validation of actions and indicators proposed by the Strategic Units' Management Committee and the Board of Officers.</p>



1
2**As a result, correlation between material challenges and GRI disclosures are as follows:**

Material Challenge	GRI correlation
Innovation and technology	
Challenge 1: Anticipate market trends and promote necessary innovations in order to guarantee continuity of Banco do Brasil.	102-43 102-44 404-1 404-3 418-1
Diversity	
Challenge 2: Promote diversity and combat any form of discrimination in the workplace and in relationship with stakeholders.	102-8 202-1 405-1 405-2 406-1
Sustainable businesses	
Challenge 3: Develop and offer financial solutions and business models that incorporate ESG (environmental, social and governance) aspects to foster transition to inclusive and low-carbon economy.	FS6 FS7 FS8 FS11
Attraction and retention of talents	
Challenge 4: Promote programs and initiatives related to attracting and retaining talents and developing human capital to increase business competitiveness and employee satisfaction.	102-8 401-1 401-2 404-1 404-3
Socioenvironmental Impacts of Activities and Operations	
Challenge 5: Evaluate and measure socioenvironmental and economic impacts (externalities) generated by BB's products, services and activities in order to maximize positive impacts and reduce negative impacts on environment and society.	201-2 203-2 416-1 FS9
Sustainability Culture	
Challenge 6: Transform organizational culture by implementing sustainability policies, programs, commitments and actions, fostering change in behavior and strengthening this topic management in Banco do Brasil Conglomerate.	102-12 102-19 102-21 102-28 102-29 412-2
SocioEnvironmental Risk	
Challenge 7: Strengthen management of socioenvironmental risk in Banco do Brasil's businesses, processes and commercial relations.	102-11 102-15 201-2 308-1 308-2 408-1 409-1 414-1 414-2 FS9 FS10
Ethics and Compliance	
Challenge 8: Strengthen Banco do Brasil's performance in relation to ethics and compliance in its businesses and processes, with the adoption of increasingly efficient internal controls.	102-16 102-17 102-25 205-1
Combat against Corruption, Bribery and Money Laundering	
Challenge 9: Improve and provide transparency to policies and processes related to combating corruption, illegal actions, money laundering and tax evasion.	102-16 102-17 205-1 205-2 205-3
Climate Changes	
Challenge 10: Improve governance and management of risks and opportunities related to climate issues, providing transparency to Banco do Brasil's commitments and practices in relation to the topic.	201-2 305-1 305-2 305-3 305-4 305-5
Customer relationship and satisfaction	
Challenge 12: Improve management of relationship with customers and increase satisfaction and retention rates.	102-43 102-44 416-1 417-2 418-1 419-1



|201-1: Direct Economic Value generated and distributed

	2019	2020
Generated and distributed direct economic value	45.6	43.2
Distributed economic value (R\$ billion)	31.9	33.1
Personnel (employees' salaries and benefits)	23.1	21.5
Third-party capital remuneration	1.3	1.4
Interest on capital and dividends	7.0	4.2
Taxes, rates and contributions	0.5	6.1
Retained economic value (R\$ billion)	13.7	10.0
Retained earnings	11.2	8.4
Non-controlling interest in retained earnings	2.5	1.6

|205-1: Operations assessed for risks related to corruption

According to methodology in force at the time, corruption risk assessment process was carried out every two years, that is, the last cycle was carried out in 2019 and no work in 2020. In 2020, in a specific process out of the biannual cycle, we identified weaknesses in integrity controls of the Export Financing with Third Party Funds - Proex and issued four Safety Technical Recommendations - RTS so that the manager (Foreign Trade Unit - UCE) remedied these weaknesses. We also inform that as stated in Compliance Program approved by the Board of Directors, on November 4, 2020, corruption risk is included in other risks declared to be relevant, namely: conduct risk, compliance risk and reputation risk, whose monitoring seeks to provide an honest, ethical and transparent environment to our business relations.

|202-1: Ratio of lowest salary by gender compared to local minimum wage

Information	2019	2020
Proportion of lowest salary paid by BB in relation to local minimum wage of the year	2.98	2.89 ⁽¹⁾

(1) For calculation purposes, the initial remuneration for joining BB was considered to be R\$ 3,022.37. There are currently 236 employees, occupying 18 positions, who receive less than R\$ 3,022.37, however they hold positions in extinction. If these positions were considered, the lowest salary would be (R\$ 1,500.67) and the ratio would be 1.44. Because these positions are considered to be extinct, they cannot be filled by new employees and, therefore, they were disregarded. The employees mentioned represent 0.26% of the total workforce. If we still exclude all positions in extinction currently, and consider the lowest salary paid (R\$ 3,459.65) for the position of CR attendant, the ratio would be 3.31, however, it would not be the lowest salary, because during the first 90 days, the sworn clerk receives R\$ 3,022.37, which is therefore considered the lowest remuneration paid by BB, which results in the 2.89 ratio ($p = 3,022.37 / 1,045.00$).



|205-2 Communication and training about anti-corruption policies and procedures

Total number and percentage of employees who attended at least one anti-corruption course, broken down by functional category and region:

		2019		2020		Accumulated total	
Region	Functional category	Trained	% (total frame)	Trained	% (total frame)	Trained	% (total frame)
Midwest	Senior management	26	15.66	34	16.92	196	97.51
Midwest	Advisory	1,080	23.34	2,355	31.65	7,434	99.91
Midwest	Management	997	22.70	1,291	28.91	4,463	99.93
Midwest	Operating	2,627	57.17	2,092	48.21	4,324	99.65
Midwest	Technician	288	10.32	74	36.45	203	100.00
Abroad	Senior management					4	100.00
Abroad	Management	2	11.76	5	33.33	15	100.00
Northeast	Senior management	1	16.67	3	13.64	22	100.00
Northeast	Advisory	93	28.70	80	24.69	323	99.69
Northeast	Management	1,400	25.77	1,404	26.03	5,390	99.93
Northeast	Operating	6,041	63.29	4,404	47.23	9,281	99.53
Northeast	Technician	14	22.95	8	19.51	40	97.56
North	Senior management					7	100.00
North	Advisory	23	23.71	28	29.17	96	100.00
North	Management	451	28.05	495	30.50	1,623	100.00
North	Operating	1,444	62.32	999	44.44	2,241	99.69
North	Technician	5	29.41	2	28.57	7	100.00
Southeast	Senior management	5	10.64	19	21.11	89	98.89
Southeast	Advisory	404	20.55	564	28.23	1,996	99.90
Southeast	Management	3,454	23.50	3,733	25.66	14,546	100.00
Southeast	Operating	11,350	49.08	10,100	45.05	22,370	99.79
Southeast	Technician	233	22.51	227	30.35	748	100.00
South	Senior management					3	11.54
South	Advisory	128	25.86	171	33.79	506	100.00
South	Management	1,438	25.35	1,485	26.32	5,641	99.98
South	Operating	5,499	55.57	4,274	44.02	9,689	99.79
South	Technician	70	28.11	81	34.62	233	99.57

The sum of the audience contained in the categories Management and Senior Management is equivalent to the audience considered in the Management category of 405-1.



|301-1: Materials used by weight or volume| 301-2: Recycled input materials used

Non-renewable materials

Cartridge and Toner Refurbishing Program ¹ (Prorec - in units)	2018	2019	2020
Total cartridges consumed	103,582	86,406	12,565
Refurbished cartridges	102,359	85,818	12,565
Percentage of refurbished items	98.82%	99.32%	100%

(1) Toner cartridge supplies used by us are not recycled. We purchase refurbished toner cartridges that are original from equipment manufacturers and then remanufactured. Regardless of material purchased, our purpose is sustainable disposal, prioritizing solid waste management by our suppliers and users. Increase in transactions through electronic means and rationalization of printers' availability in our facilities allowed reduction in toner cartridge consumption.

Renewable materials

Use of paper	2018	2019	2020
Total paper consumed (t)	5,195	4,035	1,868
Recycled paper (t)	348	256	156
Percentage of recycled paper	6.70	6.34	8.38

Reduction in paper consumption in 2020 results from campaign Papel Zero; for internal public awareness; for digital transformation process, in which several sectors have turned paper

documents and products into digital mode, in addition to increase in transactions through electronic means, such as mobile phone and internet.



| 302-1: Energy Consumption within the Organization | 302-3: Energy Intensity | 302-4: Reduction of Energy Consumption

Energy intensity ⁽¹⁾⁽²⁾⁽³⁾	2018	2019	2020
Electric power intensity (Total power consumption/employee/year) (MWh/employee/year)	6.18	6.13	5.81
Total electric power consumption (MWh) ⁽²⁾	598,393	571,000	532,839
Total electric power consumption (GJ)	2,154,215	2,055,600	1,918,220
Number of employees ⁽³⁾	96,889	93,190	91,673

(1) Energy intensity decreased in this period due to energy consumption decline observed in 2020, even with reduction in number of employees.

(2) We consume energy from SIN - National Integrated System and acquire energy in the free contracting environment (ACL), thus, in 2020, 88% of electric power consumed by the units came from renewable sources. (Source: BB / EDP and ONS Contract - National Electric System Operator, available at: <http://www.ons.org.br/paginas/sobre-o-sin/o-sistema-em-numeros>)

(3) Considered the real workforce, according to official information.

Fuels (liters)	2018	2019	2020
Total consumption of diesel oil generator set	251,545	383,658	195,333
Total consumption of diesel fuel by vehicles	78,189	70,568	47,088
Total gasoline consumption	1,837,013	1,071,786	734,434
Total ethanol consumption	579,270	387,016	202,471

| 306-3: Waste generated

Weight of non-hazardous waste, broken down by destination type	2018	2019	2020
Reuse - donation (unit)	0	7,654	1,475
Reuse - internal (unit)	64,610	49,033	19,401
Recycling (t)	2,914	988	2,689.5
On-site storage ⁽¹⁾	202.4	-	-
Public collection (mixed or non-recyclable waste generated by facilities taking part in the selective collection program) (t) ⁽²⁾	443.2	333.9	318.9

(1) Destination of assets process was restructured; since 2019 this service is performed continuously without prior research to quantify useless assets stored in the premises. Accordingly, assets' residues are reported and collected by a hired company.

(2) Data referring to facilities that, without a defined frequency and on a voluntary basis, record estimated quantities of waste destined for recycling in the Bank's internal system. Records are compared to average quantities of waste generated per employee assigned to *Edifício BB Brasília*, site where Environmental Management System is ISO 14001 certified. Highly discrepant data is disregarded, as records are voluntary and refer to estimated quantities.



Weight of hazardous waste, broken down by destination type (bulbs, batteries and electronic boards) ⁽¹⁾⁽²⁾⁽³⁾	2018	2019	2020
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Other (chemical reaction and decontamination) (t)	14.1	3.2	65.1
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(1) Data relating to bulbs and batteries refer to items collected and destined by a contract for recycling of movable assets.

(2) Sustainable collection and disposal service, which includes disposal of bulbs, batteries and other hazardous items, was reformulated in 2019, allowing collection intensification in 2020.

(3) In 2020, electronic boards started to be counted in this category, increasing weight of this waste type in comparison with previous years.

