



# Annual Chart of Public Policies and Corporate Governance

**2022** (Base-Year 2021)



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## Board of Directors Message

We are, by definition of Law No. 4,595/64, the financial agent of the National Treasury and the main instrument for implementing the Federal Government's credit policy. As an executing agent of public policies, we received, from the National Treasury, R\$5.2 billion for funds and programs intended for loans and financing in 2021. In the same year, R\$2.8 billion in principal and interest were returned. installments, with a balance in the portfolio of R\$56.4 billion.

At the end of 2021, we disclosed a historic result of R\$21.0 billion, a consequence of the solid performance of our business, rigorous control of expenses as a management priority and, particularly, customer centrality.

We believe that a service of excellence, specialized and available in multiple channels, and the sustainable work that generates positive externalities for our stakeholders, both contribute to the growing evolution of results and allow for the achievement, on a daily basis, of our purpose, which is to take care of what is valuable for people.

Our performance is guided by sustainability, which is present in our strategy, practices, management and business. We disclosed our Ten Long-Term Commitments in Sustainability which bring long-term objective metrics that strengthen our commitment to the Environmental, Social and Governance (ESG). Among them are compliance with the offset of 100% of greenhouse gas emissions in 2021, in addition to the target to reduce these emissions by 30% by 2030.

Our main strength lies in the quality relationship with our customers in all the segments in which we operate. In addition, we add to our wide reach and presence in the country a complete and secure platform of digital channels, being available to the customer wherever, whenever and through

the channel he prefers. Also, based on strategic partnerships, affiliated and subsidiaries companies, we offer a wide variety of solutions, products and services.

We made progress towards accelerating our digital transformation with the optimization of business models and the use of open innovation and digital technologies to create new sources of income and beyond-banking operations. In this sense, we expanded our operations as a platform with the launch of the program Marketplace Afiliados in Loja BB, which also offers gift cards and benefits to our customers.

To execute this entire transformation, attracting and retaining talent is critical. In October 2021, we released the Opening Notice of the External Selection 2021/001. The public contest had more than 1.6 million entries. In January 2022, we started inviting more than 2000 candidates to our service network and to the technology areas.

As an important enabler for our digital transformation, we have invested in training and qualification, especially for digital skills, to enable a major cultural transformation. With Movimento Evolution, we offer incentives for undergraduate, *lato sensu* graduate, master's and doctoral degrees focused on technology and innovation, as well as language scholarships and other training.

With initiatives that improve the customer experience, bring innovation, support business growth in a sustainable way and increase operational efficiency, it will be possible to continue generating consistent returns for our shareholders, as well as a positive impact on society.

Iêda Aparecida de Moura Cagni  
Chairman of Banco do Brasil's Board of Directors

Fausto de Andrade Ribeiro  
Banco do Brasil's CEO



## General Identification

	Release Date: 05.31.2022
CNPJ	00.000.000/0001-91 NIRE 5330000063-8
Headquarters	Brasília/DF
Type	Mixed Capital
Controlling Shareholder	Federal Government, through the Ministry of Economy
Corporate Type	Joint Stock
Type of Capital	Publicly Held
Scope	International
Sector	Financial/Banking industry
Investor Relations Director - DRI	Daniel Alves Maria (CPF xxx.747.768-xx) e-mail: ribb@bb.com.br telephone: +55 (61) 3493-5602
Current Independent Auditors	Deloitte Touche Tohmatsu Auditores Independentes Ltda Technical Manager: Luiz Carlos Oseliero Filho e-mail: luizoseliero@deloitte.com phone: +55 (11) 5186-1224
Board of Directors underwriters of the Annual Chart	lêda Aparecida de Moura Cagni (CPF xxx.132.251-xx) Walter Eustaquio Ribeiro (CPF xxx.936.811-xx) Aramis Sá de Andrade (CPF xxx.819.592-xx) Ariosto Antunes Culau (CPF xxx.835.000-25) Débora Cristina Fonseca (CPF xxx.314.628-xx) Fausto de Andrade Ribeiro (CPF xxx.530.971-xx) Paulo Roberto Evangelista de Lima (CPF xxx.512.661-xx) Rachel de Oliveira Maia (CPF xxx.363.438-xx)
Annual Chart Underwriting Administrators	Fausto de Andrade Ribeiro (CPF xxx.530.971-xx) Position: CEO José Ricardo Fagonde Forni (CPF xxx.261.501-xx) Position: Chief Financial and Investor Relations Officer (CFO)



## Corporate Governance and Public Policies

Law 13,303/2016, in its article 8, items I, III and VIII, sets forth the explanation of the commitments for attainment of objectives of public policies by the mixed-capital company, in response to the collective interest which justified the authorization for its creation, with clear definition of the funds to be used for this purpose, as well as the disclosure of relevant information, in special those related to the activities performed, control structure, risk factors, economic and financial data, management comments on the performance, corporate governance policies and practices and description of the composition and compensation of management. This information is detailed below.

### 1. Public Interest Underlying the Corporate Activities

Law 4,595/1964 introduced the Brazilian Financial System, composed of the National Monetary Council, Central Bank of Brazil (Bacen), Banco do Brasil (BB), National Bank for Economic and Social Development (BNDES) and other financial institutions. The same law defined Banco do Brasil as financial agent of the National Treasury and main instrument of execution of the loan policy of the Federal Government, being responsible for the financing of commercial, industrial and rural activities, disclosure and guideline of loan, performance of the foreign trade policy, among other assignments. With over 213 years, Banco do Brasil has a long history of sustainability, acting on responsible basis to promote social inclusion through the creation of jobs and generation of income.

Agribusiness is one of the principal sectors of the Brazilian economy, being fundamental for the growth and development of the country. Aligned to that, we finance the costing of production and the sale of farming products, foment rural investments such as storage, processing, manufacture of agricultural products and modernization of agricultural machines and implements, in addition to the compliance of rural properties to the

environmental legislation. We are the largest partner of Brazilian agribusiness, being present throughout the value chain, also bringing innovation and technology to the rural man with solutions that add efficiency and convenience.

We offer to SME solutions of working capital, financing of investments and foreign trade, in addition to many other options related to cash flow, security, pension, cards and services. The several segments of Companies, including Individual Microentrepreneurs (MEI), are offered from financial alternatives to business models that promote the transition to an inclusive economy. In this way, we seek to offer adequate solutions to support the development of this audience and encourage the entrepreneurial.

In the financing to foreign trade, we operate public policy instruments of production development, entrepreneurship, social and financial inclusion, including the Income Generation Program (Proger) and the Export Financing Program (Proex), in which we are exclusive agent of the Federal Government.

Additional information on the history of Banco do Brasil and its main products and services is available at sections 6 and 7 of the Reference Form (available at [bb.com.br/ir](http://bb.com.br/ir) > Documents and Announcements > Reference Form).



## 2. Activities Developed

Founded on October 12, 1808, we were the first banking institution to operate in the country and the first company to carry out a public offering of shares in the Brazilian capital market. We are a multiple bank constituted in the form of a public limited company of mixed capital and our controlling shareholder is the Federal Government.

We are one of the largest financial conglomerates in the country in terms of assets. We are also the largest bank in asset management for third parties (24.9%), in loans to agribusiness, (54%) and in payroll loans (20.8%). We also maintain the leadership in the investment fund industry (24.9%) and a total of R\$1.4 trillion in managed funds (managed by BB DTVM and other institutions of the BB Conglomerate).

Our main strength lies in the quality relationship with our customers in all the segments in which we operate. In addition, we add to our wide reach and presence in the country a complete and secure platform of digital channels, being available to the customer wherever, whenever and through the channel he prefers. Also, based on strategic partnerships, affiliated and subsidiaries companies, we offer a wide variety of solutions, products and services.

We conduct business with profitability compatible with the risks of the markets in which we operate. To offer differentiated solutions and strengthen the bond, we segment its customers in five major segments:

- i. individuals retail,
- ii. corporate retail,
- iii. wholesale,
- iv. *private banking and,*
- v. government.

The knowledge of the segments allows the development of value proposals appropriate to the customer's profiles: service model, channels, portfolios of products and services, integrated communication approach and, when applicable, specific brand.

On December 31, 2021, we had 78.3 million customers, 40.3 million checking accounts and 56.100 points of service, including 3.979 own branches.

We have a significant presence in all Brazilian states, in addition to operating in important global financial centers, actively contributing to the country's economic and social development. On December 31, 2021, we counted with 84.600 employees.

Additional information on the main products and services can be found in Sections 7.2 e 7.3 of the Reference Form (available at [bb.com.br/ir](http://bb.com.br/ir) > Documents and Announcements> Reference Form).



