



## PRIVATE SOCIAL INVESTMENT GUIDELINES OF BANCO DO BRASIL

The role of Banco do Brasil in Private Social Investment (PSI) is guided from the previously defined strategy and the strategic plan of Banco do Brasil Foundation (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 business goals of the company.

The involvement of subsidiaries, affiliates and simple holding companies, that compose the BB Conglomerate, occurs to the extent that they seek to act in line with the guidelines of the multiple service bank, considering their specific requirements and the legal and regulatory aspects to which they are subject.

When acting with the communities, BB seeks to contribute effectively to generate jobs and income and to the development of the Country on a sustainable basis. Such performance must extrapolate the traditional community investment actions by directing efforts to achieve a noticeable investment and social affairs.

Donations and partnerships must be established in accordance with the policies of the Company, and the transfers to organizations or to initiatives that have political-party purpose are prohibited.

### PRIVATE SOCIAL INVESTMENT

Voluntary transfer of private resources in a planned, monitored and systematic way to social, environmental and cultural projects in the public interest. It can be leveraged by means of tax incentives granted by the Government and by allocating non-financial and intangible resources.

### FBB

Founded in 1985, it organizes its activities in order to identify and mobilize various social players in the search for effective solutions to basic aspects of the Brazilian communities, seeking to improve people's lives by promoting the social and productive inclusion, the sustainable development and social technologies.

The FBB is the main facilitator of the company’s Private Social Investment. Through mobilization, coordination, development and management of sustainable actions, it promotes social inclusion and transformation to support projects in the fields of education and environment to reapply Social Technologies (ST). As the founder of FBB, BB transfers resources according to its budgetary and financial

### SOCIAL TECHNOLOGY

Replicable products, techniques or methodologies developed by interacting with the community and that represent effective solutions to social transformation.

funds available based on criteria established in the range between 0.3% and 5% of its Operating Income in the last fiscal year closed.

The monitoring of the Private Social Investment is continuous and, besides checking the results achieved and measuring the effectiveness of the actions taken, allows identifying the

most effective ways for its implementation.

To this end, FBB has a methodology to measure the effectiveness of its programs and projects, for which it identifies the set of indicators. The process of data collection and analysis is performed through the registration of participants and evaluation form provided in an online environment, and considers:

- Ground zero assessment of the initial situation of the projects and their participants;
- Assessments of subsequent milestones, which measure the evolution of the indicators of effectiveness by comparing the collected data.

In addition to the transfers made to FBB, the Bank leverages its performance in PSI by directing part of its income tax due, via tax incentives, to projects that stimulate public policies in social initiatives, such as the guarantee of protection of the rights of children and teenagers (FIA) and the elderly (Elderly Fund) and the Programs for Cancer Care Support (Pronon) and the Health of Disabled People (Pronas/PCD), in addition to supporting cultural and sport projects and actions.

All PSI performed by BB, including those of involuntary nature, follows the integrity measures adopted by the company. The transparency of information is guaranteed through public and audited disclosure performed by the Bank, according to the guidelines of the Global Reporting Initiative (GRI).

In the context of integrated activities, Social Affairs tend to be a natural evolution of sustainable projects supported with the PSI and promote financial inclusion of the audience that meets appropriately its needs. Examples of these affairs are funding under the Microcredit for Production with Guidance (MPO), the National Family Agriculture Development Program (Pronaf), the BB Accessibility Credit, the Fund for Financing the

### SOCIAL BUSINESS

Cost-effective initiatives seeking solutions to social problems – by using market mechanisms - for the purpose of reducing socioeconomic inequalities in a sustainable way and ensuring income, productive inclusion and access to public utilities.

Higher Education Student (Fies) and the *Minha Casa Minha Vida* (Real Estate Lending) Program.

By adding social investment actions, whether they are carried out directly by Banco do Brasil Conglomerate or developed by FBB, to social affairs together, Banco do Brasil aims at sustainability and the global development of the communities in which it is inserted, contributing to the achievement of the goals established for the Sustainable Development Goals (SDG).

Thus, the Bank seeks to create a virtuous cycle, in a process of "win-win", generating value for both the community and the Bank and that can be summarized in the diagram below:

