

## Corporate Governance Code

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### 1. Introduction

1.1. Corporate governance is an organization management concept that addresses matters relating to the power of control and management of a company, as well as the forms and spheres of its practice, and to the sundry interests of an entrepreneurial nature, involving relationships between and among stockholders and other stakeholders, the Board of Directors, Senior Management, Independent Auditors and Board of Auditors.

1.2. In adopting good corporate governance practices, Banco do Brasil demonstrates that its management is committed to transparency, approval of accounts, equity and socio-environmental responsibility, supported by the use of monitoring tools that align the behavior of executives with the interest of stockholders and of the Company.

1.3. Based on this option, Banco do Brasil has been a member of the highest segment of corporate governance of the São Paulo Stock Exchange - Bovespa since 5.31.2006, when it signed the contract of adhesion to Novo Mercado.

1.4. The Corporate Governance Code presents a panoramic view allowing simplified queries of the principles and practices of Banco do Brasil, contributing to strengthen the transparency of its management, increase its institutional value and facilitate access to its capital by investors, besides contributing to its permanence.

1.5. The provisions contained in this Code were taken from documents and from resolutions regulating the Company's behavior.

1.6. This Corporate Governance Code will be updated as a result of legal or statutory alterations, and any provision that proves incompatible with future amendments of the Bylaws of Banco do Brasil or of a legal norm will be considered revoked.

### 2. Ownership

2.1. Banco do Brasil, a private law, mixed capital open joint stock company, has the Federal Government as its controlling stakeholder and Caixa de Previdência dos Funcionários do Banco do Brasil (Previ – Pension Fund of Employees) as its principal minority stockholder. The Bank's updated ownership structure, containing the interest of stockholders holding more than 5% of the capital stock, is available on the Internet on its Investor Relations page.

2.2. The capital stock of Banco do Brasil is formed exclusively by common shares, whereas each share entitles its holder to one vote in the resolutions of the Ordinary General Meeting. (Bylaws, Article 7)

### 3. Stakeholders

3.1. The corporate governance structure of Banco do Brasil guarantees the rights and the interests of majority or minority stakeholders, and their alignment with the rights of clients, employees, suppliers, the government and the community in general.

3.2. In addition to the right to vote in the resolutions of the General Meeting, Banco do Brasil also guarantees minority stakeholders the following:

3.2.1 in case of divestiture of control, the right to participate in a public offering for the acquisition of shares, organized by the acquirer of control, with treatment that is equal to that dispensed to the divesting controlling stockholder; (Bylaws, Article 54)

3.2.2 in case of going private or withdrawal from Novo Mercado of BM&FBOVESPA, the right to sell their shares to the controlling stockholder for the minimum price determined

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by specialized institution or company, chosen, in a General Meeting, by the stockholders representing the shares in circulation. (Bylaws, Article 10, Sole paragraph and Articles 55 to 57)

### 4. Shareholders General Meeting

4.1. Maximum deliberative body of the Organization, convened by the Board of Directors or, in compliance with the legal conditions, by the Board of Officers, by the Board of Auditors, by a group of stakeholders or by one stockholder individually. (Bylaws, Article 9)

4.2. In addition to the duties provided by law, the General Meeting is responsible for deciding on the total or partial divestiture of shares of the capital stock of the Bank, going public and capital increase through subscription of new shares, as well as the spin-off, merger or takeover of the company. (Bylaws, Article 10)

4.3 It is incumbent upon the General Meeting to approve the adoption by Banco do Brasil, special practices of corporate governance and execution of an agreement for this purpose, the example of the Novo Mercado of the BM&FBOVESPA. (Bylaws, Article 10)

4.4 In the Extraordinary General Meetings shall be treated exclusively matters contained in the call notice, not being allowed to include general topics. (Bylaws, Article 9)