Non-hazardous waste ⁽¹⁾ (t)	2018	2019	2020
Plastic	208.3	92.9	67.9
Metal	28.3	38.4	14.2
Glass	17.5	16.8	12.5
Paper	1,763.6	673.5	889.6

(1) Data referring to facilities that, without a defined frequency and on a voluntary basis, record estimated quantities of waste destined for recycling in the Bank's internal system. Records are compared to average quantities of waste generated per employee assigned to *Edifício BB Brasília*, site where Environmental Management System is ISO 14001 certified. Highly discrepant data is disregarded, as records are voluntary and refer to estimated quantities.

Hiring and Employee Turnover

|401-1: New employee hires and employee turnover

|103-2|103-3| Talent attraction and retention

Turnover per Gender	2018	2019	2020
Number of employees	96,889	93,190	91,673
Female	40,243	39,122	38,645
Male	56,646	54,068	53,028
Terminations in the Period	2,156	4,117	2,121
Female	746	1,333	834
Male	1,410	2,784	1,287
Turnover rate (%)	2.22	4.41	2.31
Female (%)	0.77	1.43	0.91
Male (%)	1.45	2.98	1.40



Turnover by Age Group	2018	2019	2020
Terminations in the Period	2,156	4,117	2,121
Up to 30 years	188	146	66
30–50 years	1,130	1,476	1,256
Over 50 years	838	2,495	799
Turnover rate (%)	2.22	4.42	2.31
Up to 30 years	0.19	0.16	0.07
From 30 to 50 years (%)	1.17	1.58	1.37
Over 50 years (%)	0.86	2.68	0.87

Higher turnover rate for age groups close to or above 50 years is the result of retirement supplement of Caixa de Previdência dos Funcionários do Banco do Brasil (Preví) available to employees aged 50 years or more.

Turnover per Region	2018	2019	2020
Terminations in the Period	2,156	4,117	2,121
South	352	717	273
Southeast	936	1,841	806
Midwest	360	653	732
North	113	145	58
Northeast	395	761	250
Foreign	0	0	2
Turnover rate (%)	2.22	4.43	2.31
South (%)	0.36	0.77	0.30
Southeast (%)	0.96	1.98	0.88
Center-West (%)	0.37	0.70	0.80
North (%)	0.12	0.16	0.06
Northeast (%)	0.41	0.82	0.27
Foreign (%)	0.00	0.00	0.00

Regional percentage of labor concentration is directly reflected on availability rate, as no specific actions were taken (hiring or dismissal). Most dismissals are linked to fulfillment of conditions for retirement by INSS (national institute of social security) and/or private pension entity.



Hiring per Gender	2018	2019	2020
Hiring in the Period	167	30	4
Female	72	14	2
Male	95	16	2
Hiring rate (%)	0.17	0.03	0.00
Female (%)	0.07	0.01	0.00
Male (%)	0.10	0.02	0.00

All hires are carried out by means of an civil-service examination with no distinction of gender and age for filling vacancies.

Hiring per Age Group	2018	2019	2020
Hiring in the Period	167	30	4
Up to 30 years	46	6	0
30–50 years	117	23	4
>50 years	4	1	0
Hiring rate (%)	0.17	0.03	0.00
Up to 30 years (%)	0.05	0.01	0.00
30–44 years (%)	0.12	0.02	0.00
>50 years (%)	0.00	0.00	0.00

Hiring per Region	2018	2019	2020
Hiring in the Period	167	30	4
South	5	3	0
Southeast	9	3	1
Midwest	119	18	2
North	19	1	0
Northeast	15	5	1
Hiring rate (%)	0.17	0.03	0.00
South (%)	0.01	0.00	0.00
Southeast (%)	0.01	0.00	0.00
Center-West (%)	0.12	0.02	0.00
North (%)	0.02	0.00	0.00
Northeast (%)	0.01	0.01	0.00

Vacancies available are in line with personnel needed in each region according to staff distribution.



|402-1: Minimum notice periods regarding operational changes

- + In case of operational change, we inform employees and union entities representing employees. Due to diversity of situations and processes, we have not established a minimum notice period for operational changes in our internal policies and collective bargaining agreements.

|403-9: Work-related injuries

Typical accident: According to Brazilian legislation, accidents at work can be characterized as typical when they occur due to the exercise of work causing bodily injury.

Commuting accident: Despite the GRI's guidance for accounting for these accidents only when the company provides vehicles for the displacement of employees, we count this type of accident as an Accident at Work since they are mandatory reporting by law.

Absolute number of deaths

2018	3 ⁽¹⁾
2019	0
2020	1 ⁽²⁾

- (1) Of the three deaths reported in 2018, two of them were due to a commuting accident and a typical accident.
(2) The death reported in 2020 was due to a typical accident. (number of deaths / number of employees = 1 / 92,585 = 0.00)

Total number of occupational accidents

2018	582
2019	422
2020	199 ⁽¹⁾

(1) 2020 (number of accidents / number of employees) = 199/92,585 = 0.00

All occupational accidents are mandatory to report.

The main types of accidents at work are communication mandatory

- 1 Typical
2 Route

Injury rate ⁽¹⁾

2018	0.00
2019	0.00
2020	0.00 ⁽²⁾

- (1) No. of injuries / No. of employees
(2) 2020 = 199 / 92,585 = 0.00 *

Injury rate: considers injuries resulting from accidents that include accidents during work and commuting (commuting from home to work-home), regardless of severity, absence or death.



Lost days – absolute numbers

2018	735,187
2019	733,223
2020	764,390

The days lost compute sick leave due to occupational and non-occupational causes.

Rate of lost days (%) ⁽¹⁾

2018	0.2
2019	0.2
2020	0.2 ⁽²⁾

(1) Scheduled work days lost / scheduled work days.

The rate of days lost takes into account the total scheduled days lost due to injury and occupational disease in relation to the total scheduled days.

(2) $2020 = (3,391 + 40,225) * 100 / 23,146,250 = 0.2 *$

|403-10: Work-related ill health

Work-related ill health rate ⁽¹⁾

2018	0.00
2019	0.00
2020	0.00 ⁽²⁾

(1) Frequency of illness / number of employees

(2) $2020 = 17/92,585 = 0.00*$

Occupational disease rate: all cases of occupational disease that were investigated and recognized as being of work origin are computed. The statistic includes all cases of occupational illness, regardless of the severity or need to leave the activities.

|404-1: Average hours of training per year, per employee

Training – Employees (own employees)

Information	2018	2019	2020
Total number of employees	96,889	93,190	91,673
No. of trained employees	96,730	92,701	91,387
Total number of trainings	4,942,310	3,176,498	3,315,423
Total no. of hours	11,258,757	5,989,004	6,059,020
% trained employees	99.8	99.5	99.69
No. of trainings per employee	51.0	34.1	36.17
No. of hours per employee	116.2	64.3	66.09



Trainings per gender and job - Employees (own employees)

2018

	Men		Women	
	Management	Non-Managerial	Management	Non-Managerial
Employees	21,065	35,581	11,574	28,669
Trained	21,056	35,510	11,564	28,600
Training	820,134	1,871,009	493,326	1,757,841
Hours	2,659,443	3,847,342	1,251,381	3,500,591
Percentage of personnel trained	100.0	99.8	99.9	99.8
Trainings per employee	38.9	52.6	42.6	61.3
Hours per employee	126.2	108.1	108.1	122.1

2019

	Men		Women	
	Management	Non-Managerial	Management	Non-Managerial
Employees	20,483	33,585	11,565	27,557
Trained	20,440	33,390	11,534	27,337
Training	621,705	1,133,864	399,294	1,021,635
Hours	1,233,673	2,121,594	756,175	1,877,562
Percentage of personnel trained	99.8	99.4	99.7	99.2
Trainings per employee	30.4	33.8	34.5	37.1
Hours per employee	60.2	63.2	65.4	68.1

2020

	Men		Women	
	Management	Non-Managerial	Management	Non-Managerial
Employees	20,407	32,621	11,629	27,016
Trained	20,360	32,481	11,618	26,928
Training	545,969	1,294,382	330,618	1,144,454
Hours	1,089,483	2,298,670	630,071	2,040,796
Percentage of personnel trained	99.8	99.6	99.9	99.7
Trainings per employee	26.75	39.68	28.43	42.36
Hours per employee	53.39	70.47	54.18	75.54



Trainings per position - Employees (own employees)

Information	2018	2019	2020
	Senior management		
Employees	202	230	350
Trained	201	212	331
Training	2,623	2,386	5,747
Hours	14,202	6,527	12,531
Percentage of personnel trained	99.5	92.2	94.6
Trainings per employee	13.0	10.4	16.42
Hours per employee	70.3	28.4	35.80
Management			
Employees	32,437	31,818	31,686
Trained	32,419	31,762	31,647
Training	1,310,837	1,018,613	870,840
Hours	3,896,622	1,983,321	1,707,023
Percentage of personnel trained	99.9	99.8	99.9
Trainings per employee	40.4	32.0	27.48
Hours per employee	120.1	62.3	53.87
Advisory			
Employees	7,717	7,510	10,365
Trained	7,706	7,492	10,347
Training	238,838	179,121	254,719
Hours	494,358	401,526	466,828
Percentage of personnel trained	99.9	99.9	99.8
Trainings per employee	31.0	23.9	24.57
Hours per employee	64.1	53.5	45.04
Operating			
Employees	52,278	49,479	48,039
Trained	52,153	49,086	47,833
Training	3,280,702	1,890,310	2,144,973
Hours	6,647,357	3,434,065	3,803,640
Percentage of personnel trained	99.8	99.2	99.6
Trainings per employee	62.8	38.2	44.65
Hours per employee	127.2	69.4	79.18
Technician			
Employees	4,255	4,153	1,233
Trained	4,251	4,149	1,229
Training	109,310	86,068	39,144
Hours	206,218	163,565	68,998
Percentage of personnel trained	99.9	99.9	99.7
Trainings per employee	25.7	20.7	31.75
Hours per employee	48.5	39.4	55.96





|404-3: Percentage of employees receiving regular performance and career development reviews



Job level	Female	%	Male	%
2018				
Management	11,189	11.8	20,909	22
Technician	1,200	1.3	2,877	3
Operating	8,432	8.9	7,533	7.9
Advisory	3,024	3.2	4,494	4.7
Other	14,953	15.7	20,389	21.5
Total	38,798	40.8	56,202	59.2
2019				
Management	11,392	12.4	20,431	22.2
Technician	1,189	1.3	2,831	3.1
Operating	8,923	9.7	7,749	8.4
Advisory	3,068	3.3	4,377	4.7
Other	13,696	14.9	18,561	20.1
Total	38,268	41.5	53,949	58.5
2020				
Management	11,618	35.94	20,712	64.06
Technician	658	50.97	633	49.03
Operating	21,270	47.28	23,717	52.72
Advisory	3,688	35.92	6,578	64.08
Other	-	-	-	-
Total	37,234	41.90	51,640	58.10

* See more about the information above in the Performance Evaluation section.





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Development plan	1st sem.	2nd half of the year
2018		
Employees that prepared the Skills Development Plan (SDP)	97,320	96,088
Percentage of Employees that prepared the Skills Development Plan ⁽¹⁾	93.2	93.2
2019		
Employees that prepared the Skills Development Plan (SDP)	82,120	77,615
Percentage of Employees that prepared the Skills Development Plan ⁽¹⁾	85.59	80.99
2020⁽²⁾		
Employees that prepared the Skills Development Plan (SDP)	26,618	24,091
Percentage of Employees that prepared the Skills Development Plan ⁽¹⁾	29.03	26.28

(1) Percentages were calculated based on the number of employees able to prepare the Skills Development Plan.