### 3. Statutory Duties

Aligned to its public interest, we develop activities that meet public policies and its social purpose pursuant to articles 5 and 6 of BB's Bylaws:

*Article 5. The Bank will contract, as stipulated by law or in the regulations, directly with the Federal Government or with its intervention:*

- i. carry out the duties and services pertinent to the function of a financial agent of the National Treasury and other functions assigned to it by law;*
- ii. provide financing of government interest and carry out official programs by investing funds from the Federal Government or any nature; and*
- iii. provide guarantee for the Federal Government.*

*Sole paragraph. The activities provided for by this article are conditioned, as the case may be, to the following:*

- i. the availability of corresponding funds to the Bank and the setting out of a corresponding interest payment.*
- ii. the prior and formal definition of the terms and proper interest payable in connection with the funds to be invested in case of equalization of financial charges.*
- iii. to the prior and formal definition of the terms and assumption of risks and of remuneration, never lower than the costs of the services to be rendered; and*
- iv. to the prior and formal definition of the term to fulfill the obligations and the penalties for incompliance.*

*Article 6. The Bank may engage the performance of duties, services and transactions that are assigned to the Brazilian Central Bank, if the provisions of the sole Paragraph of article 5 of these bylaws are followed.*

In addition to being an important agent of the country's economic and social development, we work together with the public management to promote improvements in the most diverse sectors. In order to maintain sustainable growth and profitability, we establish partnerships that adequately remunerate, ensure the same values of integrity, suitability and respect for society and the environment.

We operate with public policies through financial services available to its clients, also participates in programs, projects and initiatives of public management, offering customized solutions that assist in the coverage of social demands. Accordingly, we carry out transactions with the Federal Government, controlling shareholder, which generate financial effects on its Equity and Result.



## 4. Public Policies

The Pluriannual Plan (Plano Plurianual – PPA), set forth by Article 165 of the Brazilian Federal Constitution, is the planning tool that establishes the guidelines, objectives, and targets of the Federal Government. to enable the implementation and management of public policies, converge the strategic reach of the governmental action, direct the establishment of priorities, and assist in the promotion of sustainable development.

The Ministry of Economy (ME), together with other bodies and entities of the Executive Branch, is responsible for coordinating the processes of preparation, monitoring, evaluation, and review of the applicable PPA, and the release of methodology, guidelines and technical support for its management (Law No. 13,971/2016 ruled by Decree No. 10,321/2020).

We are inserted in the planning as executor agent of governmental public policies, through financing funds

(governmental), other initiatives (own funds) and realization of fixed investments from the bank itself, aligned with the programs, objectives and goals previously defined by the ME and by Sector Bodies (Órgãos Setoriais – OS), which correspond to the executor ministries of the public policies.

It is worth mentioning that governmental initiatives under the PPA should maintain consistency with the targeting of the Corporate Strategy of Banco do Brasil (ECBB).

### 4.1. Governmental Initiatives

#### 4.1.1. PPA 2020-2023

The results of the initiatives under management of Banco do Brasil for 2021 related to the PPA 2020-2023 are presented below:

To the public policies, In the process of setting prices and rules applicable to setting fees, we conduct an economic and financial feasibility study for the pricing of its loan lines. This process involves the identification of the financial cost of funding, administrative costs, related risks, taxation, in addition to market research. In relation to the provision of services, our remuneration is established in the form of a fee, calculated according to the efficiency index of the respective service, which expresses the relationship between administrative expenses and revenues.

### Strengthening and Enhancement of Family Agriculture

The purpose of the Program is to expand the access to and qualify the loan instruments, protection of production, guarantee of minimum prices and guarantee of income for Family Agriculture.

#### Granting Loan to Family Farmers

The National Program for the Strengthening of Family Agriculture (Pronaf) aims to foment the Generation of income and prize the use of family labor in rural properties as long as the prerogatives of the MCR have been complied with. The financing conditions are established in line with the objectives of Pronaf and are differentiated, especially about interest rates lower than those applied to other rural audiences.

We develop actions focused on strengthening the Pronaf, mainly the following:

- i. Guideline to the branches on the possibility of covering the loan needs of family farmers;

- ii. Adoption of the model of operation through partners and special agreements contracted as Commercial Correspondents –Agribusiness Segment, which includes the lines of working capital for input purchase and investment and facilitates the origination of financing proposals from digital channels; and
- iii. Simplification, de-bureaucracy and digitization of the contracting and renewal processes for the costing and investment lines.



The ongoing performance portrays our commitment to expand the service to the Brazilian agriculture in a sustainable

way, of which it is the largest financier, in consonance with the Federal Government policies for the segment.

We will continue with actions of strategic support to the Family Agriculture, with emphasis on digital solutions to streamline the process, thus fomenting the service to this public and reinforcing its historical partnership with the agribusiness in Brazil.

**Table 1. Granting Loan to family farmers (Pronaf)**

Governmental Initiative	Granting Loan to family farmers (Pronaf)
<b>i. description</b>	The National Program for the Strengthening of Family Farming (Pronaf) aims to stimulate income generation and value the use of family labor in rural properties, according to prerogatives of the Rural Credit Code (Manual de Crédito Rural - MCR).
<b>ii. criteria adopted by the issuer to classify this performance as being developed to serve the public interest</b>	Government initiative with goal established in the Plano Plurianual 2020-2023 (PPA - Plurianual Plan), aligned with the Corporate Strategy of the Bank and the objectives and goals previously defined by the controller (Federal Government).
<b>iii. goals (planned/realized)</b>	Goal projected in 2021: R\$12.1 billion Performed in 2021: R\$18.4 billion (152.1% of the goal) Goal projected in 2022: R\$14 billion Goal projected in 2023: R\$14 billion
<b>iv. investments made</b>	Amount disbursed in 2021 by the Bank: R\$21.4 billion.
<b>vi. costs incurred</b>	Funding, administrative and fiscal costs.
<b>vi. origin of funds involved, including sources of funds and conditions</b>	The main sources of funds for financings through the Pronaf are: - Agricultural Savings; - Demand Deposits; - Hybrid Capital and Debt Instruments (HCDI); - Midwest Constitutional Fund (FCO); - National Treasury.
<b>vii. estimate of the impacts of the aforesaid public policies on the financial performance of the issuer</b>	Managerial result for the initiative was R\$ 2.2 billion in 2021.

## Sustainable Agribusiness

We act in the program with the purpose of increasing the availability and access to rural credit resources and other financing sources, and strengthening cooperativism and rural associativism, aiming at improving quality of life, organization and sustainability of the productive base, creation of jobs and generation of income, social inclusion and reduction of regional inequalities.

### Granting Loan to Rural Producers

Rural loan covers resources for maintenance, commercialization, industrialization and investment. Its rules, purposes and conditions are defined in the Rural Credit Code (MCR), prepared by the Brazilian Central Bank (Bacen). These codes are followed by all agents from the National Rural Credit System (SNCR) such as banks and credit unions.

Historically, we are the principal financial agent of the Brazilian agribusiness, supporting all the production phases, and financing the production costing, the trading and investments, including storage, processing and manufacture of agricultural products.

We remain with actions to provide strategic support and encourage rural credit in all its purposes, with an emphasis on digital solutions to simplify the loan process, stimulating the simplification and completeness of service to rural producers and their cooperatives, reinforcing its historic partnership with Brazilian agribusiness.



**Table 2.** Granting Loan to Rural Producers

Governmental Initiative	Granting Loan to Rural Producers
<b>i. description</b>	Granting loan to rural producers by the Bank, except deals with cooperatives, BB ABC Program, BNDES/FINAME lines, operations with resources from the Federal Government, Pronaf, Pronamp and agroindustrial credit.
<b>ii. criteria adopted by the issuer to classify this performance as being developed to serve the public interest</b>	Government initiative with goal established in the Plano Plurianual 2020-2023 (PPA - Plurianual Plan), aligned with the Corporate Strategy of the Bank and the objectives and goals previously defined by the controller (Federal Government).
<b>iii. goals (planned/realized)</b>	Goal projected in 2021: R\$52.5 billion Performed in 2021: R\$ 104.1 billion (198.3% of the goal) Goal projected in 2022: R\$ 65 billion Goal projected in 2023: R\$ 65 billion
<b>iv. investments made</b>	Amount disbursed in 2021: R\$ 106.6 billion.
<b>vi. costs incurred</b>	Funding, administrative and tax costs.
<b>vi. origin of funds involved, including sources of funds and conditions</b>	The main sources of funds for financings are: - Agricultural Savings; - Demand Deposits.
<b>vii. estimate of the impacts of the aforesaid public policies on the financial performance of the issuer</b>	Managerial result for the initiative was R\$ 4.3 billion in 2021.

## Regional and Territorial Development

We act in the program with the purpose of (i) promoting the regional development and the organization of the Brazilian territory through the planning of the occupation and the use of the space in a sustainable way and with territorial approach, besides (ii) to promote the structuring of productive activities, productive arrangements and integration routes for regional and territorial development.

### Midwest Constitutional Fund (FCO) – Rural

The Midwest Constitutional Fund (FCO) was established by Law No. 7,827/1989, due to the provided for in the Federal Constitution, article 159, item I, paragraph c. It is a fund that aims to contribute to the economic and social development of the Midwest region through the performance of financing programs to the productive sectors. BB is a director of the FCO jointly with the Ministry of Regional Development (MDR) and the Deliberative Council for the Development of the Midwest Development Authority (Condel/Sudeco). In the field of rural credit, with resources from the FCO Rural, are financed fixed and semifixed investments, and costs associated to investment projects, agriculture and livestock.

