

(A free translation of the original in Portuguese)

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***China Construction  
Bank (Brasil)  
Banco Múltiplo S.A.  
and its subsidiaries***

***Parent company and consolidated  
financial statements at  
December 31, 2021  
and independent auditor's report***



(A free translation of the original in Portuguese)

## ***Independent auditor's report on the parent company and consolidated financial statements***

To the Board of Directors and Shareholders  
China Construction Bank (Brasil) Banco Múltiplo S.A.

### **Opinion**

We have audited the accompanying parent company financial statements of China Construction Bank (Brasil) Banco Múltiplo S.A. ("Bank"), which comprise the balance sheet as at December 31, 2021 and the statements of income, comprehensive income, changes in shareholders' equity and cash flows for the six-month period and year then ended, as well as the accompanying consolidated financial statements of China Construction Bank (Brasil) Banco Múltiplo S.A. and its subsidiaries ("Consolidated"), which comprise the consolidated balance sheet as at December 31, 2021 and the consolidated statements of income, comprehensive income and cash flows for the six-month period and year then ended, and notes to the financial statements, including significant accounting policies and other explanatory information.

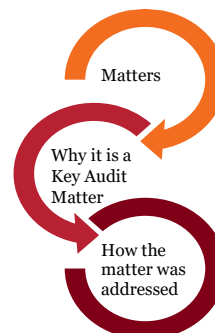
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of China Construction Bank (Brasil) Banco Múltiplo S.A. and of China Construction Bank (Brasil) Banco Múltiplo S.A. and its subsidiaries as at December 31, 2021, and the Bank's financial performance and cash flows, as well as the consolidated financial performance and cash flows, for the six-month period and year then ended, in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN).

### **Basis for opinion**

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the parent company and consolidated financial statements" section of our report. We are independent of the Bank and its subsidiaries in accordance with the ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the parent company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



China Construction Bank (Brasil) Banco Múltiplo S.A.

Why it is a Key Audit Matter	How the matter was addressed in the audit
<p><b>Allowance for expected credit risk loss - (Notes 3 (f), 8 and 11) - Bank and Consolidated</b></p> <p>The determination of the amount of the allowance for expected credit risk loss is an area that requires judgment and the use of a set of considerations by management.</p> <p>In this process, loans operations are classified according to the level of risk, considering several assumptions and factors, including the counterparty's financial situation, the default levels, realization of guarantees, as well as the legal and regulatory standards of Resolution nº 2,682 of National Monetary Council (CMN) and subsequent changes made by BACEN.</p> <p>Considering all those aspects, as well as the significance of the amounts involved, this is a critical estimation area that continues to be defined as a focus in our audit.</p>	<p>Our procedures considered, among others, the update of our understanding and testing of the relevant internal controls related to credit granting and its corresponding risk analysis and approval of the counterparty.</p> <p>We analyzed the criteria describe in the Bank's internal policies and used by management to determine the credit risk of the operations, as well as (i) recalculated the provisions based on those risk attributions and default levels and (ii) validated the completeness of the database extracted from the underlying systems used as basis for recalculating the provision.</p> <p>We also performed other tests in compliance with the requirements of CMN Resolution nº 2,682, as well as evaluating the aspects related to the disclosure in the explanatory notes.</p> <p>We considered that the criteria and assumptions adopted by management in the determination and recording of the allowance for expected credit risk loss are reasonable and consistent with the information analyzed in our audit.</p>
<p><b>Tax credits (Notes 3 (j) and 14(a)) - Bank and Consolidated</b></p> <p>The China Construction Bank (Brasil) Banco Múltiplo S.A. and its subsidiaries recorded tax credits arising from temporary differences, income tax and social contribution losses, based on a study of the taxable profit projections regarding the realization of these tax credits. The taxable income projection involves judgments and assumptions of a subjective nature established by management based on a study of the current and future scenarios, according to specific requirements of the National Monetary Council and the Brazilian Central Bank.</p> <p>Considering that the use of different assumptions in the future taxable profit projection could</p>	<p>Our procedures considered the update of our understanding of the process of determination and recording of the tax credits in accordance with the tax and accounting standards.</p> <p>With the support of our specialists, we have analyzed the consistency of the relevant assumptions used in the study of tax credit realization with the macroeconomic data disclosed in the market, when applicable, as well as the methodology used to estimate the taxable profits, and the logical and arithmetic consistency of the calculations.</p>



China Construction Bank (Brasil) Banco Múltiplo S.A.

Why it is a Key Audit Matter	How the matter was addressed in the audit
significantly modify the terms expected for the realization of the tax credits, with consequent accounting impact, this is an area of critical estimation that continues to be defined as a focus in our audit.	<p>We discussed with management and confirmed the approval of the technical study that supports the realization of the tax credits by the appropriate management bodies.</p> <p>Based on the audit procedures results and in the context of the inherent uncertainties of realization of the amounts registered as tax credits, we consider that the assumptions adopted by management are reasonable and consistent with the information analyzed in our audit.</p>

### Information technology environment

China Construction Bank (Brasil) Banco Múltiplo S.A. and its subsidiaries are dependent on their technology structure to manage and generate information used to process their operations and, consequently, to prepare the financial statements.

Therefore, if the technology structure and the respective general controls are not adequate, there could be an incorrect processing of critical information for decision-making or for their own operations.