(2) In 2020, SDP preparation started to focus on developing gaps observed in performance evaluation. While opportunities for building skill development plans with focus on career goals are now centralized in the Career Map and are not accounted for in chart above.

|405-1: Diversity of governance bodies and employees

Governance diversity (%)^{(1) (2) (3) (4)}

	2018	2019	2020
Per gender			
Female	8.6	10.0	17.6
Male	91.4	90.0	82.4
Per age group			
Up to 30 years	0.0	0.0	0.0
30–50 years	60.3	56.0	54.9
Over 50 years	39.7	44.0	45.1
Per minority groups			
Indigenous	0.0	0	0
Black	3.5	4.0	3.9
Mixed-race	5.2	8.0	3.9

(1) Considered members of the Board of Directors, Executive Board, Supervisory Board (members only) and Audit; Human, Remuneration and Eligibility; risk and Capital Committee and of Technology and Strategy and Innovation Committees.

(2) Members of the Risks and Capital Committee also composed information for 2018 and 2019.

(3) Technology, Strategy and Innovation Committee was created in December 2019 but its members were only appointed in 2020.

(4) Beginning as of 2020, only Supervisory Board members are considered for calculation of this index.



General indicators of workforce diversity (%)

	2018	2019	2020
Per gender			
Female	41.5	42.0	42.16
Male	58.5	58.0	57.84
Per age group			
Up to 30 years	6.1	6.2	2.61
30–50 years	76.3	75.2	76.73
Over 50 years	17.6	18.6	20.66
Per minority groups			
Indigenous	0.2	0.2	0.18
Black	2.9	3.0	2.98
Mixed-race	20.0	20.2	20.30

Per age group (% in relation to total workforce of each functional category)

	2018	2019	2020
Management	Up to 30 years	3.0	3.9
	30–50 years	82.7	81.8
	Over 50 years	14.3	16.18
Technician	Up to 30 years	4.4	4.8
	30–50 years	78.6	78.3
	Over 50 years	17.0	23.44
Operating	Up to 30 years	8.8	8.2
	30–50 years	70.7	69.4
	Over 50 years	20.5	24.92
Advisory	Up to 30 years	2.4	3.5
	30–50 years	85.3	84.1
	Over 50 years	12.3	14.48
Trainees	Up to 30 years		97.46
	30–50 years		2.54
	Over 50 years		0





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Per minority groups (% in relation to total workforce of each functional category)

		2018	2019	2020
Management	Indigenous	0.1	0.1	0.12
	Black	2.6	2.7	2.78
	Mixed Race	18.8	19.2	19.41
Technician	Indigenous	0.1	0.1	0.16
	Black	2.9	3	2.76
	Mixed Race	21.5	21.5	14.11
Operating	Indigenous	0.2	0.2	0.22
	Black	3.1	3.2	3.16
	Mixed Race	21	21.1	21.12
Advisory	Indigenous	0.2	0.2	0.17
	Black	2.5	2.6	2.81
	Mixed Race	17.7	18	19.94
Trainees	Indigenous			0
	Black			7.75
	Mixed Race			35.11

Per gender (% in relation to total workforce of each functional category)

	2018	2019	2020
Management			
Female	35.5	36.1	36.30
Male	64.5	63.9	63.70
Technician			
Female	29.9	29.6	51.26
Male	70.1	70.4	48.74
Operating			
Female	46.3	46.9	47.07
Male	53.7	53.1	52.93
Advisory			
Female	41	41.8	36.41
Male	59	58.2	63.59
Trainees			
Female			59.32
Male			40.68



|405-2: Ratio of Basic Salary and Remuneration of Women to Men

|103-2|103-3|Diversity

Regarding base salary or reference value, there is no difference in remuneration between men and women with the same function and payment code, with ratio of men to women being 1 to 1. Information on remuneration per gender and functional level covers only our operations in Brazil.

Proportion of women/men base salary

	2018	2019	2020
Executive	1	1	1
Management	1	1	1
Technician	1	1	1
Operating	1	1	1
Advisory	1	1	1
Other	1	1	1

|406-1: Incidents of discrimination and corrective actions taken

|103-2|103-3|Diversity

During 2020, no judicial or administrative proceedings were identified for discrimination based

on race, color, gender, religion, political opinion, national ancestry or social origin.

Discrimination incidents known to BB

	2018	2019	2020
Incidents being investigated	0	0	0
Incidents Investigated	23	12	17
Incidents not yet investigated	0	0	0
Incidents deemed valid	0	0	0
Incidents deemed unfounded (not subject to action)	23	12	17
Total	23	12	17



|408-1: Operations and suppliers at significant risk for incidents of child labor| 409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor| 412-1: Operations that have been subject to human rights reviews or impact assessments

Own Operation: There is no risk of child or slave-like labor in our own operations.	keep them in conditions like slave labor;	relation to Human Rights during entire operation.
Customers: Our Credit Policy defines restrictions on risk taking. Accordingly, all credit proposals are submitted to analysis about Human Rights, with credit being denied to customers who are proven to:	b) Practice sexual exploitation of minors; c) Practice exploitation of child labor. In addition to verification carried out prior to granting the credit, we monitor the customer's regularity in	Number of transactions/customers with slave labor annotation is presented below. This annotation blocks credit limit study (analysis and/or renewal) and reception of transactions in our operating systems, which materializes the prohibition included in our Policy.
a) Subject workers to degrading forms of work or		

BB's operations/customers

	2018 ⁽¹⁾	2019 ⁽¹⁾	2020
Number of customers with slave labor annotation	63	49	25

(1) Revised series

|410-1Security personnel trained in human rights policies or procedures

We contractually require that 100% of employees of companies hired for security area have attended a training course on	surveillance with material approved by the Federal Police Department, which includes human rights and relations aspects.
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|412-2: Operations that have been subject to human rights reviews or impact assessments

|103-2|103-3|Sustainability Culture

Human rights are the guiding principles for the development of educational solutions at UniBB and, recurrently, they appear cross-sectionally among	the courses we offer to employees. Trainings related to human rights address different perspectives, such as accessibility, diversity, gender equity, and people	with disabilities in the context of customer relations, relationship with co-workers, sustainability, and corporate education.
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	2018	2019	2020
Total training hours dedicated to training on human rights policies/procedures relevant to operations	185,360	66,367	149,190
Percentage of employees trained in the period on human rights policies/procedures relevant to operations	51	27	32
Total percentage of employees	98.2	98.0	99.3

|416-1: Assessment of the health and safety impacts of product and service categories

|103-2|103-3|Customer relationship and satisfaction|

In all architectural and engineering interventions we are guided by internal regulations and current legislation, including of the Fire Department, Environmental Agencies and Historic Heritage.

|417-2: Incidents of non-compliance concerning product and service information and labeling

|103-2|103-3|Customer relationship and satisfaction|

In 2020, we did not identify cases of non-compliance with regulations and voluntary codes related to incidents of non-compliance with information and labeling of products and services.

|419-1: Non-compliance with laws and regulations in the social and economic area

|103-2|103-3|Customer relationship and satisfaction|

In 2020, we recorded R\$ 3.5 million of penalties for non-compliance with laws and regulations related to supply and use of products and services and charges related to time in line, 50% below the R\$ 7.1 million registered in 2019 because of increased use of digital channels and social distance caused by the pandemic.
[SASB FN-CB-510a.1]

Other fines and penalties for non-compliance with laws and regulations can be found in Sections 4.3, 4.4 and 4.7 of Reference Form.





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|FS6: Percentage of business portfolio for business lines per specific region, size (e.g., micro, sme, large) and by sector

Agribusiness Portfolio

Support to sustainable agriculture aims at obtaining sustainable returns in the long run, in addition to traditional financial and risk analyses. Sustainable technologies are also associated with cost reduction and efficiency gains, contributing to long-term sustainability of production models. Incentive to these initiatives not only contributes

to reduce customers' risks but also to identify opportunities that the new business environment and regulation of agricultural activity provides. |SASB FN-CB-240a.4|

By operating from small producers to large agro-industrial companies, we finance production costs and trading of agricultural products, rural investments – such as construction and expansion

of warehouses, acquisition and modernization of machinery and implements, as well as the processing and industrialization of agricultural products and adaptation of rural properties to environmental legislation. In 2020, Brazilian agribusiness, at all stages of the production chain, was supported with a 41.8% participation in contracting operations aimed at the sector. |SASB FN-CB-410a.1|

North	R\$
Rural credit	14.82 billion
Agroindustrial	0.10 billion
Total	14.92 billion
Individuals	14.73 billion
Companies	0.19 billion
Total	14.92 billion

Northeast	R\$
Rural credit	16.09 billion
Agroindustrial	0.19 billion
Total	16.28 billion
Individuals	15.77 billion
Companies	0.51 billion
Total	16.28 billion

Midwest	R\$
Rural credit	59.46 billion
Agroindustrial	0.51 billion
Total	59.97 billion
Individuals	57.32 billion
Companies	2.65 billion
Total	59.97 billion

Southeast	R\$
Rural credit	42.48 billion
Agroindustrial	6.65 billion
Total	49.13 billion
Individuals	40.73 billion
Companies	8.40 billion
Total	49.13 billion

South	R\$
Rural credit	44.69 billion
Agroindustrial	1.20 billion
Total	45.89 billion
Individuals	41.33 billion
Companies	4.56 billion
Total	45.89 billion

Medium and Large Producer	118.88 billion
Mini and Small Producer	51.02 billion
Companies	10.54 billion
Agricultural Cooperatives	5.77 billion
Total	186.21 billion





Agribusiness per Type of Financed Item (R\$ million)	dec 2018	dec 2019	dec 2020
Classified Loan Portfolio	187,193	179,423	186,208
Cotton	1,101	1,120	1,259
Storage	6,752	7,320	7,276
Rice	2,271	1,861	1,787
Poultry breeding	3,392	3,002	2,931
Cattle	42,513	42,426	46,948
Coffee	4,830	5,021	4,881
Trucks/Vehicles	3,185	2,880	2,540
Sugarcane	4,619	3,088	2,720
Meat	28,210	29,463	33,353
Agro-industrial credit	19,289	13,222	8,653
Other	29,507	28,912	29,764
Eucalyptus/Pine/Forests	1,986	1,759	1,233
Milk	14,303	12,963	13,595
Machinery & Implements	25,637	27,787	32,094
Soil improvement	5,553	6,135	7,142
Corn	9,095	7,754	8,248
Pasture	4,159	4,429	5,141
Soybean	20,392	19,905	20,488
Swine	1,869	1,850	2,059
Wheat	1,045	864	1,045

Our approach to determining credit lines with high environmental potential within Credit Portfolio is carried out through our sustainable loan portfolio, which comprises transactions/credit lines

designed to finance activities and/or segments with positive socioenvironmental impact. We use methodology developed by the Brazilian Federation of Banks (Febraban), which deals with measurement and

identification of resources allocated to green economy sectors, and our sustainable finance framework.