To disclose the credit line, its purposes, benefits and conditions, in addition to encouraging its hiring, historically we implemented actions such as:

- i. Internal dissemination of the credit line through our main communication channels, events and technical lectures;
- ii. Holding of partnerships with entities to support farmers to disseminate the program;
- iii. Simplification and automation of operations contracting processes; and
- iv. Articulation of Technical Assistance at Portfolio Level, or ATNC, with companies that provide technical assistance to rural producers, to identify the technologies and standardization of investment projects under the program.



**Table 3. Midwest Constitutional Fund (FCO) – Rural**

Governmental Initiative	FCO – Rural
<b>i. description</b>	The Midwest Constitutional Fund (FCO) was introduced by Law No. 7.827/89 and purpose to contribute to the economic and social development of the Center-Western region, through the performance of financing programs to the production sectors. In rural credit, with FCO Rural funds, fixed and semifixed investments are financed, associated with investment project, agricultural and livestock costing.
<b>ii. criteria adopted by the issuer to classify this performance as being developed to serve the public interest</b>	Government initiative with goal established in the Plano Plurianual 2020-2023 (PPA - Plurianual Plan), aligned with the Corporate Strategy of the Bank and the objectives and goals previously defined by the controller (Federal Government).
<b>iii. goals (planned/realized)</b>	Goal projected in 2021: R\$3.1 billion Performed in 2021: R\$ 6 billion (192.4% of the goal) Goal projected in 2022: R\$3.5 billion Goal projected in 2023: R\$3.5 billion
<b>iv. investments made</b>	Amount disbursed in 2021 by the Bank: R\$ 7.1 billion.
<b>vi. costs incurred</b>	Funding, administrative and fiscal costs.
<b>vi. origin of funds involved, including sources of funds and conditions</b>	Funds from the Midwest Constitutional Fund (FCO).
<b>vii. estimate of the impacts of the aforesaid public policies on the financial performance of the issuer</b>	Managerial result for the initiative was R\$ 1.4 billion in 2021.

### Midwest Constitutional Fund (FCO) - Corporate

In the scope of business credit, with FCO resources, investment projects located in the Midwest region are financed, in businesses dedicated to the productive activity in the sectors: agro-industrial, industrial, economic, mineral infrastructure, trade and services, and tourism.

The priority objective of financing is to promote projects for individual microentrepreneurs (MEI) and micro and small companies (MPE), as established in Law No. 7,827/1989, as well as that contained in Complementary Law No. 123/2006, which established the Statute National Microenterprise and Small Business.

**Table 4. Midwest Constitutional Fund (FCO) – Corporate**

Governmental Initiative	Financing of Production Channels (FCO – Corporate)
<b>i. description</b>	Financing of production chains prioritized by the Bank territorial development policy, with resources coming from the FCO (Constitutional Fund for Financing of the Midwest), in the case denominated FCO Corporate.
<b>ii. criteria adopted by the issuer to classify this performance as being developed to serve the public interest</b>	Government initiative with goal established in the Plano Plurianual 2020-2023 (PPA - Plurianual Plan), aligned with the Corporate Strategy of the Bank and the objectives and goals previously defined by the controller (Federal Government).
<b>iii. goals (planned/realized)</b>	Goal projected in 2021: R\$ 2.7 billion Performed in 2021: R\$ 2.2 billion (82% of the goal) Goal projected in 2022: R\$ 2.9 billion Goal projected in 2023: R\$ 3.1 billion
<b>iv. investments made</b>	Valor desembolsado em 2021 pelo BB: R\$ 2 bilhões.
<b>vi. costs incurred</b>	Interest rate of the constitutional funds (TFC) and other administrative costs.
<b>vi. origin of funds involved, including sources of funds and conditions</b>	Recursos provenientes do Fundo Constitucional do Centro-Oeste (FCO)
<b>vii. estimate of the impacts of the aforesaid public policies on the financial performance of the issuer</b>	Managerial result for the initiative was R\$ 575.3 million in 2021.



## Promotion of the Rights of the Disabled

The program's objective is the protection of life, the strengthening of the family, the promotion and defense of human rights for all, through the financing of assistive technology goods and/or services for people with disabilities.

### Financing of Goods and/or Services of Assisted Technology to the Disabled

BB Crédito Acessibilidade originated in February 2012, from the National Plan for the Rights of Persons with Disabilities - Living Without Limits (Decree No. 7,612/2011). This is a loan line for financing assistive technology goods and services for people with disabilities. The target audience is composed of

individuals with gross monthly income of up to 10 minimum wages and loan limit approved and in effect at BB.

Since the beginning of the program, 93,500 operations have been contracted for a total disbursement of R\$746.8 million.

**Table 5.** Financing of Goods and Services of Assisted Technology to the Disabled

Governmental Initiative	Financing of Goods and Services of Assisted Technology to the Disabled
<b>i. description</b>	The BB Crédito Acessibilidade was created in 2012, based on the National Plan for the Rights of Persons with Disabilities - Living without Limit (Decree No. 7,612). It is an exclusive credit line for the financing of goods and services of assistive technology aimed at people with disabilities.
<b>ii. criteria adopted by the issuer to classify this performance as being developed to serve the public interest</b>	Government initiative with goal established in the Plano Plurianual 2020-2023 (PPA - Plurianual Plan), aligned with the Corporate Strategy of the Bank and the objectives and goals previously defined by the controller (Federal Government).
<b>iii. goals (planned/realized)</b>	Goal projected in 2021: R\$ 8.75 million Performed in 2021: R\$ 5.95 million (68.07% of the goal) Goal projected in 2022: R\$ 8.5 million Goal projected in 2023: R\$ 9.5 million
<b>iv. investments made</b>	Amount of R\$ 98.9 billion disbursed in 2021.
<b>vi. costs incurred</b>	Administrative and fiscal costs.
<b>vi. origin of funds involved, including sources of funds and conditions</b>	Demand deposits raised by financial institutions, pursuant to CMN Resolution 4,000/11.
<b>vii. estimate of the impacts of the aforesaid public policies on the financial performance of the issuer</b>	Managerial result for the initiative was R\$ 9.9 million in 2021.

## Promotion of the Decent Work and Solidary Economy

We operate in the program with the purpose of promoting work, employment and income opportunities, through the granting of loan directed to entrepreneurial activities and to Oriented Productive Microloan (MPO).

### Granting of Oriented Productive Microloan (MPO)

The MPO is the loan granted to meet the financial needs of individuals and companies, entrepreneurs of small productive activities. It uses an entrepreneurial service model with an emphasis on guiding and monitoring the enterprise, aiming at the sustainable development of the business with the consequent increase in the standard of living and job creation, in addition to contributing to the banking of informal micro entrepreneurs.

We intend to expand direct action to microentrepreneurs through actions to improve the digital reception systems, hiring, renewal and guidance of the MPO and new business partnerships.

We contracted more than 31.7 thousand new MPO operations, serving almost 30 thousand customers, and disbursing R\$83.7 million, thus expanding access to credit by microentrepreneurs, in particular, those enrolled in the Single Registry of the Federal Government – CadÚnico.



In addition to direct investment, BB also transferred funds to other institutions authorized to operate in the National Program of Productive Microcredit Guided (PNMPO), ending

the year 2021 with R\$1.5 billion invested in Interfinancial Deposits in Microfinance (DIM).

**Table 6.** Granting of Oriented Productive Microloan (MPO)

Governmental Initiative	Granting Oriented Productive Microloan (MPO)
<b>i. description</b>	Credit under the support of the National Program of Productive Microcredit Guided (PNMPO), with the objective of supporting and financing productive activities of entrepreneurs, mainly through the provision of resources for oriented productive microcredit.
<b>ii. criteria adopted by the issuer to classify this performance as being developed to serve the public interest</b>	Government initiative with goal established in the Plano Plurianual 2020-2023 (PPA - Plurianual Plan), aligned with the Corporate Strategy of the Bank and the objectives and goals previously defined by the controller (Federal Government).
<b>iii. goals (planned/realized)</b>	Goal projected in 2021: R\$ 800.0 million Performed in 2021: R\$ 1.560 million (194.9% of the goal) Goal projected in 2022: R\$ 1.260 million Goal projected in 2023: R\$ 1.260 million
<b>iv. investments made</b>	Amount disbursed in 2021 by the Bank: R\$1.560 million
<b>vi. costs incurred</b>	Funding, administrative and fiscal costs.
<b>vi. origin of funds involved, including sources of funds and conditions</b>	Funds from the demandability of microloan (2% of compulsory demand deposits)
<b>vii. estimate of the impacts of the aforesaid public policies on the financial performance of the issuer</b>	Managerial result for the initiative was R\$ 28.1 million in 2021.