Therefore, the information technology environment continues to be considered as an area of focus in our audit.

Our procedures considered, among others, the update of our understanding and testing of the information technology environment, including the automated controls or those dependent of technology relevant to the preparation of the financial statements.

With the support of our specialists, the main procedures performed involved tests of controls related to information security, linked to the processes of management and development of systemic changes, security of accesses to programs and databases, physical security of the data processing center, including access management and segregation of duties.

We considered that the information technology environment and the controls established by management have provided a reasonable basis to support the main business processes, which provide information used in the preparation of the financial statements.

### Other information accompanying the parent company and consolidated financial statements and the auditor's report

The Bank's management is responsible for the other information that comprises the Management Report.

Our opinion on the parent company and consolidated financial statements does not cover the Management Report, and we do not express any form of audit conclusion thereon.



China Construction Bank (Brasil) Banco Múltiplo S.A.

In connection with the audit of the parent company and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of management and those charged with governance for the parent company and consolidated financial statements**

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Management is responsible for the preparation and fair presentation of these parent company and consolidated financial statements in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company and consolidated financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Bank and its subsidiaries.

### **Auditor's responsibilities for the audit of the parent company and consolidated financial statements**

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Our objectives are to obtain reasonable assurance about whether the parent company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the parent company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Bank and its subsidiaries.



China Construction Bank (Brasil) Banco Múltiplo S.A.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, March 30, 2022

PricewaterhouseCoopers  
Auditores Independentes Ltda.  
CRC 2SP000160/O-5

Melissa Tuxen Wisnik  
Contadora CRC 1SP221490/O-0

## **Management report**

**Dear shareholders,**

The management of China Construction Bank (Brasil) Banco Múltiplo S.A. ("CCB Brasil" or "Bank") submits, for your analysis, the Management Report and the corresponding Financial Statements, along with the Independent Auditor's report, with unqualified opinion, and the Audit Committee's report, related to the year ended on December 31, 2021. The remarks presented here, except when emphasized differently, are demonstrated on a consolidated basis covering their subsidiaries and in domestic currency (Reais – R\$). The financial statements portrayed are in accordance with the standards of the Central Bank of Brazil (BACEN).

### **Impacts of the Coronavirus Pandemic (COVID-19)**

#### **a) General Context**

As since the beginning of the pandemic period in 2020, the year 2021 presented intense challenges, especially in view of the economic impacts that the pandemic has had on the market as a whole. CCB Brasil has been carrying out extensive work, aiming to improve work processes and methodologies to adapt to this challenging scenario.

The context experienced during the year 2021 provided important decisions to follow the guidelines of the CCB Brasil, which are in line with the measures of national and international health authorities. Among them, the health care of employees and their families, employees and partners stands out, as well as the maintenance of CCB Brasil's activities and operational procedures, in addition to supporting customer support, aiming at the best result for all.

#### **b) Impact on business for the year of 2021**

Faced with the challenges generated in the year, the strategy of strengthening the loan portfolio was maintained, while supporting our customers. In this way, performance guidelines for customers were adapted and used intensively in 2021, in line with the intense monitoring of the loan portfolio. As a result, the quality of the portfolio in the corporate segment and in medium-sized companies (which represents 88.6% of the loan portfolio) contributed to the little effect on the deterioration of the corporate portfolio, compared to market expectations.

CCB Brasil took a series of measures during this year to minimize the negative effects of the crisis arising from the pandemic. Among them are the creation of frequent credit committees and constant monitoring of all customers; maintenance of the more restrictive criteria for granting new credits already adopted at the beginning of the pandemic; more detailed assessment of the most relevant economic sectors of the credit portfolio customers, with disclosure through reports to the bank's business areas; in addition to following the guidelines of regulatory bodies and the Head Office.

CCB Brasil maintained a conservative stance, with the criteria adopted at the beginning of the pandemic, continuing with the maximum age level of the customer for granting payroll loans (which was reduced at the beginning of the pandemic period), in addition to periodic reviews and adjustments in retail credit granting policies.

The consolidated NPL (non-performing loans) ratios, comprising the loan portfolio classified between risk levels D and H, continue to be well controlled, demonstrating a positive performance in terms of the quality of the corporate portfolio. The consolidated portfolio on December 31, 2021 presented 4.1% of NPL, while on December 31, 2020 4.9%.

### **Performance for the year**

The year of 2021 positively reflected the measures adopted by the Bank in the previous year, which proposed to improve the quality of assets and, at the same time, adjust the Bank's operational structure to obtain better efficiency in the organization.

At the end of second half of 2021, loan operations reached R\$ 10,402.4 million, decrease of 0.2%, comparing to the previous year. The portion of credits rated AA-C (range of lower risk credits) remained stable compared to the same period of the previous year, representing 95.9% of the total portfolio (95.1% in December 2020).

In relation to Funding, we observed a decrease of 10.5% in funding in reais in this year. Time deposits reached R\$ 5,112.5 million, a decrease of 8.0% over December of 2020. The funds issued, composed of LCAs, LFs and LCIs, totaled R\$ 544.6 million, a decrease of 21.4% compared to December 31, 2020.