4.5 Banco do Brasil disclosures on the internet, on its Investor Relations website on the date of the first notice, information relating to the matters the subject of the agenda of the General Meeting and sends a copy of these documents to the Stock Exchange on which its shares were traded. (Bylaws, Article 47)

### 5. Transparency

#### 5.1. Banco do Brasil:

5.1.1 bases its actions on the creation of value, the building of long-lasting relationships and on respect for the needs and expectations of its different relationship audiences;

5.1.2 enhances its credibility by the attitude of transparency, in ensuring that information is objective, clear, reliable and timely;

5.1.3 considers all information subject to disclosure, excepting that of a restricted nature, which poses a risk to the activity and the institutional image, or that is protected by law. (Code of Professional Ethics)

5.2. Banco do Brasil disclosures its Earnings to the market every quarter, informing the factors that contributed in the most relevant manner to its formation, and holds teleconferences, in Portuguese and English, with investors and market analysts. (Bylaws, Articles 42 and 43)

5.3. At least once a year, Banco do Brasil holds a public meeting with market analysts, investors and other stakeholders, to divulge information concerning its economic/financial situation, projects and prospects. (Bylaw, Article 47)

5.4. The Investor Relations website on the Internet contains the Management Report, the Financial Statements and the Management Discussion and Analysis Report with comments about factors that influenced the net income for the quarter, and also the Annual Corporate Events Calendar. Upon yearly closing, there are presented indicators and information about the environmental performance of Banco do Brasil. (Bylaws, Articles 43 and 47)

5.5. In this manner, the Bank practices the far-reaching and timely disclosure of financial and

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non-financial information about its performance, allowing interested parties to keep track of and to clearly understand the economic grounds and the results of the company.

### 6. Management

6.1. Compliance with laws and with rules, whether external or internal, is the responsibility of Senior Management, of the managers and of all the employees at all the levels of jurisdiction of the Organization.

6.2. Decisions at any level of the Company are made collectively (excepting situations in which a minimum organizational structure does not permit it). With the purpose of involving all the executives in the definition of strategies and approval of proposals for the different businesses of Banco do Brasil, Management utilizes committees, subcommittees and commissions of strategic level, which guarantee agility, quality and assurance to decision-making (General Operating Policy Directions).

6.3. The Board of Directors and the Board of Executive Officers are Management Bodies, composed by Brazilians endowed with outstanding knowledge, including on best corporate governance practices, experience, moral character, reputation and expertise consistent with the position held. (Bylaws, Art. 11)

### 7. Board of Directors

7.1. The Board of Directors is the governing body that sets the overall direction of the business of the Bank. It performs strategic, elective and supervisory duties, and does not cover operational or executive roles. It is comprised of eight members, elected among the stockholders in the General Meeting. (Bylaw, Article 18; Board of Directors Internal Regulations, Articles 2 to 4).

7.2. The Board members to be elected are appointed according to the share representation profile of the Bank, whereas minority stockholders are guaranteed the right to elect at least two of its eight members, if they are not entitled to elect a higher number by the multiple vote process. (Bylaw, Article 18, Paragraph 1).

7.3. It is incumbent upon the Federal Government to appoint up to six members in the Board of Directors, as the President of the Bank, three representatives appointed by the Minister of Finance, one representative appointed by the Minister of State for Planning, Budget and Management and one representative appointed by the employees. The President and Vice-President of the Board of Directors will be chosen among its members appointed by the Minister of Finance. (Bylaws, Article 18, Paragraphs 2 and 3)

7.4 The employees' representative will be chosen by direct vote of his peers, among active employees of the company, in an election organized and regulated by the Bank, together with the labor union which represents them. (Bylaws, Article 18, Paragraph 4)

7.5. Among the eight vacancies of the Board, at least two will be filled by Independent Board Members (meaning those defined as such in the Listing Regulation of the "Novo Mercado" of BM&FBOVESPA and the members elected by the minority stockholders). (Bylaw, Article 18, Paragraph 7)