## Foreign Trade

The purpose of the program is to improve the instruments of official loan support to exports.

### Financing to Export of Goods and Services

Proger Export is a loan facility to finance Brazilian Micro and Small Enterprises (MPE) created under the Employment and Income Generation Program (Proger) by the Deliberative Council of FAT (Codefat), through Resolution No. 330/2003.

Proger resources are lent to official federal banks with authorization from Codefat, which approves the Annual Program for the Application of Special Deposits of the FAT (PDE), through a resolution for each exercise. The effective contribution of funds is made according to the schedule

defined in the FAT Special Deposit Allocation Term (Tade), signed between the executive secretary of the board and each financial agent, for each special program or loan line.

Since 2020, Codefat did not guide the PDE, so that the official federal banks did not receive new transfers from the FAT destined to Proger Export. The line is suspended, with no further disbursements. The amounts presented for 2021 reflect the remaining balance of the portfolio in stock, as well as the recovery of losses from previous periods.



**Table 7.** Financing to Export of Goods and Services

Governmental Initiative	Export Financing of goods and services (Proger Export)
<b>i. description</b>	The Proger (Income Generation Program) Export is a credit line designed to promote the increase of exports from MPE (Micro and Small Companies), with the creation of jobs and income.
<b>ii. criteria adopted by the issuer to classify this performance as being developed to serve the public interest</b>	Government initiative with goal established in the Plano Plurianual 2020-2023 (PPA - Plurianual Plan), aligned with the Corporate Strategy of the Bank and the objectives and goals previously defined by the controller (Federal Government).
<b>iii. goals (planned/realized)</b>	Goal projected in 2021: R\$ 19 million Performed in 2021: there was no disbursement There is no goal planned for 2022 and 2023.
<b>iv. investments made</b>	There was no disbursement in 2021, due to the absence of new transfers from the FAT destined to Proger Exportação. Likewise, there is no forecast of transfer for the next years.
<b>vi. costs incurred</b>	Cost of the line: TLP (long-term rate) + compensation of the financial agent.
<b>vi. origin of funds involved, including sources of funds and conditions</b>	Funds from the FAT (Fund for Workers' Assistance) to finance Brazilian Micro and Small Companies through Resolution No. 330/03, in the scope of the Income Generation Program (Proger).
<b>vii. estimate of the impacts of the aforesaid public policies on the financial performance of the issuer</b>	Managerial contribution margin (without ALLL) for the initiative was R\$ 448.6 million in 2021.

## 4.1.2. Other Public Policies carried out in 2021

The other public policies implemented in 2021 comprise initiatives in force in previous periods or within the public interest purposes.

### National Support Program for Micro and Small Companies (Pronampe)

The National Support Program for Micro and Small Companies (Pronampe) is a working capital line, established by Law No. 13,999/2020, for the development and strengthening of small businesses.

The Program became permanent under Law No. 14,161/2021, and targets customers from the micro and small business sectors with Annual Gross Revenue registered with the Federal Revenue Service of up to R\$4.8 million.

As an official credit policy, Pronampe was instituted with the objective of giving due differentiated treatment to micro and small companies, with a view to consolidating small businesses

as agents of support, transformation and development of the national economy.

In 2021, the amounts allocated for allocation by BB were defined by the administrator of the Pronampe Operations Guarantee Fund (FGO Pronampe) and resulted in the disbursement of R\$8.2 billion.

The resumption of contracting with Pronampe depends on the allocation of resources through the approval of regulatory provisions.



## 4.2. Funds for Costing of Public Policies

Our support to the federal budgetary execution, as an official financial development agency, is carried out through granting of loans and financings at differentiated rates, backed by funds from the Fiscal Budget and Social Security (OFSS) in addition to own funds. The federal funds and programs associated with public policies are described below.

### Midwest Constitutional Fund (FCO)

The purpose of FCO is to contribute to the economic and social development of Brazilian Midwest, being the main financing instrument of the National Policy for Regional Development (PNDR) for the region.

The funds in the fund's credit portfolio are backed by 10-year transfers made by the National Treasury to BB from the

Federal Government's tax collection, more specifically 0.6% of the proceeds from the collection of Income Tax and Income from Any Nature (IR) and the Tax on Industrialized Products (IPI), according to art. 6, sole paragraph, item III, of Law No. 7,827/1989.

### Amazon Development Fund (FDA)

The purpose of the FDA is to ensure resources for investments in infrastructure, in public services, in productive enterprises with a high germination capacity for new businesses and in productive activities, in addition to financing students regularly enrolled in higher education courses or in professional, technical and technological education, not free,

in the area of operation of the Amazon Development Authority (Sudam), autarchy linked to the Ministry of Regional Development (MDR).

The FDA was instituted by Provisional Measure No. 2,157-5/2001 and currently regulated by Decree No. 10,053/2019.

### Midwest Development Fund (FDCO)

The purpose of FDCO is to ensure resources for the implementation of development projects and investments in infrastructure, actions and public services considered priority in the Regional Development Plan of the Midwest (PRDCO) and the financing of students regularly enrolled in higher education courses and professional, technical and technological education, not free, in the area of activity of the Midwest Development Authority (Sudeco).

The funds from the FDCO loan portfolio are backed by onlendings made by Sudeco upon release of loans to the borrowers.

The Midwest Development Fund - FDCO was created by Complementary Law No. 129/2009 and regulated by Decree No. 10,152/2019.

### Northeast Development Fund (FDNE)

FDNE purpose is to ensure funds to investments related to Northeast Development Authority (Sudene) operations, in infrastructure, public services and production projects of large capacity of new business and production activities.

The funds from the FDNE loan portfolio are backed by onlendings made by Sudene upon release of loans to the borrowers. The FDNE was created by Provisional Measure No. 2,156-5/2001 and regulated by Decree No. 7,838/2012.

### Merchant Marine Fund (FMM)

FMM purpose is to provide funds for the development of the Merchant Marine and the Brazilian industry of shipbuilding and repair. Law No. 10,893/2004 provides for the Fund.

The funds from the FMM loan portfolio are backed by onlendings made by the Department of Fund for the Merchant Marine, agency linked to the Ministry of Infrastructure, upon release of loans to the borrowers.



### **Fund for Land and Land Reform – Banco da Terra (FTRA)**

FTRA purpose is to finance Programs of land rearrangement and rural settlement, whose management body is the Secretariat for Family Agriculture and Cooperatives of the Ministry of Agriculture, Livestock and Supply (Mapa).

The funds from the FTRA are transferred to borrowers as debit of available funds established from onlendings made by the Brazilian Development Bank (BNDES), authorized by Mapa, compatible with the demand for financing over the year. The

loans are managed by BB and returned to the Federal Government in the month following the debt amortization by the borrowers.

Complementary Law No. 93/1998 instituted the FTRA, which is regulated by Decree No. 4,892/2003, amended by Decree No. 10,126/2019, and by the operative regulation approved by the Department of Family Agriculture and Cooperativism of Mapa.

### **Defense Fund of Coffee Economy (Funcafé)**

Funcafé was created by Decree-Law No. 2,295/1986 and is intended to finance, modernization, incentive to productivity of the coffee growing, the coffee industry and the export. It finances the costing, marketing and investment of Brazilian coffee production. The funds raised are used to finance rural credit lines.

The Ministry of Agriculture, Livestock and Supply (Mapa)/Secretariat of Agricultural Policy (SPA)/Department

of Coffee, Sugar Cane and Agroenergy (DCAE), manager of Funcafé, is responsible for allocating resources.

Since the creation of the fund, we have acted as a financial agent and as an operator, as a member of the accredited National Rural Credit System (SNCR), upon formalization of the contract with Mapa.

### **Export Financing Program (Proex)**

Proex was created by Law No. 10,184/2001, with the aim of improving the credit policy aimed at foreign trade, to increase the use of official export financing and guarantee instruments and increase the international competitiveness of Brazilian companies.

The program is the principal public instrument of support to Brazilian exports of goods and services, and the funds derive

from the Special Program of Official Loan Operations. We operate on exclusive basis as financial agent of the Federal Government responsible for the management of the program.

The funds from the Proex loan portfolio are backed by onlendings made by the National Treasury based on the expected demand informed by BB.

### **National Program of Strengthening of the Family Agriculture/National Treasury (Pronaf/TN)**

The Program, managed by the Secretariat of Family Agriculture and Cooperatives (SAF) of Mapa, was created by Decree No. 1,946/1996 and aims to promote the sustainable development of the rural segment made up of family farmers, according to Decree No. 9,064/2017.

The National Treasury transfers funds to BB directly from the General Budget of the Union (OGU), within the scope of Official Credit Operations, which are destined to financing under the Program. We act as a service provider and carries out operations with the risk of the Federal Government.



### 4.3. Economic and financial impacts of the operationalization of public policies

The National Treasury made available to BB, during fiscal year 2021, R\$5,159 million for funds and programs aimed at defraying loans and financing granted with resources from the Fiscal Budgets and Social Security (OFSS), and the FCO and Proex represented 80.3% of this total.