For further information, see the Sustainable Loan Portfolio Chapter and our [Sustainability website](#).



|FS7: Monetary value of products and services designed to deliver a specific social benefit for each business line, broken down by purpose/FS8: Monetary value of products and services designed to deliver a specific environmental benefit to each business line, broken down by purpose

Assets Management

Product	Attribute type	Description (purpose, product description and, when relevant, target environmental/social aspect)	Balance in 2019 (R\$ million)	Balance in 2020 (R\$ million)
Fundo BB Renda Fixa Referenciado DI Social 50 ⁽¹⁾	(X) Environmental (X) Social () Governance	It allocates 50% of its management fee to the Fundação BB, which invests in education and environment projects.	404.6	232.5
Fundo BB Ações Sustentabilidade	(X) Environmental () Social () Governance	Transfer 20% of administration fee to Água Brasil program for river basins conservation. This Fund is composed of an asset portfolio whose gross profitability reflects the behavior of the Corporate Sustainability Index (ISE) theoretical portfolio.	16.6	28.0
Fundo BB Ações Equidade Private	() Environmental (X) Social () Governance	It is intended to Private Banking and Retail segments and its characteristic is to allocate funds to publicly-held companies that are signatories of the Women's Empowerment Principles.	232.5	215.5
Fundo BB Ações Equidade	() Environmental (X) Social () Governance	It is intended to Private Banking and Retail segments and its characteristic is to allocate funds to publicly-held companies that are signatories of the Women's Empowerment Principles.	61.6	51.9





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Product	Attribute type	Description (purpose, product description and, when relevant, target environmental/social aspect)	Balance in 2019 (R\$ million)	Balance in 2020 (R\$ million)
Fundo BB Asset Ações Equidade	() Environmental (X) Social () Governance	It is intended to Private Banking and Retail segments and its characteristic is to allocate funds to publicly-held companies that are signatories of the Women's Empowerment Principles.	2.3	2.1
Fundo BB Multimercado LP Global Green Private	(X) Environmental (X) Social () Governance	It invests 60% of its funds in Brazil and 40% in one or more funds headquartered abroad. Allocations prioritize companies that include and consider their business impact and/or directly promote socioenvironmental responsibility in the environment and the community.	135.6	344.4
Fundo BB Multimercado LP Global Vita Private	(X) Environmental () Social () Governance	It brings to portfolio management strategy the topics of longevity and quality of life. The fund aims to compose a portfolio of financial assets directed at shares issued by companies in the health, biotechnology, nutrition and environment sectors, among others related to healthy life expectancy.	118.7	494.2
Fundo BB Ações Governança	() Environmental () Social (X) Governance	It seeks to follow IGC-T theoretical portfolio, an index composed of shares of companies recognized for good corporate governance practices. They must trade in the New Market or be classified in Levels 1 or 2 of B3	745.5	1,245.4





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Product	Attribute type	Description (purpose, product description and, when relevant, target environmental/social aspect)	Balance in 2019 (R\$ million)	Balance in 2020 (R\$ million)
Fundo BB Ações Carbono Sustentabilidade ⁽¹⁾	(X) Environmental () Social () Governance	It follows Carbon Efficient Index (ICO2), composed of shares of companies participating in the IBrX-50 and that adopt transparent practices regarding their Greenhouse Gas (GHG) emissions.	4.6	3.7
Fundo BB Ações ESG Globais BDR ⁽²⁾	(X) Environmental (X) Social (X) Governance	The Fund aims at offering to shareholders, in the medium and long terms, consistent and competitive performance in relation to global stock market within fluctuations and risks inherent to this market by investing its resources primarily in receipts of shares of foreign companies that meet criteria of the ESG theme (environmental, social and corporate governance) traded in Brazil (BDR).	- (2)	528.5

Total balance in 2020 (R\$ 3.1 billion) represents 0.27% of total Managed Resources (R\$ 1.7 trillion).

(1) Closed funds for application.

(2) Fund reformulated in 2020 to include ESG criteria in its nomenclature and objective.



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Private Equity Investment Funds

Product	Attribute type	Description (purpose, product description and, when relevant, target environmental/social aspect)	Shareholders' equity in 2019 (R\$ million)	Shareholders' equity in 2020 (R\$ million)
Brasil Sustentabilidade FIP – Multiestratégia	(X) Environmental (X) Social (X) Governance	Dedicated to purchase share in companies whose activities are associated with projects that have the potential for generation of carbon credits and incorporation of sustainability principles in investment decisions.	265.2	268.5
Brasil Agronegócios FIP – Multiestratégia	(X) Environmental (X) Social (X) Governance	Dedicated to purchase interest in Brazilian companies with solid value foundation and that can benefit from capital contributions for the purpose of listing them in the stock market. The fund's investment focus will cover the entire agribusiness production chain.	474.1	381.7
Fundo Brasil de Internacionalização de Empresas FIP – Multiestratégia	(X) Environmental (X) Social (X) Governance	Intended for purchase of interest in medium-sized Brazilian companies already active in foreign trade or that have the potential for internationalization (sectors with high added value, leading companies in national sectors and sectors in which Brazil is competitive, for example). Investees must adopt standards of socioenvironmental responsibility (seeking to minimize harmful effects on environment resulting from their activities) and adopt good corporate governance practices.	359.7	396.9





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Product	Attribute type	Description (purpose, product description and, when relevant, target environmental/social aspect)	Shareholders' equity in 2019 (R\$ million)	Shareholders' equity in 2020 (R\$ million)
Brasil Portos e Ativos Logísticos FIP	(X) Environmental (X) Social (X) Governance	Dedicated to the purchase of companies in different logistics sectors, including port, backport, and storage assets, distribution centers and assets for cargo handling and transportation. Investees must adopt standards of socioenvironmental responsibility (seeking to minimize harmful effects to the environment resulting from their activities) and adopt good corporate governance practices.	166.4	135.9
FIP Brasil Internacionalização de Empresas II	(X) Environmental (X) Social (X) Governance	Intended for the purchase of interest in medium-sized Brazilian companies already active in foreign trade or with potential for internationalization (sectors with high added value, leading companies in national sectors and sectors in which Brazil is competitive, for example). Investees must adopt standards of socioenvironmental responsibility (seeking to minimize harmful effects to the environment resulting from their activities) and adopt good corporate governance practices.	551.4	1,097.0

Note: Brasil for Multi-Strategy Corporate Governance was settled on October 30, 2020 and, due to this, it was not included in information above.





Agribusiness Loans



Product	Attribute type	Description (Purpose, product description and, when relevant, target social group)	Total portfolio in 2019 (R\$ million) ²	Total portfolio in 2020 (R\$ million)	Number of transactions carried out in 2020
Programa ABC	(X) Environmental () Social	Its main purpose is to reduce GHG emissions arising from agricultural activities and deforestation, as well as to stimulate recovery of degraded areas.	8,449	8,055	18,173
ABC Recuperação	(X) Environmental () Social	Recovery of degraded pastures	3,443	3,404	10,328
ABC Orgânico	(X) Environmental () Social	Implementation and improvement of organic agricultural production systems	3	7	18
ABC Plantio Direto	(X) Environmental () Social	Implementation and improvement of no-till systems "on straw"	2,108	2,156	3,576
ABC Integração	(X) Environmental () Social	Implementation and improvement of crop- livestock, crop-forest, livestock-forest or crop-livestock-forest integration systems and agroforestry systems	283	286	545
ABC Florestas	(X) Environmental () Social	Implementation, maintenance and improvement of commercial forests management, including those for industrial use or charcoal production	762	852	1,801





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Product	Attribute type	Description (Purpose, product description and, when relevant, target social group)	Total portfolio in 2019 (R\$ million) ²	Total portfolio in 2020 (R\$ million)	Number of transactions carried out in 2020
ABC Ambiental	(X) Environmental () Social	Adequacy or regularization of rural properties in view of environmental legislation, including recovery of legal reserves, permanent preservation areas, and degraded areas, as well as implementation and improvement of sustainable forest management plans	112	103	358
ABC Tratamento de Dejetos	(X) Environmental () Social	Implementation, improvement and maintenance of treatment systems of manure and waste from animal production for the purpose of generating energy and composting	28	36	74
ABC Dendê	(X) Environmental () Social	Implementation, improvement and maintenance of oil palm forests, mainly in degraded productive areas	0	0	0
ABC Fixação	(X) Environmental () Social	Encouraging the use of biological nitrogen fixation	0	6	7
ABC Cultivos Permanentes	(X) Environmental () Social	Implementation, improvement and maintenance of açaí (palm fruit), cocoa, olive and walnut plantations	5	12	35
ABC Demais ⁽²⁾	(X) Environmental () Social	Other ABC operations without subprogram identification	1,705	1,194	1,431





Product	Attribute type	Description (Purpose, product description and, when relevant, target social group)	Total portfolio in 2019 (R\$ million)²	Total portfolio in 2020 (R\$ million)	Number of transactions carried out in 2020
Custeio Plantio Direto	(X) Environmental () Social		20,530	25,308	117,421
Custeio Agrícola Tradicional – Plantio Direto	(X) Environmental () Social	Financing using the No-till System on Straw (SPDP)	14,495	19,208	33,728
Pronamp Custeio – Plantio Direto	(X) Environmental () Social		4,295	3,732	22,545
Pronaf Custeio – Plantio Direto	(X) Environmental (X) Social		1,740	2,368	61,148
Pronaf Mais Alimentos	() Environmental (X) Social	Financing to farmers and farmer families for investment in their production and service structure	35,614	36,336	909,085
Pronaf Investimento	(X) Environmental (X) Social	Credit lines for farmers eligible for Pronaf for investments	1,644	1,772	66,500
Pronaf Florestal	(X) Environmental (X) Social	It aims to support investments in projects that meet requirements defined by the Secretariat of Family Agriculture/ Ministry of Agrarian Development for agroforestry systems; ecologically sustainable extractive exploitation; forest management and management plan, including costs related to the implementation and maintenance of the enterprise; and enrichment of areas that already have diversified forest coverage, planting one or more forest species native to the biome.	134	128	5,054



Product	Attribute type	Description (Purpose, product description and, when relevant, target social group)	Total portfolio in 2019 (R\$ million)²	Total portfolio in 2020 (R\$ million)	Number of transactions carried out in 2020
Pronaf Agroecologia	(X) Environmental (X) Social	Credit line for farmers eligible to Pronaf for investments related to specific projects of agroecological or organic production systems, including costs related to implementation and maintenance of the enterprise.	14	14	325
Pronaf Bioeconomia – Dendê/ Seringueira*	(X) Environmental (X) Social	Credit line directed to farmers eligible to Pronaf for investments in implementation of oil palm or rubber tree crops, with associated costs for maintenance of the crop.	13	11	169
Pronaf Bioeconomia*	(X) Environmental (X) Social	Credit line dedicated to farmers eligible to Pronaf and who wish to implement, use, recover or adopt renewable energy and/or environmental technologies, water storage, small hydropower uses, forestry or preservation practices and practices intended to correct soil acidity and fertility.	250	318	5,661
Pronaf Mulher	() Environmental (X) Social	Financing for women farmers regardless of their civil status.	12	63	1,904