7.6. One of the members of the Board of Directors will also comprise the Board of Auditors.

7.7. Requirements and impediments are established in respect to participation in the Board of Directors and prohibitions concerning the activity of its members, in order to protect the interests of the Company, which prevail over any personal interests. (Bylaws, Articles 11, 13 and 14)

7.8. The members of the Board of Directors have a term of office of two years, with reelection

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permitted. The management period will extend until the new members have been installed in office. (Bylaws, Article 18)

7.9. The Board of Directors meets ordinarily at least once a month with the presence of a minimum quorum of the majority of its members, and extraordinarily, whenever it is convened by its Chairman or at the request of at least two board members. (Bylaws, Article 22; Board of Directors Internal Regulations, Articles 5, item I and 8)

7.10 The Board of Directors shall hold specific meeting at least once a year without the presence of the Director who holds the position of President of Banco do Brasil, for approval of the Annual Internal Audit Activities (Paint) and Annual Report of Internal Audit Activities (Raint). (Board of Directors Internal Regulations, art. 15)

7.11. The Board of Directors decides by majority of votes, excepting for matters that, as established in the Bylaws of the Company, call for the favorable vote of at least five (5) Board Members. (Bylaws, Article 22 Paragraph 3)

7.12. The Directors, upon justification, may participate in meetings by telephone, videoconference, or other means of communication that can ensure effective participation and authenticity of their vote to be considered valid for all legal purposes and it will be included in the minutes of that meeting.

7.13. Lose the office the member of the Board who fails to attend, with or without justification, to three consecutives meetings or four alternated regular meetings during the term of office. (Bylaws, Article. 15, item I)

7.14. The Board of Directors shall, under the coordination of the President of the Board, a formal evaluation of its performance, the Chairman of the Bank performance, of the Audit Committee and the Executive Board performance, that will be realized in accordance to procedures previously established by the Board of Directors. The evaluations will be annual, except the President of the Bank which will be in each semester. (Bylaws, Article 23; Board of Directors Internal Regulations, Article 17)

### **8. Board of Executive Officers**

8.1. This Board is responsible for administration of business, and is formed by the Chairman, by the Vice-Chairmen and by the Officers.

8.2. It is responsible for complying with and enforcing compliance with the Bylaws, the decisions of the General Meeting of Shareholders and of the Board of Directors and performs the duties defined by the Board, always observing the good banking techniques and good corporate governance practices. Each of its members falls to respect and enforce the Bylaws, the decisions of the General Meeting and the Board of Directors, and the joint decisions of the Board and the Executive Board itself. (Bylaws, Articles. 28 and 30)

8.3. It will be comprised from ten to thirty-seven members (a Chairman, up to nine Vice-Chairmen and up to twenty-seven Officers), with a term of office of three years, with reelection permitted. The management period extends up to when the new members are installed in office. (Bylaw, Article 24)

8.4. The President of Banco do Brasil is appointed and can be removed from office by the President of the Republic. (Bylaw, Article 24)

8.5. The Vice-Presidents and Officers are elected by the Board of Directors, against appointment of the President of Banco do Brasil. (Bylaw, Article 30, item I "b")

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8.6. The position of Officer is occupied exclusively by active employees. (Bylaw, Article 24, Paragraph 2)

8.7. The same requirements set for members of the Management Bodies and other conditions provided in the Bylaws shall be observed for the occupancy of positions on the Board of Executive Officers. (Bylaw, Articles 11, 13 and 24, Paragraph 4)

### 9. Board of Officers

9.1. Located in the sphere of the Board of Executive Officers, it is a collegial body formed by the Chairman and by the Vice-Chairman, whose decisions are binding upon the entire Board of Executive Officers. (Bylaw, Articles 24, Paragraphs 1 and 29, Paragraph 1)