The amount refunded to the National Treasury, in the same period, referring to the installment return installments (updated principal), totaled R\$2,803 million. The total balance of the loan and financing portfolio granted by BB was R\$56,408 million in Dec/21. The values can be consulted in the Annual Accounts of the President of the Republic – PCPR, Chapter II. The values are detailed in the following table:

**Table 8.** Funds from the OFSS – Values Released and Returned to the National Treasury<sup>1</sup> – R\$ million

Fund/Program	Transferred by the National Treasury (a)	Reimbursed to the National Treasury (b)	2021 Flow (a-b)	Portfolio's Balance (dec/21)
FCO	3,244	0	3,244	39,581
FDA	188	55	133	765
FDCO	0	63	-63	198
FDNE	503	300	203	1,988
FMM	0	1,427	-1,427	7,888
FTRA <sup>2</sup>	100	106	-6	855
Funcafé	195	151	44	515
Proex	897	652	245	3,989
Pronaf/TN <sup>2</sup>	33	51	-18	630
<b>Total</b>	<b>5,159</b>	<b>2,803</b>	<b>2,356</b>	<b>56,408</b>

(1) Refunds of unapplied amounts were deducted from the Amount Repassed by the TN, except for Pronaf/TN, which records the unapplied amounts as Refund of Ungranted Amount, according to the contract; (2) It may include amounts transferred to the Bank as remuneration.

In rural and agro-industrial financing, BB uses 74.5% of its own resources, mainly rural savings, agribusiness letters of credit (LCA) and demand deposits. In addition to these, we also transfer funds from Constitutional Funds, such as the Midwest Constitutional Financing Fund (FCO) and the Coffee Economy Defense Fund (Funcafé). The following table shows this stratification:

**Table 9.** Agribusiness Loan Portfolio Expanded View by Funding Sources – R\$ million

	Dec/19	Part. %	Dec/20	Part. %	Dec/21	Part. %
<b>Loan Portfolio - Expanded View</b>	<b>183,824</b>	<b>100,0%</b>	<b>191,707</b>	<b>100,0%</b>	<b>248,023</b>	<b>100,0%</b>
Agricultural Savings	87,595	47,7%	103,169	53,8%	143,794	58,0%
FCO	24,161	13,1%	26,205	13,7%	29,097	11,7%
Demand Deposits	17,980	9,8%	18,002	9,4%	29,045	11,7%
Agribusiness Letters of Credit	33,172	18,0%	21,600	11,3%	25,039	10,1%
BNDES/FINAME	8,524	4,6%	7,184	3,7%	5,718	2,3%
Other <sup>1</sup>	12,391	6,7%	15,546	8,1%	15,330	6,2%

(1) National Treasury, Funcafé, Rural Product Bills and Guarantees (CDCA e CPR).

To enable financing with lower interest rates, covering the funding costs, credit risks, tax and administrative costs and BB's profitability, National Treasury and Central Bank of Brazil may authorize the equalization revenues and the weighting factor.



Rural and agro-industrial financing is segmented into equalizable and non-equalizable resources. The breakdown of these segments is shown in the table below:

**Table 10.** Equalizable and Non-Equalizable Resources in the Agribusiness Portfolio - R\$ million

	Dec/19	Dec/20	Dec/21
<b>Classified Loan Portfolio</b>	<b>179,423</b>	<b>186,208</b>	<b>232,429</b>
Equalizable Resources	88,897	89,960	94,216
Investments	55,943	55,404	59,992
Working Capital for Input Purchase	30,601	33,994	34,062
Crop Trading	776,000	562,000	163,000
Other	1,577	-	-
Non-Equalizable Resources	90,526	96,248	138,213
Rural Product Bills and Guarantees and CDCA	4,401	5,498	15,594
<b>Loan Portfolio - Expanded View</b>	<b>183,824</b>	<b>191,707</b>	<b>248,023</b>

The equalization is an economic subsidy, introduced by Law No. 8,427/1992, that represents the differential of rates between funding cost, plus administrative and tax costs to which the official financial institutions and cooperative banks are subject, in their active operations, and the charges collected from the final borrower of the rural loan, pursuant to articles 1, items I and II, and 5 of Law No. 8,427/1992.

The weighting factor is a multiplier adopted by the federal government for the application of resources originating from demand deposits and rural savings.

Through this mechanism, banks can comply with a lower rate of reserve requirements in rural credit, which allows the amount released to be invested in transactions at market rates, with the objective of offsetting the resulting interest rate profitability paid by the final borrower in the rural credit operations encouraged by the government.

The amounts of income from equalization received and receivable by BB are detailed below:

**Table 11.** Equalization Revenues and Weighting Factor - R\$ million

	Dec/19	Dec/20	Dec/21
<b>Total</b>	<b>3,064</b>	<b>1,631</b>	<b>2,428</b>
Equalization Revenues	2,948	1,611	2,410
Weighting Factor	117	19	17

**Table 12.** Equalization Revenue Receivable - Transactions<sup>1</sup> - R\$ million

	Dec/19	Dec/20	Dec/21
Initial Balance	1,593	1,306	699
(+/-) Flow	-286	-607	239
Final Balance	1,306	699	938

(1) Flow of the equalization of agricultural harvest rates - Law No. 8,427/1992 with the National Treasury, according to the Financial Statements, Explanatory Note 13 - Other Assets, sub-item a) Composition.



## 5. Internal Controls and Risks Management Structure

Our organizational structure has defined duties and established corporate governance, with the participation of Senior Management, compatible with the business complexity, nature of the operations and risks exposure, as well as ensuring transparency, completeness and accuracy of data provided to the market and regulators.

In this context, to achieve strategic goals, including compliance with public policies, we adopt the defense lines referential model (MRLD), which reinforces the competencies and responsibilities of all areas related to risk and control management. The model promotes greater interrelationship between business, risk management and controls, aiming risk mitigation, losses reduction, processes improvement, sustainability and, consequently, better financial results.

One of the tools adopted to ensure the effectiveness of the MRLD and the soundness of the control environment is the Indicator Level of Effectiveness of the Internal Controls System. It is an instrument through which information about the control and compliance environment, the situation of corporate risks and the performance of the areas is made available and monitored, in addition to inducing the behavior of our organizational units to correct any weaknesses and mitigate them of risks impacting work agreements.

In addition to being a means of inducing the adoption of the best risk management and control practices by the assessed areas, the information contained in the Indicator is also reported monthly to BB's governance bodies.

Additional and detailed information on the structures of internal controls and risk management, such as mitigating policies and instruments, can be found in section 5 of the Reference Form (available at [bb.com.br/ir](http://bb.com.br/ir) › Documents and Announcements › Reference Form).

We also have a whistleblowing Channel, which can be accessed through the BB Portal on the internet, for receiving complaints of any nature, including criminal offenses related to the activities of the BB Prudential Conglomerate, or other information that may affect the reputation of the members of the Board of Directors (CA), holders of qualifying holdings pursuant to CMN Resolution No. 4,122/2012, CEO, Chief Officers and Officers, pursuant to CMN Resolution No. 4,859/2020.

Within the scope of the corporate governance architecture, we have a set of Specific Risk Management, Internal Controls and Compliance Policies approved and periodically reviewed within the scope of the Board of Directors. The Specific Policy on Risk and Capital Management is reviewed at least annually, or extraordinarily, at any time, and the Specific Policy on Internal Controls and Compliance is reviewed at least every three years. The last revision of both took place in 2021.

Regarding compliance, we have a Program approved by the Board of Directors, which aims to prevent, detect and correct the institution's exposure to situations of non-compliance with laws, rules and external and internal regulations, as well as the Code of Ethics, in addition to being based on the guidelines of the culture of compliance, ethical and integrity principles and good corporate governance practices. This Program also covers the integrity parameters of Decree No. 8,240/2015, which regulates Law No. 12,846/2013, also known as the Anti-Corruption Law.



## 6. Risk Factors

We present in section 4 of our Reference Form the risk factors related to the policies, processes, procedures, systems and models adopted in risk management, internal controls, compliance and corporate governance that may influence the investment decision, in particular to those related to the issuer and its controller, its subsidiaries and affiliates, its suppliers, its customers, the sectors of the economy in which BB operates and its respective regulation and socio-environmental issues.

In addition, BB declares the risk factors related to the public policies adopted by the direct or indirect controller or controlling group that may cause adverse effects on BB, including damage to its reputation.

In relation to sector regulation, we declare a factor related to unfavorable decisions in judicial, administrative or arbitration proceedings, which may cause adverse effects for Banco do Brasil.

Additional information on risk factors can be found in section 4 of the Reference Form (available at [bb.com.br/ir](http://bb.com.br/ir) › Documents and Announcements › Reference Form).

## 7. Economic and Financial Data

The MD&A Report (available at [bb.com.br/ir](http://bb.com.br/ir) › Financial Information › Results Center) presents the BB's economic and financial situation. The public-audience of this report are market analysts, shareholders and investors and it has quarterly disclosure.