Product	Attribute type	Description (Purpose, product description and, when relevant, target social group)	Total portfolio in 2019 (R\$ million) ²	Total portfolio in 2020 (R\$ million)	Number of transactions carried out in 2020
Pronaf Agroindústria	() Environmental (X) Social	Financing to farmers, family farmers (individuals and companies), and cooperatives for investment in processing, storage, processing and trading of agricultural, extractive, artisanal and forest products; and to support rural tourism exploitation	436	495	2,001
Pronaf Cotas – Parte	() Environmental (X) Social	Financing for payment of quotas by Pronaf beneficiaries associated with rural production cooperatives; and for the cooperative to use it for working capital, funding, investment or financial sanitation	0	20	1
Pronaf Programas Especiais – Semiárido	(X) Environmental (X) Social	Investments in projects for coexistence with the semi-arid region focused on agroecosystems sustainability and aimed at implementing, expanding, recovering or modernizing productive infrastructure, including those related to projects of agricultural and non-agricultural production and services, according to the reality of families in the region	0	0	2
Pronaf Programas Especiais – Jovem	() Environmental (X) Social	Financing to farmers and family farmers (individuals) for investment in production activities, provided that beneficiaries are over 16 and under 29, among other requirements	2	2	223



Product	Attribute type	Description (Purpose, product description and, when relevant, target social group)	Total portfolio in 2019 (R\$ million) ²	Total portfolio in 2020 (R\$ million)	Number of transactions carried out in 2020
Pronaf Grupo B	() Environmental (X) Social	Financing to farmers and family farmers (individuals) who obtained gross family income of up to R\$ 23 thousand in the 12 months of normal production preceding request for Declaration of Aptitude to PRONAF (DAP)	22	19	3,728
Pronaf Reforma Agrária – Planta Brasil – Grupo A	() Environmental (X) Social	Financing of investments intended for implementation, expansion and modernization of agricultural and non- agricultural production and service infrastructure in the rural establishment or in nearby rural community areas operated by beneficiary families of the National Agrarian Reform Program (PNRA) and the National Land Credit Program (PNCF)	761	702	47,432
Investimentos	(X) Environmental (X) Social	Credit lines for agricultural investments with environmental and social attributes	19,682	20,954	82,094
Pronamp Investimento	(X) Environmental (X) Social	Investment program aimed at promoting development of medium rural producers' activities, providing increased income and creating jobs in rural areas.	7,719	7,084	56,833





Product	Attribute type	Description (Purpose, product description and, when relevant, target social group)	Total portfolio in 2019 (R\$ million) ²	Total portfolio in 2020 (R\$ million)	Number of transactions carried out in 2020
Moderagro	(X) Environmental (X) Social	Fixed credit line for agricultural investments with funds from the National Bank for Economic and Social Development (BNDES). Fosters actions related to animal defense and implementation of traceability systems of animals for human consumption. This program supports recovery of soils, in addition to promoting the sectors of production, processing, industrialization and storage of beekeeping, aquaculture, poultry, chinchilla farming, rabbit farming, floriculture, fruit growing, horticulture, fishing, sheep and goat farming, dairy farming, frog breeding, sericulture and pig farming.	3,337	3,282	10,586
Programa de Construção e Ampliação de Armazéns (PCA)	() Environmental (X) Social	It aims to support investments necessary for expansion and construction of new warehouses. Accordingly, it contributes to improving rural producers' income and distribution and storage of food produced in the country, and supports food security.	4,681	5,820	2,343
Inovagro	(X) Environmental () Social	The Program for Incentive to Technological Innovation in Agricultural Production supports investments necessary for incorporation of technological innovation in rural properties and aims to increase productivity, adoption of good agricultural and rural property management practices and competitive insertion of rural producers in different consumer markets.	3,301	4,090	10,756
Moderinfra	(X) Environmental () Social	Financing for development of sustainable irrigated agriculture, as well as for encouraging the use of production structures in a protected environment and for the protection of fruit growing in temperate climates against hail.	644	678	1,576
Pronaf Custeio – Exceto Plantio Direto	() Environmental (X) Social	Acquisition of seeds, fertilizers, pesticides, vaccines, feed and other items necessary for agricultural or livestock production by family producers with Declaration of Aptitude to Pronaf (DAP), except for groups A and A/C.	6,861	6,296	213,412





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Product	Attribute type	Description (Purpose, product description and, when relevant, target social group)	Total portfolio in 2019 (R\$ million) ²	Total portfolio in 2020 (R\$ million)	Number of transactions carried out in 2020
Sudene ⁽¹⁾⁽²⁾	(X) Environmental () Social	Financing for the Northeast Development Superintendence (Sudene) region, whose main characteristic is the frequent occurrence of droughts, with absence, scarcity and high spatial and temporal variability of rainfall. It is not uncommon for successive years of drought to occur. Sudene's mission is to articulate and foster cooperation of representative social forces to promote inclusive and sustainable development in the Northeast, cultural preservation and competitive integration of the region's economic base into national and international markets.	20,557	21,781	280,931

Total balance in 2020 (R\$ 106.8 billion) represents 57.37% of Classified Agribusiness Loan Portfolio (R\$ 186.2 billion).

(1) Up to the 2017 Annual Report, only products with reduced financial burden were reported in the ambit of Semi-Arid. Beginning as of 2018, we contemplate all operations carried out for the municipalities covered by the Sudene region.

Figures above reflect total balance in portfolio of financing for the Sudene region, which may include amounts previously reported (Pronamp, Programa ABC etc.), as they refer to all credit lines offered in this region. Portfolio balance, disregarding amounts already mentioned in the Report, is R\$ 8,114 million.

(2) Credit lines were not included in our Sustainable Loan Portfolio and their inclusion will be assessed in due course.

* Pronaf Eco changed its name to Pronaf Bioeconomia

Loans for Individuals

Product	Attribute type	Description (purpose, product description and, where relevant, target social group)	Balance in 2019 (R\$ million)	Balance in 2020 (R\$ million)	Number of operations carried out in 2019	Number of transactions carried out in 2020
Fundo de Amparo ao Trabalhador (FAT) Taxi	() Environmental (X) Social	Financing line for new vehicles manufactured domestically for the renewal of taxi fleet circulating in the country; it also benefits new licensees, favoring job and income generation and maintenance.	204.7	100.3	1,351	366

Total balance in 2020 (R\$ 100.3 million) represents 0.04% of Classified Individual Loan Portfolio (R\$ 228.2 billion).





Loans for Companies

Product	Attribute type	Description (purpose, product description and, where relevant, target social group)	Balance in 2019 (R\$ million)	Balance in 2020 (R\$ million)	Number of transactions carried out in 2020
Programa de geração de renda (Proger)*	(X) Environmental (X) Social	Financing line for micro and small companies, with or without associated working capital, for investment projects that provide generation or maintenance of employment and income in urban areas to enable sustainable development of micro and small companies aligned with Proger Urbano.	1,279	867	0 (Line had no new hires*)
PESE Fopag	() Environmental (X) Social	Emergency credit line to finance for up to four months payroll of small and medium-sized enterprises according to the Emergency Employment Support Program regulated by Law 14043 of August 19, 2020, with companies with annual gross revenue higher than R\$ 360 thousand (exclusive) and equal to or less than R\$ 50 million (inclusive) as target public, calculated based on year ended in 2019.	1,040	27,071	
Pronampe	() Environmental (X) Social	Working capital line linked to the National Program for Support to Micro and Small Companies (Pronampe) regulated by Law 13999 of May 18, 2020, targeting customers from the micro and small business sectors with Annual Gross Revenue of up to R\$ 4.8 million (inclusive) in 2019, registered with the Federal Revenue Service.	7,093	112,300	

Total balance in 2020 (R\$ 9.0 billion) represents 3.81% of Companies Classified Loan Portfolio (R\$ 236.4 billion).

* This credit line was suspended during 2020 and is expected to be resumed in 2021; this credit line was not included in our Sustainable Loan Portfolio and its inclusion will be evaluated in due course.





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Government Loan

Product	Attribute type	Description (Purpose, product description and, when relevant, target social group)	Total portfolio in 2019 (R\$ million)	Total portfolio in 2020 (R\$ million)	Number of transactions carried out in 2020
Programa Modernização da Administração Tributária e da Gestão dos Setores Sociais Básicos (PMAT)*	() Environmental (X) Social	It supports investment projects of municipal public administrations dedicated to modernize tax administration and to improve public expenditure quality, aiming at providing efficient public management that will increase revenues and/or reduce unit cost of services provided to the community.	54.7	46.1	0
BB Financiamento Setor Público (operações com estados)	() Environmental (X) Social	Financing, with transfer of external or own resources, of programs and actions provided for in States' strategic planning. It has social impacts as it improves the quality of life of population.	37,483	47,934	20
Programa Eficiência Municipal	() Environmental (X) Social	It supports investment projects or acquisition of goods and services, on an isolated basis, by the municipal public administration for the purpose of improving infrastructure and efficiency in public management and the quality of public services; it also contributes to municipalities' economic development and to the quality of life of communities.	627.5	1,518	164

Total balance in 2020 (R\$ 47.9 billion) represents 86.13% of Government Classified Loan Portfolio (R\$ 55.7 billion).

* This credit line was not included in our Sustainable Loan Portfolio and its inclusion will be evaluated in due course.





Insurance and Capitalization

Product	Attribute type	Description (purpose, product description and, where relevant, target social group)	Balance in 2019 (R\$ million)	Balance in 2020 (R\$ million)
Ourocap	(X) Environmental	Environment - transfers to Fundação BB the percentage of 0.25% of total funds collected from subscribers' payment of PP 93 premium bonds' 48 monthly installments of R\$ 250.00 to R\$ 500.00 through bank debit entry.	4.5	2.4
Estilo	() Social			
Flex ⁽¹⁾				

(1) Year 2020 revenues of Ourocap Estilo Flex products was R\$ 2,407,614.89, which represents 0.0057% of total billed by Balcão BB (Ourocap product). The amount of R\$ 5,975.51 related to 2020 sales was transferred to Fundação BB.

Payment options

Product	Attribute type	Description (purpose, product description and, where relevant, target social group)
Ourocard	(X) Environmental	Our first card produced with recycled plastic. For each unit ordered, the customer donates R\$ 5.00 to Instituto Terra, which promotes recovery and sustainable management of the Atlantic Forest; automatically adheres to invoice rounding service and contributes to the planting of one of the 400 trees necessary to promote a natural water spring recovery.
Origens	() Social	
Reciclado		
Cartão de Pagamento da Defesa Civil (CPDC)	() Environmental (X) Social	Card intended to pay for expenses with relief actions, assistance to victims and restoration of essential services used exclusively in emergency situations or in public calamity state and recognized by the National Secretariat for Civil Defense.
Arrendamento da fatura	(X) Environmental () Social	Ourocard holder who subscribes to this service has his/her invoice value rounded up to the next whole amount. Cents corresponding to this difference are donated to a non-profit partner institution. Currently, donations are destined exclusively to Instituto Terra, which promotes reforestation of the Atlantic Forest's deforested areas and is responsible for recovering more than 40 million m ² .