As of December 31, 2021, Head Office represented 30.1% (29.2% in 2020) of total funding of R\$ 15,232.3 million related to funds obtained in the market, borrowings and onlendings and debt instruments eligible to capital. It is worth noting that the Head Office has provided its Subsidiary with adequate funding to maintain the continuity of its operational activities and adhering to market rate conditions. In effect, the Head Office's funds, which are usually available for terms of 360 days, have been systematically renewed.

The gross result of consolidated financial intermediation for the year ended on December 31, 2021 reached R\$ 428.6 million, a decrease compared to the result obtained in the year ended on December 31, 2020, R\$ 543.5 million.

In the year ended December 31, 2021, current expenditures that include administrative and personnel expenses totaled R\$ 285.4 million, an increase of 5.2% compared to the year ended December 31, 2020.

The consolidated net loss for the year ended on December 31, 2021 was R\$ 6.1 million (2020 – loss of R\$ 475.9 million).

On December 31, 2021, consolidated shareholders' equity reached R\$ 1,107.2 million and the Basel ratio was 16.05%.

### **Human resources and service points**

The Bank ended 2021 with 343 employees and nine service points.

### **Final comments**

We would like to thank our shareholders, clients and suppliers for their support and trust concerning our management, and also our employees for their valuable contribution.

(Disclosure authorized at the meeting of the Board of Directors on March 30, 2022).



Balance sheet on December 31  
(In thousands of reais)

Assets	Note	Bank		Consolidated	
		12/31/2021	12/31/2020	12/31/2021	12/31/2020
<b>Currents and non currents</b>					
<b>Financial instruments</b>		<b>16,710,735</b>	<b>16,462,728</b>	<b>16,758,744</b>	<b>16,557,290</b>
Cash and cash equivalents		348,045	168,495	348,220	168,559
Interbank funds applied	5	1,659,407	1,263,746	1,503,597	887,890
Securities	6.b	4,056,353	4,884,623	4,056,353	4,884,623
Derivatives	7.f	46,230	98,570	46,230	98,570
Credit Portfolio and leasing operations	8.a	9,013,325	9,006,816	9,227,735	9,517,523
Foreign exchange operations	9	1,465,962	1,075,652	1,465,962	1,075,652
Other financial instruments	10	499,982	451,729	516,361	462,636
Allowance for expected loss to credit risk	11	(378,569)	(486,903)	(405,714)	(538,163)
<b>Non-financial assets held for sale</b>	12	<b>110,881</b>	<b>169,144</b>	<b>112,512</b>	<b>171,948</b>
Cost		230,104	311,487	234,415	318,684
Provision for impairment		(119,223)	(142,343)	(121,903)	(146,736)
<b>Investments</b>		<b>352,253</b>	<b>335,354</b>	<b>412</b>	<b>645</b>
Investments in domestic subsidiaries	13	351,843	334,710	-	-
Other investments		410	644	412	645
<b>Property and equipment</b>		<b>11,871</b>	<b>20,174</b>	<b>12,205</b>	<b>21,158</b>
Cost		111,991	111,746	116,373	116,127
Accumulated depreciation		(98,501)	(90,063)	(102,549)	(93,460)
Provision for impairment		(1,619)	(1,509)	(1,619)	(1,509)
<b>Intangible</b>		<b>1,131</b>	<b>1,970</b>	<b>1,142</b>	<b>1,988</b>
Cost		23,599	22,306	130,979	129,686
Accumulated amortization		(22,468)	(20,336)	(129,837)	(127,698)
<b>Tax Assets</b>		<b>1,262,258</b>	<b>1,341,495</b>	<b>1,331,952</b>	<b>1,412,227</b>
Taxes to be offset		5,766	10,741	19,603	31,925
Tax credits	14.a	875,830	950,092	931,687	999,640
Presumed - Law nº 12.838/13	14.b	380,662	380,662	380,662	380,662
<b>Other Assets</b>	15	<b>55,800</b>	<b>74,560</b>	<b>55,956</b>	<b>76,200</b>
<b>Total assets</b>		<b>18,504,929</b>	<b>18,405,425</b>	<b>18,272,923</b>	<b>18,241,456</b>

The Management's accompanying notes are an integral part of these individual and consolidated financial statements.

## Balance sheet on December 31

(In thousands of reais)

(continued)

Liabilities	Note	Bank		Consolidated	
		12/31/2021	12/31/2020	12/31/2021	12/31/2020
<b>Current and non current</b>					
<b>Financial instruments</b>		<b>15,876,367</b>	<b>15,871,564</b>	<b>15,598,004</b>	<b>15,563,794</b>
Funds obtained in the market	16	9,704,550	10,368,069	9,452,681	10,113,956
Borrowings and onlendings	17	4,830,936	4,352,900	4,830,936	4,352,900
Derivatives	7.f	37,883	82,233	37,883	82,233
Foreign exchange operations	9	243,903	112,856	243,903	112,856
Debt instruments eligible to capital	18	948,685	892,897	948,685	892,897
Other financial instruments	20	110,410	62,609	83,916	8,952
<b>Provisions</b>	21	<b>1,092,985</b>	<b>1,084,874</b>	<b>1,141,549</b>	<b>1,131,744</b>
<b>Tax liabilities</b>		<b>326,900</b>	<b>283,338</b>	<b>337,671</b>	<b>332,355</b>
Current Taxes		28,405	18,173	32,226	28,191
Deferred Taxes	14.c	215,802	182,883	222,752	221,882
Presumed Taxes - Law nº 12.838/13	14.b	82,693	82,282	82,693	82,282
<b>Other liabilities</b>	24	<b>81,858</b>	<b>99,593</b>	<b>88,484</b>	<b>103,285</b>
<b>Total liabilities</b>		<b>17,378,110</b>	<b>17,339,369</b>	<b>17,165,708</b>	<b>17,131,178</b>
<b>Shareholders equity</b>					
Share Capital	25.a	2,956,864	2,956,864	2,956,864	2,956,864
Treasury shares	25.b	(55,105)	(55,105)	(55,105)	(55,105)
Accumulated losses		(1,774,358)	(1,832,035)	(1,793,962)	(1,787,813)
Capital reserve		899	899	899	899
Other comprehensive income		(1,481)	(4,567)	(1,481)	(4,567)
<b>Total shareholders' equity</b>		<b>1,126,819</b>	<b>1,066,056</b>	<b>1,107,215</b>	<b>1,110,278</b>
<b>Total liabilities and shareholders' equity</b>		<b>18,504,929</b>	<b>18,405,425</b>	<b>18,272,923</b>	<b>18,241,456</b>

