

## MATERIAL FACT

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Pursuant to the paragraph 4th of article 157, of Law 6,404/1976, CVM Instruction 358/2002, and in addition to the Material Fact of November 09<sup>th</sup>, 2020, Banco do Brasil SA ("BB" or "Incorporator") informs that, at Extraordinary Shareholders' Meetings ("ESM") held on this date, the shareholders of BB and Besc Distribuidora de Titulos e Valores Mobiliários SA ("Bescval" or "Incorporated") approved the incorporation of Bescval by BB, in the pursuant to article 227 of Law 6,404/1976.

2. With the incorporation approval by the ESMs, Bescval is extinguished pleno jure, as of this date, with its total equity transferred to BB, which will succeed and absorb, in a universal manner and for all legal purposes, all assets, rights, obligations, liabilities and responsibilities of the Incorporated.

3. As a result, BB's capital stock will be increased by R\$ 23,475.34 (twenty-three thousand, four hundred and seventy-five reais and thirty-four cents), corresponding to the minority shareholding in Bescval's shareholders' equity, calculated considering the book value of the Incorporated, as of June 30<sup>th</sup>, 2020. BB's Bylaws will be amended to reflect this capital stock increase.

4. The capital increase mentioned above will imply the issuance of 425 (four hundred and twenty-five) new common shares, with no par value, registered and book-entry, by the Incorporator, already considering the applicable fractions, to be attributed to the minority shareholders of Bescval in replacement to the shares issued by the Incorporated that they hold, of which 420 (four hundred and twenty) will be fully attributed and the remaining 5 (five) will be sold on the stock exchange, proportionally sharing the sale between the holders of the fractions, under the terms of article 169, paragraph 3, of Law 6,404/1976.

5. The issuance of the new shares will be preceded by the cancellation of the treasury stocks issued and held by the Bank in an equal amount, in order to avoid diluting the holdings of the current shareholders of BB and the change in the total number of shares that compose the Bank's capital stock, as informed in its Bylaws.

6. The approval of the incorporation of Bescval by BB might lead to the possibility of exercising the withdrawal right by the minority shareholders of the Incorporated, whose reimbursement amount is R\$ 0.0006077429 (approximately sixty-one hundredths of a thousandth) per share, defined by book value of Bescval.

7. In order to exercise the withdrawal right, as provided for in article 137, item II of Law 6,404/1976, Bescval's minority shareholders must expressly communicate, in writing, within 30 (thirty) days from the date of publication of the minutes of the Bescval's Extraordinary

Shareholders' Meeting that deliberated on the approval of the Protocol and Justification of the incorporation. The payment of the respective reimbursement will depend on the fulfillment of all conditions provided for in the Protocol, pursuant to article 230 of Law 6,404/1976.

8. Bescval's shares owned by BB will be extinguished, as provided in paragraph 1 of the article 226, of Law 6,404/1976. Bescval does not hold any BB's shares.

9. The minority shareholders' right to withdraw will be limited to the shares they hold and as they are registered in the Incorporated's records at the end of November 09<sup>th</sup>, 2020, and cannot be exercised in relation to shares acquired after that date, as provided in the paragraph 1, article 137, of Law 6,404/1976.

10. The incorporation of Bescval aims to rationalize and simplify BB's corporate structure and, consequently, consolidate and reduce costs and combined operating expenses.

11. The incorporation will be submitted, under the terms of the legislation in force, to the approval of the Brazilian Central Bank.

12. The procedures for exercising the right of withdrawal by the dissenting shareholders of the Incorporated will be informed in an Information to the Shareholders to be released when the minutes of Bescval's ESM are published.

Additional facts deemed relevant will be promptly disclosed to the market.

Brasília (DF), December 9th, 2020.

Carlos José da Costa André  
CFO