Amount collected for donation in 2019 (R\$ thousand)	Amount collected for donation in 2020 (R\$ thousand)	Card billing in 2019 (R\$ thousand)	Card billing in 2020 (R\$ thousand)	Billing in relation to total card billing - 2019 (%)	Billing in relation to total card billing - 2020 (%)
6.2	1.9	19,615	13,061	0.01	0.004
-	-	25,349	118,696	0.01	0.04
176.9	175.7	48,900	44,755	0.01	0.01



Social Business

Product	Attribute type	Description (purpose, product description and, where relevant, target social group)	Total portfolio in 2019 (million)	Total portfolio in 2020 (R\$ million)	Number of transactions carried out in 2020
BB Crédito Acessibilidade	() Environmental (X) Social	Credit line designed to finance assistive technology goods and services, aimed at promoting social inclusion and allowing equal opportunities for disabled people.	184.0	182.7	8,025
FIES – Fundo de Financiamento Estudantil*	() Environmental (X) Social	Ministry of Education program designed to finance undergraduate students enrolled in non-free institutions.	45,179	46,867	
Programa Minha Casa Minha Vida(PMCMV)	() Environmental (X) Social	It contemplates financing of enterprises and houses that fulfill requirements such as inclusion of the elderly and of people with special needs; environmental preservation standards and attitudes, such as the use of equipment and solutions; compliance with recommendations during construction work; and promoting discussions and dissemination among its members of knowledge on reuse of materials, rational use of natural resources, alternative low-cost measures for heating water/degradable materials for construction or other uses, risks arising from non-environmental preservation and other pertinent issues.	22,392 MCMV: 21,976 MCMV Agreements 416	21,572 MCMV: 21,183 MCMV Agreements ⁽¹⁾ 389	Individual: 4,751 transactions were carried out. Legal Entity: an operation.



Product	Attribute type	Description (purpose, product description and, where relevant, target social group)	Total portfolio in 2019 (million)	Total portfolio in 2020 (R\$ million)	Number of transactions carried out in 2020
BB Microcrédito Empreendedor	() Environmental (X) Social	Credit facility for individual and companies customers aligned with the National Program for Guided Productive Microcredit (MPO) intended for working capital or investment and dedicated to meeting entrepreneurs of small-scale productive activities' financial needs. It uses methodology based on direct relationship with entrepreneurs for the purpose of business guidance and monitoring.	164.5	108.4	62,816

Total balance in 2020 (68.7 billion) represents 10.08% of Classified Credit Portfolio (681.7 billion).

(1) These amounts were not included in our Sustainable Loan Portfolio and their inclusion will be assessed in due course.

* Since the 2nd half of 2017, no new hires have been made.



|FS9: Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures

Our Internal Audit assesses risk management actions and adequacy of internal controls by verifying quality, sufficiency, compliance and effectiveness. To this end, it prepares Strategic and Annual plans for its activities on an annual basis, in accordance with the General Comptroller's Office (CGU) requirements. Such plans include carrying out audits in conclusive cycles at least every year and at most at every three years, in which assessments of adherence to socioenvironmental policies and corporate socioenvironmental commitments we assumed, such as the Equator Principles.

The Socioenvironmental Responsibility Policy (PRSA) is part of the set of documents that make up our governance architecture and are

evaluated by Internal Audit within the scope of the Corporate Governance and Management process. In 2020, actions taken to align the Company's sustainability purposes with its strategic objectives and best market practices were evaluated

Actions undertaken for socioenvironmental risk management were monitored by Internal Audit in 2020, observing aspects related to:

- CMN Resolution n°4327/14: Guidelines to be observed during establishment and implementation of PRSA by financial institutions;
- Conama Resolution n°237/97: Provides for review and supplementing of procedures and criteria used for environmental licensing;

◦ CMN Resolution n°4557/17 – Integrated Risk Management: Addresses requirements of socioenvironmental risk management structure; and

- Internal standards.

Improvement needs identified in processes evaluated by Internal Audit are sent for treatment with recommendations and indication of a responsible manager and implementation deadline compatible with associated risk level.

Issued recommendations are followed up by Internal Audit until their implementation. From then on, corrective actions taken by managers are evaluated and, if sufficient, recommendation is certified by the Audit.



|FS10: Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues

In 2020, we contracted three operations pursuant to terms of Equator Principles referring to three Project Finance (projects whose total capital cost is equal to or higher than US\$ 10 million). We interacted with eight customers, requesting to 100% of cases environmental licensing, if applicable, and projects were not denied during the year.

We require from undertakings in categories A or B to assess relevant socioenvironmental risks and impacts, in addition to setting up an Environmental and Social Management System that contemplates, among other issues, respect for human rights and labor matters, with expected preventive and mitigating actions. These categories include:

Category A: projects that require preparation of an Environmental Impact Study (EIA) and with potential for significant adverse socioenvironmental risks or impacts that are multiple, irreversible or unprecedented, with emphasis on those

related to at least one of the following topics: indigenous peoples, critical habitats, cultural heritage or large-scale resettlement.

Category B: projects for which environmental licensing process requires preparation of EIA or equivalent document and that present a limited number of potential adverse risks and/or socioenvironmental impacts, generally local, largely reversible and readily controllable by means of mitigating and not classified in category A.

Values mentioned above characterize enterprises as large-sized which, by definition, provide a combination of favorable conditions related to economic and strategic aspects for study, planning, viability and implementation.

In addition to the Equator Principles, we adopted socioenvironmental criteria for assessment of credit limit study of companies and investment projects.

Currently, such procedures are applied according to criteria that consider size and potential impact of performed activity and investment projects whose value is financed by us and is equal to or higher than R\$ 2.5 million.

When applicable, we request environmental licensing from all customers, in accordance with current legislation.

Within the scope of Project Finance Advisory, in 100% of cases we communicate customers, through inclusion of a clause in proposal for provision of financial advisory and structuring services (mandate), about the need to comply with Equator Principles in case project is financed by Banco do Brasil. In 2020, we celebrated 19 mandates with 14 customers.

In 2020, a Bridge Loan was also contracted and we informed the customer that Equator Principles would be applied in case project was financed by Banco do Brasil.



Project Finance contracted under the Equator Principles in 2020

Sector	Category A	Category B	Category C
Mining	-	-	-
Infrastructure	-	-	-
Oil & Gas	-	-	-
Energy	-	3	-
Others (industry)	-	-	-
Subtotal	-	3	-
Region	Category A	Category B	Category C
Americas	-	3	-
Europe, Middle East and Africa	-	-	-
Asia	-	-	-
Subtotal	-	3	-
Country designation	Category A	Category B	Category C
Designated country	-	3	-
Country not designated	-	-	-
Subtotal	-	3	-
Independent consulting	Category A	Category B	Category C
Yes	-	3	-
No	-	-	-
Subtotal	-	-	-
Total	3		

Equator Principles

	Quantity
2018	3
2019	3
2020	3



	2019	2020
Number of operations contracted under the Equator Principles	4	3
Number of projects in Project Finance	3	3
Number of interacting customers (Equator Principles)	11	8
Denied Operations/ Projects	0	0
In addition to Equator Principles, we adopt socioenvironmental criteria for evaluation of credit limit study of companies and investment projects	R\$ 2.5 million	R\$ 2.5 million

|FS13: Access points in low-populated or economically disadvantaged areas by type

We ended 2020 with 49.2 thousand service points including our own network, shared network and correspondents, being present in 94.8% of Brazilian municipalities.

Mais BB Correspondent Network plays an important role in accessing bank products and services with supplementary operation to that of BB network and presence in unassisted markets, providing an increase in BB's capillarity and distribution capacity.

Despite observed capillarity reduction, strategy for

replacing Banco Postal and Lotéricas points whose partnerships were closed in 2020 is underway. Thus, we are boosting the strategy of expanding our Banking Correspondents.

Transactional Correspondents, for example, reached the milestone of 13 thousand points. In addition to expenses reduction resulting from termination of Banco Postal and Lotéricas contracts, in the amount of approximately R\$257 million per year, Correspondents expansion also has a positive impact on boosting bank





	Number of service points (own network + third-party service stations)	Population density (inhab/km²)	(Number of service points/ inhabitant) x 10,000	Change in number of service points
Acre	186	4.47	2.536	-24
Santa Catarina	1,577	65.29	2.524	-614
Espírito Santo	862	76.25	2.452	-226
Roraima	196	2.01	4.351	-41
Amazonas	841	2.23	2.414	-8
Mato Grosso	732	3.36	2.412	-214
Tocantins	465	4.98	3.361	-101
Amapá	207	4.69	3.092	-46
Pará	1,245	6.07	1.642	-11
Mato Grosso do Sul	848	6.86	3.463	-132
Rondônia	316	6.58	2.023	-111
Piauí	1,084	12.4	3.476	-189
Goiás	1,758	17.65	2.928	-311
Maranhão	1,337	19.81	2.034	-270
Bahia	3,836	24.82	2.737	-315
Minas Gerais	4,613	33.41	2.354	-1197
Rio Grande do Sul	2,190	39.79	2.048	-976
Paraná	2,353	52.4	2.253	-699
Ceará	2,400	56.76	2.839	-248
Rio Grande do Norte	1,147	59.99	3.510	-115
Paraíba	999	66.7	2.652	-312
Pernambuco	1,905	89.63	2.166	-271
Sergipe	451	94.35	2.181	-102
Alagoas	802	112.33	2.570	-132
São Paulo	11,330	166.25	2.746	-406
Rio de Janeiro	4,087	365.23	2.556	-180
Distrito Federal	1,481	444.07	5.762	-376



services, financial and social inclusion and on improving customer experience.

In addition, transactional correspondents, mostly formed by micro and small companies, can promote their main activity by

increasing flow of people in their stores.

Considering only branches or service stations (Bacen position), we are an exclusive presence in 132 municipalities, as distributed by federal unit below:

|FS14: Initiatives to improve access to financial services for disadvantaged people

In 2019, the process of adapting rooms (main floor) was closed and 558 facilities benefited from acquisition of new furniture to serve obese people, people with visual impairments and physically disabled people. Among purchased items there are counters, cashier counters and accessible service desks, wheelchairs, tactile map holders and furniture adapted for the

obese. This acquisition benefited facilities in all regions of Brazil, located in 22 states and the Federal District. Only facilities located in Amazonas, Amapá and Roraima States did not receive new accessible furniture during mentioned year. In 2020, we signed a new agreement with the MPF (Brazilian public prosecutors) to seek full accessibility.

State	Number of Municipalities
AC	1
AL	4
BA	20
CE	3
GO	7
MA	3
MG	14
MS	3
MT	3
PA	1
PB	7
PE	2
PI	11
PR	3
RJ	1
RN	8
RR	1
SC	4
SE	5
SP	25
TO	6





GRI Content Index

|102-55|



For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures

102-40 to 102-49 align with appropriate sections in the body of the report. This service was performed on the Portuguese version of the report.

GRI Standard	Page or link	Omission	External Assurance	UN Global Compact	SDGs
GRI 101: Foundation 2016					
GRI 102: General Disclosures 2016					
Organizational profile					
102-1 Name of the organization	19				
102-2 Activities, brands, products, and services	24 . More information available in Sections I, Chapter II, of the Bylaws and in Section 7 of the Reference Form .				
102-3 Location of headquarters	Sector of Autarquias Norte, Quadra 5, Lot B, Banco do Brasil Building, Brasília, Distrito Federal, Brazil.				
102-4 Location of operations	20 . More information available in Section 7.6 of the Reference Form .				
102-5 Ownership and legal form	19, 20				
102-6 Markets served	20, 193				
102-7 Scale of the organization	Large company. More information on pages 98 to 114, in Section 7 of the Reference Form and in Chapter 6 of Financial Statements 4Q20 – Table 53– Basel Index.	x	6	8	
102-8 Information on employees and other workers	21, 78, 89, 193, 200				
102-9 Supply chain	112				
102-10 Significant changes to the organization and its supply chain	194 . There was no change in the structure of significant suppliers or in the agreement entered into with them that could have any impact on the Bank's operations. More information available in Explanatory Note 5 – Corporate Restructuring, in the document Financial Statements 4Q20 .				