The Management's accompanying notes are an integral part of these individual and consolidated financial statements.

# Statement of Income

Years and semester ended on December 31

(In thousands of reais, except for losses per capital share)

	Note	Bank			Consolidated		
		2nd Half 2021	12/31/2021	12/31/2020	2nd Half 2021	12/31/2021	12/31/2020
<b>Income from financial intermediation</b>		<b>1,250,623</b>	<b>1,427,718</b>	<b>3,018,319</b>	<b>1,228,174</b>	<b>1,368,842</b>	<b>3,084,124</b>
Loan and lease operations	27	663,115	846,138	1,878,480	646,795	797,838	1,973,180
Results from Interbank funds applied and securities	28	187,551	266,228	247,123	181,422	255,652	218,228
Derivatives	29	215,535	165,533	352,273	215,535	165,533	352,273
Foreign exchange results	30	184,422	149,819	540,443	184,422	149,819	540,443
<b>Financial intermediation expenses</b>		<b>(989,757)</b>	<b>(958,206)</b>	<b>(2,561,529)</b>	<b>(978,687)</b>	<b>(940,286)</b>	<b>(2,540,643)</b>
Borrowings and onlendings	32	(519,357)	(364,145)	(1,573,543)	(519,357)	(364,145)	(1,573,543)
Funds obtained in the market	33	(293,351)	(427,000)	(282,398)	(285,719)	(417,245)	(278,181)
Debt instruments eligible to capital	34	(173,621)	(159,406)	(252,956)	(173,621)	(159,406)	(252,956)
Subordinated debt	19	-	-	(438,896)	-	-	(438,896)
Other financial intermediation expenses	31	(3,428)	(7,655)	(13,736)	10	510	2,933
<b>Gross profit (loss) from financial intermediation before expected credit loss</b>		<b>260,866</b>	<b>469,512</b>	<b>456,790</b>	<b>249,487</b>	<b>428,556</b>	<b>543,481</b>
Provision for expected loss to credit risk	11	(489)	(19,369)	(398,734)	2	(18,027)	(382,871)
<b>Net profit (loss) from financial intermediation</b>		<b>260,377</b>	<b>450,143</b>	<b>58,056</b>	<b>249,489</b>	<b>410,529</b>	<b>160,610</b>
<b>Other operating income (expenses)</b>		<b>(166,878)</b>	<b>(305,644)</b>	<b>(259,410)</b>	<b>(198,113)</b>	<b>(368,162)</b>	<b>(331,048)</b>
Service revenues	35	22,330	44,622	55,825	22,461	44,875	56,135
Personnel expenses	36	(82,502)	(168,579)	(147,882)	(89,601)	(182,269)	(163,187)
Other administrative expenses	37	(43,804)	(83,052)	(84,018)	(53,413)	(103,148)	(108,178)
Other operating income	38	13,454	18,305	143,036	18,230	30,182	156,698
Other operating expenses	39	(49,867)	(80,043)	(124,076)	(59,955)	(95,322)	(143,172)
Equity in the results of subsidiaries	13	4,521	17,946	17,314	(696)	(519)	(230)
Provision / reversal for contingent liabilities	22.a	(30,366)	(54,046)	(107,574)	(34,495)	(61,164)	(117,079)
Provisions for guarantees provided		(644)	(797)	(12,035)	(644)	(797)	(12,035)
<b>Operating result</b>		<b>93,499</b>	<b>144,499</b>	<b>(201,354)</b>	<b>51,376</b>	<b>42,367</b>	<b>(170,438)</b>
Other non operating income (expenses)		15,995	27,729	2,467	16,706	30,481	3,602
(Provision) for impairment of assets not for own use		(9,484)	(9,484)	(40,278)	(9,702)	(10,077)	(43,418)
<b>Non operating result</b>	40	<b>6,511</b>	<b>18,245</b>	<b>(37,811)</b>	<b>7,004</b>	<b>20,404</b>	<b>(39,816)</b>
<b>Profit (loss) before taxes</b>		<b>100,010</b>	<b>162,744</b>	<b>(239,165)</b>	<b>58,380</b>	<b>62,771</b>	<b>(210,254)</b>
Income tax and social contribution	14.d	-	-	(5,888)	(250)	(2,211)	(13,192)
Deferred taxes	14.d	(64,969)	(105,067)	(215,444)	(51,387)	(66,709)	(252,432)
<b>Net Profit (Loss) for semester/years</b>		<b>35,041</b>	<b>57,677</b>	<b>(460,497)</b>	<b>6,743</b>	<b>(6,149)</b>	<b>(475,878)</b>
<b>Amount of shares (thousand)</b>		<b>459,233</b>	<b>459,233</b>	<b>459,233</b>	<b>459,233</b>	<b>459,233</b>	<b>459,233</b>
<b>Basic and diluted profit (loss) per share - R\$</b>		<b>0.08</b>	<b>0.13</b>	<b>(1.00)</b>	<b>0.01</b>	<b>(0.01)</b>	<b>(1.04)</b>