9.2. Its duties include that of proposing and enforcing the execution of policies, corporate strategies, general business plan, master plan and global budget of the Bank; approving and enforcing the execution of plans by market, budgets by senior management and the guidelines of the Bank; deciding about the internal organization of the Bank and its administrative structure; distributing and investing the income determined, in the manner resolved by the General Meeting or by the Board of Directors, in compliance with the current legislation. (Bylaw, Article 29)

### 10. Supervision and Control

10.1. To guarantee the supervision of acts of administrative management, the Bank maintains the Board of Auditors, and to help the Board of Directors to perform its supervisory duties, the Audit Committee and Remuneration Committee, as well as the Internal Audit Unit, subordinated to the Board of Directors.

### 11. Board of Auditors

11.1. This council is the supervisory body of administrative management acts; it functions permanently, with the aim to protect the interest of the Bank, due to the requirements of the public administration and the mission of the company. (Bylaws, Article 37; Board of Auditors Internal Regulations, Article 2)

11.2. It is formed by five members and respective substitutes, elected in a General Meeting, with a term of office of one year. The minority stockholders are entitled to choose two of its members. (Bylaw, Article 37)

11.3. It meets regularly once a month and, extraordinarily, whenever deemed necessary by any of its members or by the Bank Administration. (Bylaws, Article. 38; Board of Auditors Internal Regulations, Article 6). The Audit advisers take part in the meetings of the Board of Directors where matters on which they should opine, and shall participate in General Meetings to answer requests information to the shareholders. (Bylaw, Article 39)

### 12. Audit Committee

12.1. A statutory body formed in accordance with the regulations of the National Monetary Council (CMN), which has the duty, among other roles provided in the legislation, of advising the Board of Directors in the performance of its audit and inspection roles. (Bylaws, Articles 33, Paragraph 4; Audit Committee Internal Regulations, Article 2)

12.2. It is comprised of four effective members and one substitute, elected by the Board of Directors, with an annual term of office renewable up to the maximum of five years. One of whom will be chosen among the nominees of the Board of Directors elected by the minority share-

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holders and two effective members will be chosen among the nominees of the Board of Directors appointed by Federal Government. (Bylaws, Articles 21, item XI, and 33, Paragraph 1)

12.3. The same impediments provided in the Bylaws Article 13 for participation in the Management bodies will be observed for the performance of a job on the Audit Committee, in addition to the requirements established in the specific legislation. (Bylaw, Article 33, Audit Committee Internal Regulations, Article 5)

12.4. The activities of the Audit Committee are regulated by its Internal Regulations, approved by the Board of Directors. (Bylaw, Articles 21, item VII, and 33, Paragraph 4)

12.5. The Audit Committee meets ordinarily twice a month, prior to the ordinary meeting of the Board of Directors, and in minimum basis every quarter, with the Board of Directors, with the Board of Officers, with the Internal Audit Unit and with the Independent Auditors. Furthermore, it meets with the Board of Directors and with the Fiscal Council, upon their request, and extraordinarily when convened by its coordinator, or whenever considered necessary, by any one of its members or upon request from Management. (Bylaws, Article 33, Paragraph 4, item I, Audit Committee Internal Regulations, Article 9)

12.6. At least one of the members of the Audit Committee shall have proven knowledge in the areas of accounting and auditing. (Bylaws, Article 33, Paragraph 1, item III)

### 13. Remuneration Committee

13.1. A statutory body formed in accordance with the regulations of the National Monetary Council (CMN), which has the duty, among other roles provided in the legislation, of advising the Board of Directors to establish the remuneration policy of the administrators of the Bank. (Bylaws, Article 34, Paragraph 5; Remuneration Committee Internal Regulations, Article 2)

13.2. It is comprised of four members, elected by the Board of Directors, with an annual term of office renewable up to the maximum of ten years. At least one of the members of the Remuneration Committee cannot be member of the Board of Directors or of the Board of Executive Officers. (Bylaws, Articles 21, item XI, and 34, head and Paragraph 2)