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GRI Standard	Page or link	Omission	External Assurance	UN Global Compact	SDGs
102-11 Precautionary Principle or approach	113 , 174 , 200				7
102-12 External initiatives	194 , 200 . Our public commitments and sustainability initiatives are available on the Sustainability website .		x		
102-13 Membership of associations	195				
Strategy					
102-14 Statement from senior decision-maker Disclosure	7				
102-15 Key impacts, risks, and opportunities	30 , 109 , 113 , 168 , 171 , 200				
Ethics and integrity					
102-16 Values, principles, standards, and norms of behavior	19 , 150 , 200 . More information available on our Code of Ethics .		x	10	16
102-17 Mechanisms for advice and concerns about ethics	118 , 121 , 122 , 148 , 150 , 200		x	10	16
Governance					
102-18 Governance structure	48 , 144				
102-19 Delegating authority	195 , 200		x		
102-21 Consulting stakeholders on economic, environmental, and social topics	26 , 31 , 196 , 200		x		16
102-25 Conflicts of interest	139 , 195 , 200		x		16
102-27 Collective knowledge of highest governance body	140 . More information available in section 12,12 of the Reference Form .				4
102-28 Evaluating the highest governance body's performance	143 , 200		x		
102-29 Identifying and managing economic, environmental, and social impacts	26 , 31 , 196 , 200		x		16
102-35 Remuneration policies	90 , 140 , 141 , 142 , 143 . More information available in section 13 of the Reference Form .				
102-36 Process for determining remuneration	90 , 92 , 141				
102-37 Stakeholders' involvement in remuneration	141				16
102-38 Annual total compensation ratio	196		x		





GRI Standard	Page or link	Omission	External Assurance	UN Global Compact	SDGs
Stakeholder engagement					
102-40 List of stakeholder groups	37			x	
102-41 Collective bargaining agreements	The percentage of employees covered by collective bargaining agreements is 100%.			1, 3	8
102-42 Identifying and selecting stakeholders	37			x	
102-43 Approach to stakeholder engagement	26, 31, 32, 37, 102, 196, 200			x	
102-44 Key topics and concerns raised	31, 32, 39, 196, 200			x	
Reporting Practices					
102-45 Entities included in the consolidated financial statements	Information available in Explanatory Note 3 – Presentation of Financial Statements 4Q20 .				
102-46 Defining report content and topic Boundaries	196			x	
102-47 List of material topics	31, 196			x	
102-48 Restatements of information	71, 132				
102-49 Changes in reporting	196				
102-50 Reporting period	Our Report is published annually and covers the period from January 1 to December 31, 2020.				
102-51 Date of most recent report	The previous report was published in 2020, reference 2019.				
102-52 Reporting cycle	Our Report is published annually.				
102-53 Contact point for questions regarding the report	Questions and comments on financial information: ri@bb.com.br and about sustainability: sustentabilidade@bb.com.br .				
102-54 Claims of reporting in accordance with the GRI Standards	This report was elaborated in accordance with GRI Standards: Core.				
102-55 GRI Content Index	246				
102-56 External assurance	260				





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GRI Standard	Page or Link	Omission	External Assurance	UN Global Compact	SDGs
Economic Performance					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	32, 60		x		
103-2 The management approach and its components	60		x	1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	60		x		
GRI 201: Economic Performance					
201-1 Direct economic value generated and distributed	201		x		2, 7, 8, 9
201-2 Financial implications and other risks and opportunities due to climate change	60, 176, 200		x	7	13
Market Presence					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	32		x		
103-2 The management approach and its components	201		x	1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	201		x		
GRI 202: Market Presence 2016					
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	200, 201		x	6	1, 5, 8
Indirect economic impacts					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	60				
103-2 The management approach and its components	60			1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	60				
GRI 203: Indirect economic impacts 2016					
203-2 Significant indirect economic impacts	60, 63, 65, 66, 67, 108, 114, 117, 200				1, 2, 3, 8, 10, 17





GRI Standard	Page or Link	Omission	External Assurance	UN Global Compact	SDGs
Anti-corruption					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	32		x		
103-2 The management approach and its components	154		x	1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	154		x		
GRI 205: Anti-corruption 2016					
205-1 Operations assessed for risks related to corruption	154, 156, 200, 201		x	10	16
205-2 Communication and training about anti-corruption policies and procedures	110, 150, 153, 154, 200, 202		x	10	16
205-3 Confirmed incidents of corruption and actions taken	156, 200		x	10	16
Materials					
GRI 301: Materials 2016					
301-1 Materials used by weight or volume	73, 203		x	7, 8	8, 12
301-2 Recycled input materials used	73, 203			8, 9	8, 12
Energy					
GRI 302: Energy 2016					
302-1 Energy consumption within the organization	71, 204		x	7, 8	7, 8, 12, 13
302-3 Energy intensity	204			8	7, 8, 12, 13
302-4 Reduction of energy consumption	71, 204			8, 9	7, 8, 12, 13
Water and effluents					
GRI 303: Water and effluents 2018					
303-5 Water consumption	73		x	7, 8	6
Emissions					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	32, 71				
103-2 The management approach and its components	32, 71, 75			1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	32, 71, 75				





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GRI Standard	Page or link	Omission	External Assurance	UN Global Compact	SDGs
Emissions					
GRI 305: Emissions 2016					
305-1 Direct (Scope 1) GHG emissions				3, 12, 7, 8 13, 14, 15	
305-2 Energy indirect (Scope 2) GHG emissions		Information not available – the data will be released in the online version of the Relationship with Investors Report in May 2021.		3, 12, 7, 8 13, 14, 15	
305-3 Other indirect (Scope 3) GHG				3, 12, 7, 8 13, 14, 15	
305-4 GHG emissions intensity				8 13, 14, 15	
305-5 Reduction of GHG emissions				7, 8, 9 13, 14, 15	
Waste					
GRI 306: Waste 2020					
306-3 Waste generated	74, 204	x	x	3, 6, 8 12	
Supplier Environmental Assessment					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	26, 32, 71		x		
103-2 The management approach and its components	112, 113		x	1, 8 1, 5, 8, 16	
103-3 Evaluation of the management approach	112, 113		x		
GRI 308: Supplier Environmental Assessment 2016					
308-1 New suppliers that were screened using environmental criteria	112, 200		x	8	
308-2 Negative environmental impacts in the supply chain and actions taken	112, 113			8	
Employment					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	26, 32		x		
103-2 The management approach and its components	205		x	1, 8 1, 5, 8, 16	
103-3 Evaluation of the management approach	205		x		





GRI Standard	Page or link	Omission	External Assurance	UN Global Compact	SDGs
GRI 401: Employment 2016					
401-1 New employee hires and employee turnover	200 , 205		x	6	5, 8
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	96 , 200		x		8
Labor/Management Relations					
GRI 402: Labor/Management Relations 2016					
402-1 Minimum notice periods regarding operational changes	208			3	8
Occupational Health and Safety					
GRI 403: Occupational Health and Safety 2018					
403-9 Work-related injuries	92 , 93 , 208		x		3, 8
403-10 Work-related ill health	93 , 94 , 95 , 96 , 97 , 98 , 209		x		3, 8
Training and Education					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	26 , 32		x		
103-2 The management approach and its components	89		x	1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	89		x		
GRI 404: Training and Education 2016					
404-1 Average hours of training per year per employee	200 , 209		x	6	4, 5, 8
404-3 Percentage of employees receiving regular performance and career development reviews	89 , 200 , 212		x	6	5, 8
Diversity and Equal Opportunity					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	26 , 32		x		
103-2 The management approach and its components	32 , 79 . Our public commitments, and diversity and equal opportunities initiatives are available on our Sustainability website .		x	1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	32 , 79		x		





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GRI Standard	Page or link	Omission	External Assurance	UN Global Compact	SDGs
GRI 405: Diversity and Equal Opportunity 2016					
405-1 Diversity of governance bodies and employees	79 , 89 , 200 , 202 , 213	x		6	5, 8
405-2 Ratio of basic salary and remuneration of women to men	200 , 216	x		1, 6	5, 8, 10
Non-discrimination					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	26 , 32	x			
103-2 The management approach and its components	216	x		1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	216	x			
GRI 406: Non-discrimination 2016					
406-1 Incidents of discrimination and corrective actions taken	200 , 216	x		6	5, 8, 16
Child Labor					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	31	x			
103-2 The management approach and its components	110 , 112 , 113	x		1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	110 , 112 , 113	x			
GRI 408: Child Labor 2016					
408-1 Operations and suppliers at significant risk for incidents of child labor	110 , 112 , 113 , 200 , 217	x		1, 2, 5	8, 16
Forced or Compulsory Labor					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	32	x			
103-2 The management approach and its components	110 , 111 , 113	x		1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	110 , 111 , 113	x			





GRI Standard	Page or link	Omission	External Assurance	UN Global Compact	SDGs
GRI 409:Forced or Compulsory Labor 2016					
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	110 , 111 , 113 , 200 , 217	x		1, 2, 4	8
Security Practices					
GRI 410: Security Practices 2016					
410-1 Security personnel trained in human rights policies or procedures	217			1	16
Human Rights Assessment					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	26 , 32				
103-2 The management approach and its components	110				
103-3 Evaluation of the management approach	110				
GRI 412: Human Rights Assessment 2016					
412-1 Operations that have been subject to human rights reviews or impact assessments	110 , 174 , 217			1, 2	
412-2 Employee training on human rights policies or procedures	200 , 217	x		1, 2, 3, 4, 5, 6	
Supplier Social Assessment					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	31		x		
103-2 The management approach and its components	110 , 112	x		1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	110 , 112	x			
GRI 414: Supplier Social Assessment 2016					
414-1 New suppliers that were screened using social criteria	110 , 112 , 200	x		2	5, 8, 16
414-2 Negative social impacts in the supply chain and actions taken	111 , 113 , 200			2	5, 8, 16
Customer Health and Safety					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	31				
103-2 The management approach and its components	218			1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	218				



GRI Standard	Page or link	Omission	External Assurance	UN Global Compact	SDGs
GRI 416: Customer Health and Safety 2016					
416-1 Assessment of the health and safety impacts of product and service categories	200 , 218			1	
Marketing and Labeling					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	31				
103-2 The management approach and its components	218			1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	218				
GRI 417: Marketing and Labeling 2016					
417-2 Incidents of non-compliance concerning product and service information and labeling	200 , 218			1	16
Customer Privacy					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	31			x	
103-2 The management approach and its components	171		x	1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	171		x		
GRI 418: Privacidade do cliente 2016					
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	171 , 200		x	1	16
Socioeconomic Compliance					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	31			x	
103-2 The management approach and its components	218		x	1, 8	1, 5, 8, 16
103-3 Evaluation of the management approach	218		x		
GRI 419: Socioeconomic Compliance 2016					
419-1 Non-compliance with laws and regulations in the social and economic area	200 , 218		x		16
Sector Supplement – Financial Service - G4 Version					
Product Portfolio					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	31				