The report provides content related to economic indicators, BB's shares performance and risk management, as well as historical series up to eight periods of the Balance Sheet, Income Statement with Reallocations, information on profitability, productivity, quality of credit portfolio, capital structure, capital market and structural data. At the end of the report, it is presented the financial statements and explanatory notes for the period under analysis.

Information on BB's economic-financial data under IFRS can be found in section 3 of the Reference Form (available at [bb.com.br/ir](http://bb.com.br/ir) › Documents and Announcements › Reference Form).

### 7.1. Comments on Operating Performance

The members of the BB's Executive Board, according to CVM Instruction No. 480/2009, must comment on section 10 of the Reference Form about the main aspects of BB's operating performance, retrospectively to 2019, 2020 and 2021, stating that the information is true, complete and consistent.

Initially, we present our financial and equity conditions, its capital structure, sources of financing and its levels of indebtedness. We also disclose the most significant changes in the Balance Sheet (2021/2020, 2020/2019 and 2019/2018). The commented performance is based on the IFRS Financial

Statements, issued by the International Accounting Standards Board (IASB) and predecessor bodies.

Additionally, we present our earnings based on vertical and horizontal analysis of the statement of income, which shows: (i) Interest Income; (ii) Interest Expenses; ((iii) Provision for Expected Losses; (iv) Non-interest income and (v) Non-interest expense.

Lastly, we shown the planned and accomplished amounts related to advertising and sponsorship expenses.

Officers' detailed comments on BB's performance can be found in section 10 of the Reference Form (available at [bb.com.br/ir](http://bb.com.br/ir) › Documents and Announcements › Reference Form).



## 8. Corporate governance policies and practices

We are committed to the best corporate governance practices, among which we highlight:

- i. Share capital structure composed exclusively of common shares;
- ii. Forecast of independent directors in the composition of the Board of Directors;
- iii. Disclosure of the Code of Conduct approved by the Board of Directors and applicable to all employees and managers of the Company;
- iv. Disclosure of Related Party Transactions Policy (TPR), approved by the Board of Directors;
- v. Statutory Audit Committee as an advisory body linked to the Board of Directors, with operational autonomy;
- vi. Resolution of conflicts between shareholders, managers and members of the Fiscal Council, effective and alternates, through arbitration, before the Market Arbitration Chamber;
- vii. Declaration, in the Bylaws, of the controlling shareholder's obligations in the event of disposal of shareholding control, going private, exit from the Novo Mercado, corporate reorganization and maintenance of at least 25% of free float;
- viii. prohibition of the use of privileged information and existence of a Relevant Information Disclosure Policy, approved by the Board of Directors; and
- ix. maintenance of a whistleblowing channel.

In recent years, we have made our best efforts to improve BB's governance practices, as a way of generating value for our shareholders and for society in general, thus demonstrating the Bank's commitment to growing and sustainable results.

In 2021, the result of the survey carried out by the TCU, for the purposes of the Integrated Index of Organizational Governance and Public Management (IGG-TCU 2021), reaffirmed that we are at the improved stage regarding the topic.

Once again, we obtained the Level I Governance Seal (IG-SEST) in 2021, reaching, in the five cycles carried out, the maximum score (grade 10) in all criteria evaluated by the Secretariat for Coordination and Governance of State-owned Companies (SEST) of the Ministry of Economy. These recognitions are the result of continuous improvements in the Bank's governance structure and practices.

Regarding the main adjustments to BB's governance documents, in 2021, amendments to the Bylaws were approved and forwarded to the Shareholders' Meeting, among which we highlight (i) specific change of the corporate purpose (without modification of the main activity) to explain the Bank's performance as a bank as a platform, made possible by the technological and regulatory transformation of the Financial System; (ii) adequacy of the number of members of the Risk and Capital Committee; (iii) definition of the Technology and Innovation topics as the focus of the Technology, Strategy and Innovation Committee, with a consequent reduction in the maximum number of members, from six to five, and changing the name to the Technology and Innovation Committee; (iv) alignment of the provisions on the BB Ombudsman to CMN Resolution No. 4,860/2020.

In addition, the creation of the Corporate Sustainability Committee was approved, with the task of advising the Board of Directors on issues related to sustainability, considering the best market practices and the commitments voluntarily assumed by Banco do Brasil.

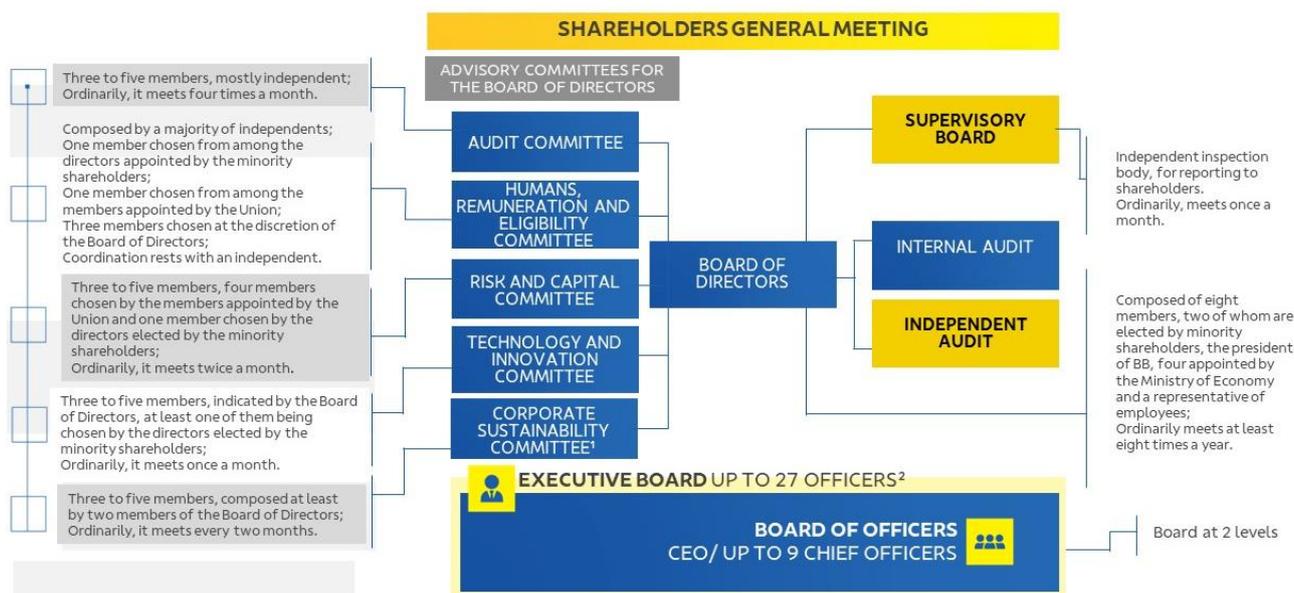


## 8.1 Administrative Structure

Our administrative structure is established in its Bylaws and in the Internal Regulations of its governance bodies (available at [bb.com.br/ir](http://bb.com.br/ir) >Bylaws, Policies and Codes). We also make available on its portal the Report on the Brazilian Corporate Governance Code, which presents the Company's principles and practices, in a transparent, complete, objective and precise manner.

BB's corporate governance structure can be illustrated as shown in the following figure:

**Figure 1.** Corporate Governance Structure of Banco do Brasil



(1) The creation of Cosem was approved by the CA in August 2021; (2) Private to BB's employees (Bylaws, art 24).

The following are the Banco do Brasil's management bodies, composed of Brazilian citizens with recognized knowledge, including the best Corporate Governance practices, experience, good character, unblemished reputation and technical capacity compatible with the position:

- i. The Board of Directors, which has, in the manner prescribed by law and in the Bylaws of Banco do Brasil, strategic, guiding, elective and auditing functions, not including operational or executive functions, whose members are elected by the General Meeting; and
- ii. The Executive Board, responsible for the administration of BB, composed of the Board of Officers (CEO and Chief Officers) and the other Executive Officers, as established in the Bylaws.