13.3. The same impediments provided in the Bylaws Article 13 for participation in the Management bodies will be observed for the performance of a job on the Remuneration Committee, in addition to the requirements established in the specific legislation. The members of the Remuneration Committee shall have the qualifications and experience needed to independently assess the remuneration policy of directors. (Bylaws, Article 33, Paragraph 3; Remuneration Committee, Art. 7)

13.4. The activities of the Remuneration Committee are regulated by its Internal Regulations, approved by the Board of Directors. (Bylaw, Articles 21, item VII, and 34, Paragraph 6)

13.5. The Remuneration Committee shall meet regularly at least every six months to evaluate and propose to the Board the fixed and variable remuneration of directors of the Bank, as well as in the first three months of the year to evaluate and propose the total annual remuneration be set for members of the management bodies. It can also meet extraordinarily convened by the coordinator, if deemed necessary by any of its members or at the request of the Administration. (Bylaws, Article 34, Paragraph 6, Remuneration Committee Internal Regulations, Article 10)

### 14. Internal Audit

14.1. The Internal Audit Unit is subordinated to the Board of Directors and its incumbent is chosen among the active employees, and is appointed or removed from office by the Board of Directors. (Bylaw, Article 35)

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14.2. It is incumbent upon the Board of Directors to define the duties of the Internal Audit Unit and to regulate its activities (Bylaw, Article 21, item III), among which we emphasize the performance of audits with a focus on risks and the rendering of advice to the Board of Directors, Board of Auditors, Board of Executive Officers and Subsidiaries.

### 15. Independent Auditors

15.1. It is incumbent upon the Board of Directors to choose and remove from office the independent auditors whose activities are supervised and evaluated by the Audit Committee. (Bylaws, Articles 21, item IV, and 33, Paragraph 3, item II)

### 16. Ethics and Socio-environmental Responsibility

16.1. Banco do Brasil has ethics as a commitment and respect as an attitude in relations in relationship among the public and the environment. (General Scope of Institutional Policy)

16.2. The Letter of Socio-environmental Responsibility Principles of Banco do Brasil was prepared with the objective of internalizing the culture of economic, social and environmental sustainability in administrative and business practices of the Financial Group.

16.3. The Letter of Socio-environmental Responsibility Principles evokes respect for universal values related to human rights, principles and fundamental rights of work and principles concerning the environment and development.

16.4. Banco do Brasil also bases its actions on the following public commitments:

16.4.1 Agenda 21 – statement of commitment between Banco do Brasil and the Ministry of the Environment, in which the Bank agrees to create and to implement an action plan in favor of the sustainability of its businesses;

16.4.2 United Nations Global Pact (ONU) – an initiative developed by the United Nations (UN), with the objective of mobilizing the international business community for the promotion of essential values in the areas of human rights, work, environment and anti-corruption activities;

16.4.3. Business Letter for Human Rights and the Promotion of Decent Work - Ethos Institute initiative that commits signatory companies to respect human rights and to promote decent work in their performances, building criteria for suppliers and customers, and disseminating these principles in their value chains through gender equity, racial equity, inclusion of people with disabilities, promoting the rights of children, adolescents and young eradication of slave labor and ensuring freedom of organization;

16.4.4 Anti-Slave Labor Pact – proposed by Instituto Ethos, it is a commitment to the development of efforts aimed at dignifying and modernizing labor relations in productive chains;

16.4.5 Caring for Climate - additional platform in commitment to the Global Compact with the United Nations Program for the Environment - PNUMA and to the World Business Council for Sustainable Development, aiming to advance solutions to climate change through energy efficiency improvements to reduce carbon emissions, minimizing risks and identifying opportunities of climate change in the company's business, and engagement of government, society and value chains to establish joint initiatives;

16.4.6. World Water Council - international multi-stakeholder platform created by experts in water supply and sanitation from various organizations interested in the subject