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GRI Standard	Page or link	Omission	External Assurance	UN Global Compact	SDGs
103-2 The management approach and its components	219				
103-3 Evaluation of the management approach	219				
FS6 Percentage of the portfolio for business lines by specific region, size (e.g. Micro/SME/Large) and by sector	200, 219 . More information is available in Note 12 – Credit Operations of the document Financial Statements of the Performance Analysis 4Q20 .	Restrições de Confidencialidade. Não divulgamos portfólio das demais linhas de negócios devido ao caráter estratégico das informações			1, 8, 9
FS7 Monetary Value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	70, 200, 221				1, 8, 9, 10, 11
FS8 Monetary Value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	70, 200, 221				
Active Ownership					
GRI 103: Management Approach 2016					
103-1 Explanation of the material topic and its Boundary	39				
103-2 The management approach and its components	240				
103-3 Evaluation of the management approach	240				
FS9 Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	200, 240		x		10
FS10 Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues	173, 174, 200, 241		x		10
FS11 Percentage of assets subject to positive and negative environmental or social screening	68, 200				10
Local Communities					
FS13 Access points in low-populated or economically disadvantaged areas by type	243				1, 8, 10
FS14 Initiatives to improve access to financial services for disadvantaged people	245				1, 8, 10



SASB Table of Contents

Accounting Metric	Page	Adherence	Complement
Commercial Banks			
Topic: Data Security			
FN-CB-230a.1 Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected. Note to FN-CB-230a.1– Disclosure shall include a description of corrective actions implemented in response to data breaches.	Full	In 2020, there was only one complaint considered valid and an internal process was opened for investigation. This unique case, in percentage terms, is not significant, considering the Bank's total customers (74.4 million customers).	
FN-CB-230a.2 Description of approach to identifying and addressing data security risks	85 , 136 , 146 , 169 , 171	Partial	Partial compliance considering that one or more laws do not apply to Brazil.
Topic: Financial Inclusion & Capacity Building			
FN-CB-240a.1 (1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development. Note to FN-CB-240a.1– Disclosure shall include a description of how the entity's results of the Community Reinvestment Act (CRA) Examinations are integrated into its financial inclusion and capacity building strategy.	55 , 59 , 60 , 63 , 65 , 66 , 67 , 105 , 126	Partial	Partial compliance considering that one or more laws do not apply to Brazil.
FN-CB-240a.2 (1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	58	Partial	Partial compliance. More information can be accessed in the 4Q20 Performance Analysis , in Flow of Exit from Grace Periods (page 33), in Credits Renegotiated When Past Due (page 116) and NPL +90 - in% of the e Classified Loan Portfolio (page 123).





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Accounting Metric	Page	Adherence	Complement
Commercial Banks			
FN-CB-240a.3 Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Not met	Not met	In Brazil, there is no identification of customers regarding the level of access, even if limited or no access to banking services.
FN-CB-240a.4 Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers. Note to FN-CB-240a.4— Disclosure shall include a description of financial literacy initiatives.	63 , 64 , 66 , 67 , 105 , 106 , 219	Partial	Partial compliance. In Brazil, there is no identification of customers regarding the level of access, even if limited or no access to banking services.
Topic: Incorporation of Environmental, Social, and Governance Factors in Credit Analysis			
FN-CB-410a.1 Commercial and industrial credit exposure, by industry	58 , 61 , 219	Full	The credit portfolio by sectors of economic activity can be found in note 12, item c (Credit Operations), of the Consolidated Financial Statements of 2020.
FN-CB-410a.2 Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	60 , 62 , 63 , 66 , 68 , 69 , 172 , 176	Partial	Partial compliance considering that one or more laws do not apply to Brazil.
Topic: Business Ethics			
FN-CB-510a.1 Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations. Note to FN-CB-510a.1—The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.	156 , 218	Partial	Partial compliance considering that one or more laws do not apply to Brazil. Other fines and penalties for non-compliance with laws and regulations can be found in Sections 4.3, 4.4 and 4.7 of the Reference Form .
FN-CB-510a.2 Description of whistleblower policies and procedures.	118 , 121 , 122 , 148 , 150	Full	-





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Accounting Metric	Page	Adherence	Complement
Commercial Banks			
Topic: Systemic Risk Management			
FN-CB-550a.1 Global Systemically Important Bank (G-SIB) score, by category. Note to FN-CB-550a.1– The entity shall describe whether the Global Systemically Important Bank (G-SIB) score is calculated by the entity or obtained from regulatory authorities and whether the entity is required to report the underlying data to the regulators.		Partial	Information for Assessing Global Systemic Importance - IAISG are available on the Investor Relations website .
Topic: Activity Metric			
FN-CB-000.A (1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business.	58 , 60 , 64 , 65 , 66 , 67 , 103 , 126	Partial	Some of the requested information is considered by Banco do Brasil. More information in Note 17 – Customer Resources, in Consolidated Financial Statement, and Performance Analysis 4Q20, under Customer Resources (page 322).
FN-CB-000.B (1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate. Note to FN-CB-000.B – Mortgage loans as well as revolving credit loans shall be excluded from the scope of disclosure.		Partial	Some of the requested information is considered strategic by Banco do Brasil. More information in Chapter 7 – Credit, of the 4Q20 Performance Analysis .





Letter of Assurance

GRI 102-56

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE GRI STANDARDS DISCLOSURES INCLUDED IN THE 2020 ANNUAL REPORT

To the Management and Shareholders of
Banco do Brasil S.A.
Brasília - DF

Introduction

We have been engaged by the Management of Banco do Brasil S.A. ("Bank") to present our limited assurance report on the compilation of information related to the Global Reporting Initiative - GRI Disclosures, contained in the Bank's 2020 Annual Report, for the year ended December 31, 2020.

Bank's Management responsibilities

The Bank's Management is responsible for preparing and properly presenting the information on the GRI disclosures included in the 2020 Annual Report, in accordance with the framework defined by the Global Reporting Initiative – GRI Standards and for the internal controls that are determined as necessary to enable the preparation of information that is free from material misstatement, whether due to fraud or error.

Independent Auditor's responsibilities

Our responsibility is to express a conclusion on the information related to the GRI disclosures, included in the 2020 Annual Report, based on the limited assurance engagement conducted in accordance with Technical Bulletin - TC no. 07/12, approved by the "Conselho Federal de Contabilidade - CFC", and prepared based on the Brazilian

Standard NBC-TO-3000 - Assurance Engagements Other Than Audit and Review, issued by the CFC, which is equivalent to the international Standard ISAE - 3000, issued by the International Federation of Accountants - IFAC, applicable to non-historical information. Those standards require that we comply with ethical requirements, including independence requirements, and that our work shall be performed to obtain limited assurance that the information related to the GRI Standards, included in the 2020 Annual Report, taken as a whole, is free from material misstatement, whether due to fraud or error.

A limited assurance engagement conducted in accordance with NBC-TO-3000 (ISAE 3000) consists mainly of making inquiries to the Bank's Management and other professionals who are involved and in charge of preparing the information related to the GRI disclosures, included in the 2020 Annual Report, as well as apply analytical procedures to obtain evidence that enables us to express limited assurance conclusion on the information taken as a whole. A limited assurance engagement also requires the performance of additional procedures, when the independent auditor becomes aware of matters that lead them to believe that the information related to the GRI disclosures, included in the 2020 Annual Report, taken as a whole, may contain material misstatements.



The selected procedures were based on our understanding of the topics related to the compilation and presentation of the information related to the GRI disclosures, included in the 2020 Annual Report, and other engagement's circumstances and our consideration of areas where material misstatements might exist.

Those procedures encompassed the following:

- a) Plan our work, considering the relevance, volume of quantitative and qualitative information and the operating systems and internal controls that were used as basis for the preparation of the information related to the GRI disclosures, included in the Bank's 2020 Annual Report.
- b) Obtain an understanding of calculation methodology and procedures for compiling the disclosures by interviews with the managers responsible who are for preparing the information.
- c) Apply analytical procedures on quantitative information and making inquiries about qualitative information and its correlation with the standards disclosed in the information related to the GRI disclosures, included in the 2020 Annual Report.
- d) Comparison of financial disclosures with the financial statements and/or accounting records.

The limited assurance engagements also comprise adherence to the framework and criteria of the structure for preparing the GRI Standards, applicable in the preparation of information related to the GRI Disclosures, included in the 2020 Annual Report.

We believe that the evidence we have obtained during our engagement is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Scope and limitations

The procedures applied in a limited assurance engagement are substantially less in scope than those applied to an assurance engagement that the objective of which is to provide an opinion on the information related to the GRI Disclosures, included in the 2020 Annual Report. Consequently, these procedures do not enable us to obtain assurance that all matters that might be identified in an assurance engagement designed to provide an opinion came to our attention. If we had performed an engagement, the objective of which would be expressing an opinion, we could have identified other matters and material misstatements that might exist in the information related to the GRI Disclosures, included in the 2020 Annual Report. Accordingly, we have nothing to report on this matter.

Nonfinancial data is subject to more inherent limitations than financial information, given both its nature and the methods used for determining, calculating or estimating such data. Qualitative interpretations of materiality, relevance and accuracy of the data are subject to individual assumptions and judgments. Additionally, we did not perform any work over data for prior reporting periods or over projections and goals.

Conclusion

Based on our engagement described in this report, nothing has come to our attention that causes us to believe that the information related to the GRI disclosures, included in the 2020 Annual Report, was not compiled, in all material respects, in accordance with Global Reporting Initiative – GRI Standards.



Other matters

Scope of limited assurance

The criterion for defining the scope of the limited assurance consisted in the selection of standards directly associated with the material topics informed by the Bank in the materiality study and their correlation with the GRI disclosures during the engagement planning stage. We highlight, below, the standards that were the object of this assurance:

"General Topics": 102-8, 102-12, 102-16, 102-17, 102-19, 102-21, 102-25, 102-28, 102-29, 102-38, 102-40, 102-42, 102-43, 102-44, 102-46, 102-47.

"Economic Performance": 201-1 and 201-2.

"Market Presence": 202-1.

"Anti-corruption": 205-1, 205-2 and 205-3.

"Materials": 301-1.

"Energy": 302-1.

"Water and Effluents": 303-5.

"Waste": 306-3.

"Supplier Environmental Assessment": 308-1.

"Employment": 401-1 e 401-2.

"Occupational Health and Safety": 403-9 and 403-10.

"Training and Education": 404-1 e 404-3.

"Diversity and Equal Opportunity": 405-1 and 405-2.

"Non-discrimination": 406-1.

"Child Labor": 408-1.

"Forced or Compulsory Labor": 409-1.

"Human Rights Assessment": 412-2.

"Supplier Social Assessment": 414-1.

"Customer Privacy": 418-1.

"Socioeconomic Compliance": 419-1.

"Financial Services Sector": FS9 and FS10.

This document is a free translation, based on the original Portuguese version.

Guidelines and specifications

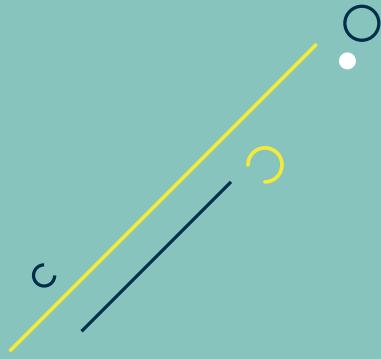
In accordance with GRI Standards, the Bank declares to be in accordance with the specifications Core in its Annual Report for the year ended December 31, 2020, which reports the core performance disclosures and the financial sector supplement disclosures.

Brasília, April 30, 2021.

DELOITTE TOUCHE TOHMATSU
Independent auditor's
CRC nº 2 SP 011609/O-8 "F" DF

Luiz Carlos Oseliero Filho
Accountant
CRC nº 1 SP 234751/O-6





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