In addition, the following bodies are part of the governance structure of Banco do Brasil:

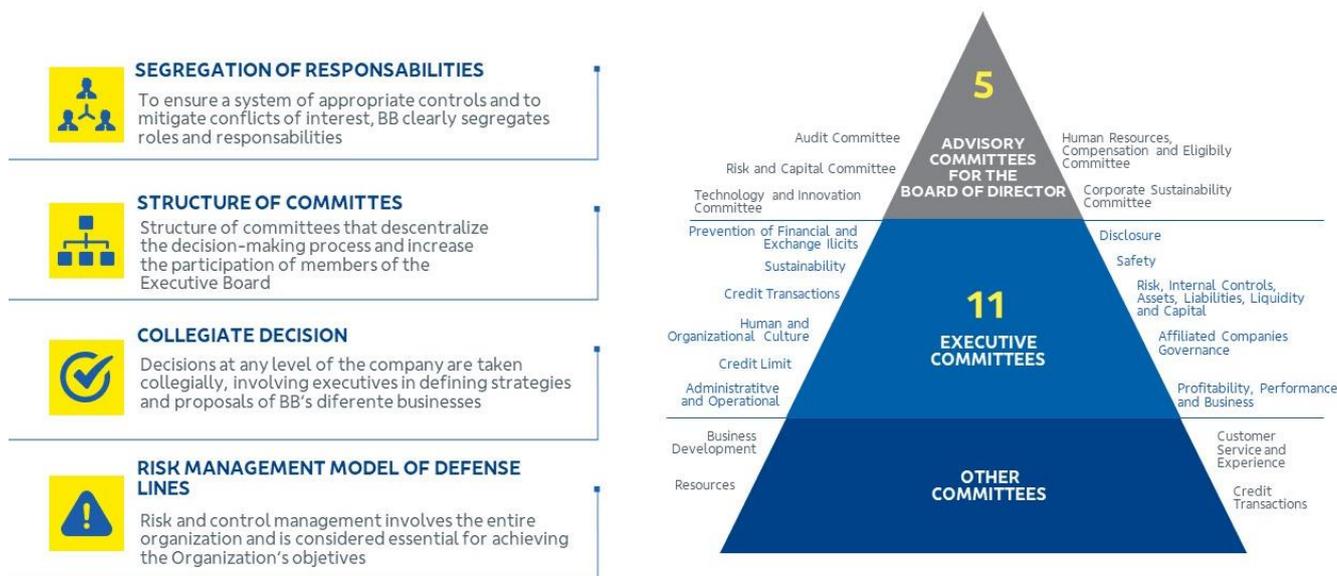
- i. Audit Committee, whose purpose is to advise the Board of Directors regarding the exercise of its audit and supervisory functions and to express its opinion on the quality of the financial statements; the effectiveness of the internal control system; and the effectiveness of the internal and independent audits;
- ii. Humans, Remuneration and Eligibility Committee, whose purpose is to assist the Board of Directors in establishing Banco do Brasil's policies on human resources; remuneration of administrations; and appointment and succession of administrators;
- iii. Risks and Capital Committee, whose purpose is to advise the Board of Directors regarding the exercise of its functions related to risk and capital management, in a unified manner, for the institutions that are part of the Prudential Conglomerate of Banco do Brasil;
- iv. Technology and Innovation Committee, whose purpose is to advise the Board of Directors on topics related to technological trends and new business models, projects or innovation initiatives to face these trends and their effects on BB;
- v. Corporate Sustainability Committee, whose purpose is to advise the Board of Directors on topics related to sustainability in the Banco do Brasil, considering the market's best practices and the voluntary commitments by Banco do Brasil.
- vi. Supervisory Board, whose duties are established by article 163 of Law No. 6,404/1976.



## 8.2 Strategic Committees

In order to involve the organizational units in the definition of guidelines and approval of proposals for BB's different businesses, the management uses strategic committees, which are activated within the Executive Board, which decide on matters of corporate scope and guarantee agility and safety to the process of decision-making, as presented in the following figure:

Figure 2. Decision Making Process



Further information on the structure and governance policies and composition of Banco do Brasil's management can be found in section 12 of the Reference Form (available at [bb.com.br/ir](http://bb.com.br/ir) > Documents and Announcements > Reference Form).



## 8.3 Remuneration for Directors Policy

The Remuneration for Directors Policy for BB's management members is regulated by Law No. 6,404/1976, Law No. 13,303/2016, Decree No. 89,309/1984, CMN Resolution No. 3,921/2010, Law No. 12,813/2013 and Bylaws of Banco do Brasil and aims to:

- i. reinforce commitment to corporate strategies, increase BB's results and recognize the efforts of each management member, in proportion to the achievement of the goals;
- ii. reconcile the Variable Compensation Policy to the Risk Management Policy, so as not to encourage behaviors that increase the risk exposure above levels considered prudent in the Company's short, medium and long-term strategies; and
- iii. directly contribute to the scope of the guidance, as it is made up of several performance indicators that are derived from the ECBB and the Master Plan.

The remuneration and other benefits of the members of the Management bodies are fixed annually by the Annual General Meeting (AGO), whose minutes are available on the Investor Relations portal ([bb.com.br/ir](http://bb.com.br/ir) ›Publications and Notices› Shareholders and Board Meetings).

Values are defined based on market research, internal balance, responsibility, company and individual performance, among other factors. The total compensation includes fixed compensation, variable compensation and benefits.

The Board of Executive Officers' Variable Compensation Program (RVA) aims to recognize the efforts of managers in building the results achieved, based on the performance verified by indicators linked to corporate strategy. The Program is proposed by the Humans, Remuneration and Eligibility Committee, approved by the Board of Directors, and subsequently submitted to the Ministry of Economy/Sest. The payment method follows the definitions proposed by CMN Resolution No. 3,921/2010, among which the payment in shares of the Company stands out.

Aligned with the public interest, the variable remuneration of Banco do Brasil's officers and employees is influenced by the

performance of the Public Policy Indicator, as directed by Sest. The performance of this indicator directly reflects the percentage paid to managers through the Variable Compensation Program of Managers (RVA), in addition to influence the percentage distributed to employees through the Profit-Sharing Program (PLR).

It should be emphasized that the composition of the compensation granted to the members of the Board of Executive Officers is in accordance with the legal provisions regarding state-owned companies and corporations and aims to reward them for the degree of responsibility of their positions and for the trust inherent to them, as well as the value of each professional in the market, considering the Company's Risk Management Policy, its results and the economic environment in which it is inserted.

For the members of the Board of Directors and the Supervisory Board, the amount of fees is set at 10% of the average monthly compensation of the Executive Board, according to Law No. 6,404/1976 and Law No. 9,292/1996, excluding amounts related to vacation premiums and benefits, the payment of interest, of any kind, in the profits of the company being prohibited. The information related to this item meets the requirements of Law No. 13,303/2016 and Decree No. 8,945/2016. In this sense, the annual global amount of the remuneration of the Board of Directors, the Supervisory Board and the Executive Board is presented.

The information is not individualized because it is strategic in nature and it is subject to corporate secrecy, from a constitutional source, as a result of the preservation of the privacy guaranteed by art. 5, item X, of the Federal Constitution.

In infra-constitutional headquarters, we emphasize that the protection of corporate secrecy is protected by art. 155, item II, of Law No. 6,404/1976, as a duty to protect the company's rights; in art. 4, paragraph 2 and art. 8, paragraph 3, of Law No. 13,303/2016, which submits BB to the information regime according to the provisions of Law No. 6,385/1976; and in art. 22 of Law No. 12,527/2011, which imposes a restriction on access to information subject to business secrecy.



The following table details the compensation of the management members segmented by the management body of Banco do Brasil:

**Table 13.** Remuneration of the Management members in 2021

	Board of Directors	Supervisory Board	Executive Board
<b>Total number of members</b>	<b>8.0</b>	<b>5.0</b>	<b>32.7</b>
<b>Number of paid members</b>	<b>4.3</b>	<b>5.0</b>	<b>42.3</b>
<b>Remuneration breakdown:</b>	-	-	-
<b>1. Fixed Annual Remuneration, breakdown:</b>	-	-	-
-Salary or Officer Remuneration (R\$)	283,645	366,983	23,411.374
-Direct and indirect benefits (R\$)	-	-	3,627.726
-Remuneration for joining committees (R\$)	-	-	-
-Other (R\$)	-	-	-
<b>2. Variable remuneration (R\$)</b>	-	-	7,892.440
<b>3. Post-employment benefits (R\$)</b>	-	-	-
<b>4. Benefits motivated by the cessation of tenure (R\$)</b>	-	-	2,268.491
<b>5. Remuneration based on shares, including options (R\$)</b>	-	-	5,718.669
<b>Annual amount of remuneration by body (R\$)</b>	<b>283,645</b>	<b>366,983</b>	<b>42,918.701</b>
<b>Annual amount of remuneration (R\$)</b>	-	-	<b>43,569.329</b>

BB's RVA Program for the year 2021 had its value approved by the Annual General Meeting of April 28, 2021 and by the Annual General Meeting of September 30, 2021, and its definition, which is 50% in cash and 50% in shares, of which 20% can be made in cash and 80% within four years, was proposed by the Humans, Remuneration and Eligibility Committee and approved by the Board of Directors, in accordance with CMN Resolution No. 3,921/2010 (see table below).

**Table 14.** Remuneration of the Management Members (Type of Remuneration in 2021) – R\$

<b>Amount of Remuneration</b>	<b>13,611.109</b>
<b>Remuneration in Cash</b>	<b>7,892.440</b>
2020 Program	3,973.509
2021 Program Advance	3,918.931
<b>Remuneration in Shares<sup>1</sup></b>	<b>5,718.669</b>
2016 Program (portion 4/4)	797,838
2017 Program (portion 3/4)	1,544.437
2018 Program (portion 2/4)	1,017.092
2019 Program (portion 1/4)	1,036.893
Program 2020 (cash portion)	1,322.410

(1) Without the incident social charges.