The Management's accompanying notes are an integral part of these individual and consolidated financial statements.

Statement of comprehensive income  
Years and semester ended on December 31  
(In thousands of reais)

	Bank			Consolidated		
	2nd Half 2021	12/31/2021	12/31/2020	2nd Half 2021	12/31/2021	12/31/2020
Net Profit (Loss) for the semester/years	<u>35,041</u>	<u>57,677</u>	<u>(460,497)</u>	<u>6,743</u>	<u>(6,149)</u>	<u>(475,878)</u>
Other comprehensive results which will be reclassified subsequently for net income (loss)	<u>3,830</u>	<u>3,086</u>	<u>(4,833)</u>	<u>3,830</u>	<u>3,086</u>	<u>(4,833)</u>
Securities available for sale						
Change in fair value	6,964	5,611	(8,747)	6,964	5,611	(8,747)
Deferred taxes	(3,134)	(2,525)	3,914	(3,134)	(2,525)	3,914
Comprehensive profit (loss) for the semester/years	<u>38,871</u>	<u>60,763</u>	<u>(465,330)</u>	<u>10,573</u>	<u>(3,063)</u>	<u>(480,711)</u>

The Management's accompanying notes are an integral part of these individual and consolidated financial statements.

## Statement of changes in shareholders' equity

Years and semester ended on December 31

(In thousands of reais)

	Capital reserves					Total
	Share Capital	Treasury Share	Goodwill of the issues of shares	Other Comprehensive Income	Accumulated Loss	
<b>Balance at January 1, 2020</b>	<b>2,956,864</b>	<b>(55,105)</b>	<b>899</b>	<b>266</b>	<b>(1,371,538)</b>	<b>1,531,386</b>
Other comprehensive results	-	-	-	(4,833)	-	(4,833)
Net Loss for the year	-	-	-	-	(460,497)	(460,497)
<b>Balance at December 31, 2020</b>	<b>2,956,864</b>	<b>(55,105)</b>	<b>899</b>	<b>(4,567)</b>	<b>(1,832,035)</b>	<b>1,066,056</b>
<b>Variation in the year</b>	-	-	-	(4,833)	(460,497)	(465,330)
<b>Balances at January 1, 2021</b>	<b>2,956,864</b>	<b>(55,105)</b>	<b>899</b>	<b>(4,567)</b>	<b>(1,832,035)</b>	<b>1,066,056</b>
Other comprehensive results	-	-	-	3,086	-	3,086
Net profit of the year	-	-	-	-	57,677	57,677
<b>Balances at December 31, 2021</b>	<b>2,956,864</b>	<b>(55,105)</b>	<b>899</b>	<b>(1,481)</b>	<b>(1,774,358)</b>	<b>1,126,819</b>
<b>Variation in the year</b>	-	-	-	3,086	57,677	60,763
<b>Balances at July 1, 2021</b>	<b>2,956,864</b>	<b>(55,105)</b>	<b>899</b>	<b>(5,311)</b>	<b>(1,809,399)</b>	<b>1,087,948</b>
Other comprehensive results	-	-	-	3,830	-	3,830
Net profit of the semester	-	-	-	-	35,041	35,041
<b>Balances at December 31, 2021</b>	<b>2,956,864</b>	<b>(55,105)</b>	<b>899</b>	<b>(1,481)</b>	<b>(1,774,358)</b>	<b>1,126,819</b>
<b>Variation in the semester</b>	-	-	-	3,830	35,041	38,871

The Management's accompanying notes are an integral part of these individual and consolidated financial statements.

## Statement of cash flows

Years and semester ended on December 31

(In thousands of reais)