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and concerned about the issue of shortage of water resources in all the global community, to promote the conservation, protection, development, planning, management in the use of water, in all its dimensions in an environmentally sustainable for the benefit of all life on Earth;

16.4.7. Business Pact for Integrity and Against Corruption - an initiative of the Ethos Institute, the United Nations Program for Development, PNUD, the United Nations Office against Drugs and Crime, UNODC and the Brazilian Committee of the Global Pact, whose signatories assume a public commitment to spread good practices in business ethics that can eradicate corruption from the list of strategies for achieving economic results. The companies' signatories of this Pact make part of the project "Clean Company";

16.4.8. Women 's Empowerment Principles - a joint initiative of the United Nations Fund for the Development of Women - UNIFEM with the UN Global Pact, which provides for actions to establish high-level corporate leadership for gender equality, promote education, training and professional development for women, measure and publicly report on progress to achieve gender equality;

16.4.9. Equator Principles - a voluntary commitment to financial institutions to adopt a set of environmental policies and guidelines (safeguards) of the World Bank and the International Finance Corporation in the analysis of investment projects in project finance;

16.4.10. Green Protocol - principles assumed voluntarily by Brazilian official banks, which propose to undertake policies and practices that are in harmony with sustainable development.

16.4.11. In line with the principles of environmental responsibility set out in its general and specific policies and the public commitments, Banco do Brasil considers in its lending and investment practices its guidelines for sustainable in the sectors of agribusiness, energy, construction and mining.

16.5. Other relevant information can be accessed on the internet on the page about the Environmental Responsibility of Banco do Brasil.

### 17. Conduct and Conflict of Interests

17.1. In the orientation of the behavior of the employees of Banco do Brasil, they use as referential the principles contained in the General Policies and Specific Policies documents, approved by the Board of Directors, as well as the Code of Ethics. In addition to these referential, the members of the Board of Executive Officers and of the Board of Directors also submit to the contents of the Code of Conduct of Federal Senior Management.

17.2. To prevent the use of privileged information by the officers, the By-laws establish self-regulation procedures (Bylaw, Article 17), which are ruled by Specific Policies of Disclosure of Material Fact or Event of Banco do Brasil and of Trading with Securities Issued by Banco do Brasil.

17.3. There are mechanisms earmarked for the receipt of claims, accusations, suggestions and complements from clients and from citizens (Ombudsman Banco do Brasil) and from employees (Internal Ombudsman Dept.), which help in the monitoring of compliance with the rules related to ethics and to conduct.

17.4. Upon the occurrence of conflicts and controversies between or among the Bank, its stakeholders, officers and members of the Board of Auditors, related to the corporate governance practices, the arbitration resource is utilized, according to the rules of the Arbitration Panel of the Market of Bovespa. (Bylaws, Article 52)



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17.5. In addition to the requirements, demands and prohibitions established on participation in the Board of Directors and Board of Auditors, in the Board of Executive Officers and in the Audit Committee, aiming to mitigate possible conflicts of interest, the Bylaws of the Bank also provide the following rules of segregation of duties for structuring of the Management bodies (Bylaws, Article 32):

17.5.1 Senior managements or units responsible for the risk management cannot be under direct supervision of a Senior Vice-President to which an Officer responsible for any other administrative or negotiable activity, except in cases of recovery of receivables and compliance.

17.5.2 Senior managements or units responsible for the credit risk analysis activities cannot be under the direct supervision of a Senior Vice-President to which an Officer responsible for the credit or guarantee concession activities is associated, excepting in cases of recovery of receivables;

17.5.3 The Seniors Vice-Presidents, Officers or any persons in charge of the management of own funds of the Bank cannot manage third party funds.

17.6 The transactions with related parties are disclosed on the Investor Relations website, through a summary of the contracts with Related Parties and of the Financial Statements Notes.

Source: Strategy and Organization Directorship