The table below presents additional information regarding the compensation of the Board of Directors, the Supervisory Board, and the Executive Board:

**Table 15.** Remuneration of the Management Members (in 2021) – Higher amount, lower amount and average amount of compensation

	Board of Directors	Supervisory Board	Executive Board
Number of members (12 months average)	8.0	5.0	32.67
Number of paid members	4.0	5.0	42.0
Amount of the highest individual remuneration (R\$) – year	71,256	75,791	1,250.448
Amount of the lowest individual remuneration (R\$) – year	48,189	71,263	931,192
Average individual remuneration per annum (R\$) <sup>1</sup>	66,740	72,241	1,015.827

(1) The average value calculated for the Board of Directors is the ratio of R\$ 283,645.38 by 4.25, for the Fiscal Council it is the ratio of R\$366,983.48 by 5.08 and the Executive Board is the ratio of R\$42,918,700.60 by 42.25. Dividers correspond to the number of paid members of each body.

For further information on management members' compensation policy or practice, refer to section 13 of the Reference Form (available at [bb.com.br/ir](http://bb.com.br/ir) > Documents and Announcements > Reference Form).

## 9. Other Information

### 9.1. Shareholding Structure

Our shares (BBAS3) remained present in all B3 trading sessions and represented 1.8% of the Bovespa Index for last four-month period. BB also maintains a level 1 ADR program (BDORY), traded on the over-the-counter market in the United States.

We have a base of more than 883 thousand shareholders, 98.3% of whom are individuals and 1.6% are companies. Between January 2019 and December 2021, our base of individual shareholders grew from 430 thousand to 868 thousand. This achievement demonstrates the confidence of our shareholders and the solidity of our company in scenarios of greater volatility.

The shareholding structure of Banco do Brasil S.A., at the end of 2021, was distributed as follows:

**Table 16.** Banco do Brasil S.A. – Ownership Structure – %

	Dec/21
<b>Total</b>	<b>100.00%</b>
(a) Federal Government	50.00%
(b) Free Float	49.58%
Individuals	16.34%
Companies	13.28%
Foreign Capital	19.97%
Others <sup>1</sup>	0.42%
Free Float (%) - b/(a+b) <sup>1</sup>	49.79%

(1) Others consists of Treasury Shares, shares held by Members of the Board of Directors, CD and Executive Board and shares referring to the merger of BNC and BESC.

Reports and information to the CVM are available on the Investor Relations portal ([bb.com.br/ir](http://bb.com.br/ir)).



## 9.2. Other Actions

### 9.2.1. Collection of federal taxes and income

Services related to the collection of federal taxes and income, provided for in Law No. 4,595/1964, art. 19, item I, item “a”, and Decree No. 93,872/1986, art. 2, are carried out by BB through legal instruments signed with the National Treasury Department (STN) and the Federal Revenue Service of Brazil (RFB), as provided for in § 2, item I of Article 8 of Law No. 13,303/2016.

The balances related to BB obligations for the collection of taxes are shown in our Financial Statements – Fiscal Year 2021, more specifically in the Balance Sheet – Other Liabilities, and

in Note 20 – Other Non-Financial Liabilities, grouping “Billing and collection of taxes and contributions”.

Additionally, income from federal tax collection is part of the same Financial Statements mentioned, shown more specifically in the Statement of Income – Service Free Income, and in Note 24, in a grouping called “National Treasury and official funds management”.

In 2021, the collection of federal taxes and income, through BB, was in the amount of R\$638.7 billion.

Information on Collection of federal taxes and income can be found in the Financial Statements – Fiscal Year 2021 (available at [bb.com.br/ir](http://bb.com.br/ir) › Financial Information › Results Center).

### 9.2.2. Other Activities Related to the Federal Administration and Financial Execution

As a financial agent of the National Treasury, defined by Law No. 4,595/1964, art. 19, item I, item “b”; Decree No. 93,872/1986: art. 2nd, §3rd; art. 3rd, single paragraph; art. 4th; art. 103), and agreed by means of a legal instrument signed with the National Treasury Secretary in the form of Art. 8 of Law No. 13,303/2016, we perform services related to the transfer and distribution of Union resources.

The balances referring to payments and supplies associated with the execution of the General Budget of the Union and of complementary laws, transfers of federal resources and Banking Orders of the Treasury are evidenced in our Financial Statements – Fiscal Year 2021, more specifically in the grouping “Restricted”, of Note 17 – Customer Resources

In 2021, the total amount of R\$1.11 trillion was processed from the Treasury to the states and municipalities, through BB.

Although there are no fees charged for the provision of these services, we earn indirect gains through the profitability of the funds held in the Bank until they are transferred to the benefited entities, due to the “float” of a day negotiated with the transferring agencies. It is important to highlight that the gains obtained by the Bank as a result of this banking “float” do not derive from the direct remuneration of the public entity, but from its profitability in the banking activity, which meets the precepts espoused in the State-Owned Companies Law

Information on Other Activities Related to the Administration and Financial Execution of the Federal Government can be found in the Financial Statements – Fiscal Year 2021 (available at [bb.com.br/ir](http://bb.com.br/ir) › Financial Information › Results Center).



### 9.2.3. Private Social Investment

Our performance in Private Social Investment is guided by a previously defined strategy and the strategic plan of Fundação Banco do Brasil (FBB), whose scope of purposes is in line with the expectations of BB's stakeholders and the communities involved, and aligned with the Company's business objectives, as defined in BB's Private Social Investment Guidelines. Currently, FBB is the main producer of our Private Social Investment.

In 1985, we created Fundação BB and, as its founder, we carried out transfers in accordance with available financial resources, limited to 5% of our operating income, as provided for in the Bylaws of Banco do Brasil, art. 29, Inc. XII, observing the tax deductibility limit of 2% of operating profit, provided for in Law No. 9,249/1995.

Article 4 of the FBB Bylaws establishes that its financial support consists of resources resulting from donations and

contributions in cash, from movable and immovable property that it may receive from individuals and companies, from funds from the execution of agreements, income from the investment of its assets and transfers from the Bank.

The transfer amounts we make to Fundação BB and the investments made are included in the BB Annual Report, in the chapter dealing with Private Social Investment and in the Financial Statements, Note 28.B – Related Party Transactions.

In 2021, we transferred R\$69.9 million to urban and rural actions in line with one of the Foundation's two axes of action: environment and education.

The objective is to contribute to improving the quality of life of people in a state of greater vulnerability, through sustainable development and the reapplication of social technologies throughout the Brazilian territory.

Additional information on Private Social Investment can be found in the Annual Report (available at [bb.com.br/ir](http://bb.com.br/ir) › Corporate Governance and Sustainability › Sustainability › Annual Report).

### 9.2.4. Investment in sports and culture

Sports sponsorships play a key social role in fostering grassroots categories. We support and hold up to one of the longest-running partnerships between a company and national sports: sponsorship of volleyball (beach and indoor).

In 2021, 10 volleyball events (beach and indoor) were held in arenas and gyms across Brazil, with a series of promotional activations, highlighting the "Arquibancasa", in which more than 5 thousand fans participated virtually in the games, as well as actions with athletes, on videoconferencing platforms, with customers from all Brazilian regions.

In addition, our sponsorship of Brazilian volleyball has social projects maintained by the Brazilian Volleyball Confederation (CBV), in which around a thousand children (between 7 and 14 years old) are assisted in 10 training centers/schools in different cities across the country.

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 2021, we celebrate the 32 years of BB's investment in culture.

Due to the covid-19 pandemic, in-person cultural activities were gradually resumed, with a reduction in attendance capacity, which led to the adaptation of projects to the virtual and/or hybrid format, as a way ensuring people's access to the arts. The projects that make up the cultural programming offered occurs are defined by public calls for selection and careful prospection in the cultural market to provide access to opportunities for all, keep transparency, and ensure quality and adherence to the CCBB's curator axis.

Still In 2021, the CCBBs hosted 109 in-person cultural initiatives, with 655,000 visitors. In the virtual environment there were 59 initiatives were viewed by over 2 million viewers.

Additional information on Investment in Sport and Culture can be found in the Annual Report (available at [bb.com.br/ri](http://bb.com.br/ri) › Corporate Governance and Sustainability › Sustainability › Annual Report).



## DECLARATION OF THE BOARD OF DIRECTORS

Banco do Brasil S.A. Board of Directors declares that approved the Annual Chart of Public Policies and Corporate Governance related to the fiscal year ended 2021, in compliance with the item I of Article 8 of Law No. 13,303/2016.

On May 3, 2022.

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Iêda Aparecida de Moura Cagni  
(Chairman)

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Walter Eustaquio Ribeiro  
(Vice Chairman)

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Aramis Sá de Andrade

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Ariosto Antunes Culau

---

Débora Cristina Fonseca

---

Fausto de Andrade Ribeiro

---

Paulo Roberto Evangelista de Lima

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Rachel de Oliveira Maia