Cash flow from operating activities	Note	Bank			Consolidated		
		2nd Half 2021	12/31/2021	12/31/2020	2nd Half 2021	12/31/2021	12/31/2020
<b>Net Profit (Loss) for the semester/years</b>		<b>35,041</b>	<b>57,677</b>	<b>(460,497)</b>	<b>6,743</b>	<b>(6,149)</b>	<b>(475,878)</b>
<b>Adjustments to the Profit (Loss)</b>		<b>38,485</b>	<b>107,461</b>	<b>542,833</b>	<b>33,437</b>	<b>91,692</b>	<b>593,639</b>
Provision for expected loss to credit risk	11	489	19,369	398,734	(2)	18,027	382,871
Monetary update of judicial deposits	38	(6,153)	(8,350)	(7,777)	(6,287)	(8,511)	(7,867)
Provision for contingent liabilities	22.a	30,366	54,046	107,574	34,495	61,164	117,079
Provision for loans linked to credit operations	32	(10,622)	(4,793)	(31,948)	(10,622)	(4,793)	(31,948)
Borrowings writ-offs Resolution 2,921/02	17	-	-	(173,448)	-	-	(173,448)
Other operating provisions		10,128	10,281	52,313	10,346	10,874	55,453
Depreciation and amortization	37	5,021	10,570	16,009	5,326	11,227	16,721
Tax credits and Deferred tax liabilities	14	64,969	105,067	215,444	51,387	66,709	252,432
Equity in the results of subsidiaries	13	(4,521)	(17,946)	(17,314)	696	519	230
Loss on sales of property and equipment		-	-	(1)	-	-	(1)
Loss (Gain) on sales of assets held for sale	40	(15,560)	(27,152)	(2,923)	(16,270)	(29,893)	(4,053)
Exchange variations on cash and cash equivalents		(35,632)	(33,631)	(13,830)	(35,632)	(33,631)	(13,830)
<b>Adjusted Profit</b>		<b>73,526</b>	<b>165,138</b>	<b>82,336</b>	<b>40,180</b>	<b>85,543</b>	<b>117,761</b>
Decrease (increase) in interbank funds applied		110,169	377,783	384,418	1,142	1,928	(82)
Decrease (increase) in Securities		496,627	833,881	(102,974)	496,627	833,881	(91,991)
Decrease in derivatives		28,640	7,990	393,899	28,640	7,990	393,899
Decrease (increase) in credit portfolio and leasing operations		(154,074)	(134,442)	(1,124,968)	(34,546)	138,603	(829,660)
(Increase) decrease in foreign exchange portfolio - assets		(213,743)	(390,310)	431,303	(213,743)	(390,310)	431,303
Increase in foreign exchange portfolio - liabilities		64,087	131,047	95,088	64,087	131,047	95,088
(Increase) in other financial instruments - assets		(187,318)	(377,788)	(588,253)	(220,898)	(474,949)	(747,185)
(Decrease) increase in funds obtained in the market		(558,275)	(663,519)	1,530,915	(553,797)	(661,275)	1,535,795
Income tax and social contribution paid		(52)	(52)	-	(1,402)	(3,959)	(5,488)
Interest payment		(24,378)	(55,945)	(150,980)	(24,378)	(55,945)	(150,980)
Contingencies payment	22.a	(25,858)	(42,036)	(38,785)	(28,833)	(47,810)	(43,698)
Interest received		187,072	352,956	640,779	225,776	461,782	793,958
(Decrease) in other liabilities		(6,580)	(12,148)	(71,916)	(4,426)	(11,152)	(81,741)
(Decrease) increase in other financial instruments - liabilities		48,935	47,801	(54,010)	61,005	74,964	1,994
Dividends received	13.a	-	979	-	-	-	-
Interest on own capital received	13.b	-	8,500	-	-	-	-
<b>Net cash provided by (used in) operating activities</b>		<b>(161,222)</b>	<b>249,835</b>	<b>1,426,852</b>	<b>(164,566)</b>	<b>90,338</b>	<b>1,418,973</b>
<b>Cash flow from investing activities</b>							
Sales of assets not for own use		43,060	76,505	21,664	44,080	80,305	29,453
Acquisition and sale of property and equipment		(245)	(245)	2,188	(246)	(246)	2,188
Acquisition of intangible assets		(420)	(1,293)	(1,429)	(420)	(1,293)	(1,428)
<b>Net cash provided by investing activities</b>		<b>42,395</b>	<b>74,967</b>	<b>22,423</b>	<b>43,414</b>	<b>78,766</b>	<b>30,213</b>
<b>Cash flow from financing activities</b>							
Increase in borrowings and onlending resources		6,989,914	13,147,777	19,867,590	6,989,914	13,147,777	19,867,590
(Decrease) in subordinated debts	19	-	-	(1,110,499)	-	-	(1,110,499)
Increase (decrease) debt instruments eligible to capital	18	(410,272)	55,788	200,342	(410,272)	55,788	200,342
Repayment of borrowings		(6,721,667)	(12,609,004)	(19,956,346)	(6,721,667)	(12,609,004)	(19,956,346)
<b>Net cash provided by (used in) financing activities</b>		<b>(142,025)</b>	<b>594,561</b>	<b>(998,913)</b>	<b>(142,025)</b>	<b>594,561</b>	<b>(998,913)</b>
<b>Increase (decrease) in cash and cash equivalents</b>		<b>(260,852)</b>	<b>919,363</b>	<b>450,362</b>	<b>(263,177)</b>	<b>763,665</b>	<b>450,273</b>
Cash and cash equivalents at the beginning of the semester/years	4	2,229,068	1,050,854	586,662	2,075,759	1,050,918	586,815
Exchange variations on cash and cash equivalents		35,632	33,631	13,830	35,632	33,631	13,830
Cash and cash equivalents at the end of the semester/years	4	2,003,848	2,003,848	1,050,854	1,848,214	1,848,214	1,050,918
<b>Increase (decrease) in cash and cash equivalents</b>		<b>(260,852)</b>	<b>919,363</b>	<b>450,362</b>	<b>(263,177)</b>	<b>763,665</b>	<b>450,273</b>

The Management's accompanying notes are an integral part of these individual and consolidated financial statements.

**Notes to the individual and consolidated financial statements**

In thousands of reais - R\$, unless otherwise indicated.

**1. OPERATIONS**

China Construction Bank (Brasil) Banco Múltiplo S.A. ("CCB Brasil"), headquartered at Avenida Brigadeiro Faria Lima, 4.440, São Paulo - SP, Brazil, is a privately-held corporation controlled by CCB Brasil Financial Holding - Investimentos Participações Ltda., a member of the China Construction Bank Corporation group, headquartered in the People's Republic of China and authorized by BACEN (the Central Bank of Brazil) to operate as a Multiple Bank to develop its operations through the following portfolios: commercial, investments, real estate loans and foreign exchange.

Through subsidiaries, it operates throughout the national territory in the markets: lease, credit, financing and investments, distribution of securities and credit card administration, and has a 50% stake in a joint venture aimed at operations in the Factoring and Forfaiting market.

**2. PRESENTATION OF FINANCIAL STATEMENTS**

**a) Presentation of financial statements**

Individual financial statements of China Construction Bank (Brasil) Banco Múltiplo S.A. - CCB Brasil, including overseas facilities, and consolidated financial statements of China Construction Bank (Brasil) Banco Múltiplo S.A. - CCB Brasil and subsidiaries have been prepared based on Brazilian accounting policies applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN) and provided for in the Brazilian Corporate Law - Law 6,404/76 as amended by Laws 11,638/07 and 11,941/09 together with rules and instructions of the National Monetary Council - CMN and BACEN, and evidence all relevant information specific to the financial statements, and only those, which are consistent with those used by Management in its management.

CMN Resolution No. 4,818/20 and BACEN Resolution No. 02/20 of BACEN established general criteria and procedures for the preparation and disclosure of financial statements. BCB Resolution No. 2/20, revoked Bacen Circular No. 3,959/19 and became effective as of January 1, 2021, being applicable in the preparation, disclosure and remittance of the financial statements from December 31, 2020. This standard, among other requirements, determined the separate disclosure in an explanatory note of recurring and non-recurring results (note 42).

We emphasize that, according to option provided for in Article 23 of BCB Resolution 02/2020, CCB Brasil chose to present Balance Sheet accounts in decreasing order of liquidity and enforceability, with no separation between current and non-current, the segregation of which is presented in the explanatory notes.

Management declares that disclosures in the Bank's individual and consolidated financial statements show all relevant information used in its management and that accounting policies have been applied consistently from one presented period to another.

The issue of financial statements was approved by the Board of Directors on March 30, 2022.

**b) Consolidated financial statements**

For preparation of consolidated financial statements, balance sheet balances and results from transactions between group companies were eliminated.

Direct and indirect subsidiaries in consolidation scope are as follows:

**Notes to the individual and consolidated financial statements**

In thousands of reais - R\$, unless otherwise indicated.

<b>Investment</b>	<b>%</b>
CCB Brasil Arrendamento Mercantil S.A.	100
CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A.	100
CCB Brasil Informática S.A.	100
CCB Brasil Administradora de Cartões de Crédito Ltda.	100
CCB Brasil S.A. Crédito, Financiamentos e Investimentos	100
CCB Brasil Promotora de Vendas Ltda.	100
CCB Brasil Cobrança Ltda.	100

Conciliation of income and shareholders' equity of CCB Brasil (BANK) x CCB Brasil (CONSOLIDATED).

	<b>2nd Half 2021</b>	<b>12/31/2021</b>	<b>12/31/2020</b>
<b>Income (loss) for the year (Bank)</b>	<b>35,041</b>	<b>57,677</b>	<b>(460,497)</b>
Retail portfolio hedge accounting (net of tax effects)	(24,070)	(62,252)	(14,973)
Provision for loans granted to subsidiary CCB Brasil Financeira	(4,228)	(1,574)	(408)
<b>Consolidated income (loss) for the year (Consolidated)</b>	<b>6,743</b>	<b>(6,149)</b>	<b>(475,878)</b>

	<b>12/31/2021</b>	<b>12/31/2020</b>
<b>Shareholders' equity for the years (Bank)</b>	<b>1,126,819</b>	<b>1,066,056</b>
Retail portfolio hedge accounting (net of tax effects)	(20,881)	41,371
Provision for loans granted to subsidiary CCB Brasil Financeira	1,277	2,851
<b>Shareholders' equity for the years (Consolidated)</b>	<b>1,107,215</b>	<b>1,110,278</b>

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### a) Functional currency

The financial statements are presented in Reais, the functional and presentation currency of CCB Brasil. Monetary assets and liabilities denominated in foreign currencies were translated into Reais at the foreign exchange rate ruling on the balance sheet closing date disclosed by Central Bank of Brazil, and the foreign exchange differences arising on translation were recognized in the income (loss) for the year.

For foreign branch abroad whose transactions are carried out in foreign currency – as, in essence, it is an extension of Brazilian activities with no significant autonomy, functional currency determined according to criteria established by CMN Resolution 4,524/16 is the Brazilian Real; assets and liabilities are translated at exchange rate prevailing on balance sheet date, and income (loss) is translated at foreign exchange rate on transaction date. Adjustments deriving from translation are recorded as a contra-entry to income for the year.

#### b) Cash and cash equivalents

Cash and cash equivalents are represented by cash and cash equivalents in local and foreign currency, which are readily convertible into a known amount of cash, money market repurchase commitments, and interbank deposits,



**Notes to the individual and consolidated financial statements**

In thousands of reais - R\$, unless otherwise indicated.

whose maturity of the operations on the date of the effective investment is equal to or shorter than 03 months and present insignificant risk of fair value change, in case of redemption in advance.

**c) Interbank funds applied**

Are shown at cost of investment or acquisition, plus income accrued up to the balance sheet date.

**d) Securities**

As established by BACEN Circular Letter 3,068/01, securities are classified as follows and evaluated:

- **Trading securities** - securities acquired for the purpose of being frequently and actively negotiated, adjusted to market value with the corresponding entry to the results for the year.
- **Securities available for sale** - Securities that are not for trading or held to maturity, which are adjusted to market value with the corresponding entry to a separate account in shareholders' equity, reduced for any tax effects.
- **Securities held to maturity** - Securities in which Management declares the intention and financial capacity to be held in portfolio until maturity, valued at acquisition cost, plus income with the corresponding entry to the income (loss) for the year.

**e) Derivative financial instruments**

Evaluation is carried out based on market value and resulting valuations and devaluations are recorded in income (loss) for the year.

**f) Loan portfolio and provision for expected credit risk loss**

Loan portfolio includes operations related to loan, lease, advances on foreign exchange contracts and other loans with credit granting characteristics. It is stated at present value, considering indices, interest rate and agreed charges and calculated on a pro rata day basis up to balance sheet date. For transactions overdue for more than 60 days, recognition in revenues will only occur when they are actually received.

For the determination of provisions for expected credit losses, loan operations are classified according to the level of risk, taking into consideration the economic panorama, past experience and specific risks in relation to the operations, to obligators and guarantors, among others, financial status among parties, default levels, expected future cash flows, amounts estimates of recovery and realization of guarantees, observing the parameters established by CMN Resolution 2,682/99, which requires the periodic analysis of the portfolio and its rating at nine levels, ranging from AA (minimum risk) to H (potential loss) and Management's judgment, as shown in Note 8.d – Breakdown of portfolio per levels of risk.

Notes to the individual and consolidated financial statements

In thousands of reais - R\$, unless otherwise indicated.

**g) Credit assignment**

A financial asset is written-off when rights in cash flow agreement expire or when financial asset is sold or transferred.

As established in CMN Resolution 3,533/08, sale or transfer of a financial asset is classified in three categories:

- **Operations with substantial transfer of risks and rewards:** transactions in which seller or assignor substantially transfer all property risks and benefits of the financial asset that is the object of the transaction such as: (I) unconditional sale of financial asset; (II) sale of financial asset together with repurchase option at fair value of that asset at the time of repurchase; and (III) sale of financial asset together with call or put option whose exercise is improbable. In this category, asset that is the object of assignment is written off at transaction time and income is recognized in profit or loss through transfer of financial assets.

- **Operations with substantial retention of the risks and rewards:** transactions in which seller or assignor does not substantially retain all property risks and benefits of the financial asset that is the object of the transaction such as: (I) sale of financial asset together with commitment to repurchase the same asset at a fixed price or at sales price plus earnings; (II) loan agreements for securities; (III) sale of financial asset together with total return rate swap that transfers exposure to market risk back to seller or assignor; (IV) sale of financial asset together with call or put option whose exercise is improbable; and (V) sale of receivables for which the seller or assignor guarantees that will use any way to compensate buyer or assignee for credit losses that may occur, or whose sale occurred together with acquisition of subordinated quotas of the buyer's Credit Right Investment Fund (FIDC). In this category, asset that is the object of assignment is kept in accounting books and a liability in favor of the assignee is recognized for the assignment value. Assets continue generating positive results income and liabilities generate expenses at the rate applied on assignment. These amounts are recorded in financial assets' transfer revenue account (assets) and financial assets' transfer expense account (liabilities) over the term of assigned transactions.

- **Operations without transfer or substantial retention of risks and rewards:** transactions in which seller or assignor does not substantially transfer neither retains all property risks and benefits of the financial asset that is the object of the transaction. The Bank does not work with this category.

Evaluation of transfer or retention of property risks and benefits of financial assets is conducted based on consistent criteria liable to verification, with the methodology of comparing exposure, before and after sale or transfer, with expected variation of present value of cash flow associated to the financial asset discounted at proper market interest rate.

**h) Non-financial assets held for sale**

Non-financial assets held for sale include the book value of individual items, or groups of assets for disposal or items making part of a business unit destined to disposal ("Discontinued Operations"), the sale of which in their present condition is highly and which shall probably occur within one year as of the base date of financial information. They are generally measured for the lower between the fair value less the sale cost and the book value on the date in which they are classified in such category. They are not depreciated, provided that they remain in such category.

Notes to the individual and consolidated financial statements

In thousands of reais - R\$, unless otherwise indicated.

i) **Investments in domestic subsidiaries**

Investments in domestic subsidiaries are valued under the equity method.

j) **Tax assets and liabilities**

Income tax and social contribution are calculated on accounting income adjusted under the tax legislation, at rates of 15%, plus an additional 10% above a certain limit for income tax and 15% on income before from the deduction of income tax for social contribution until February 2020, pursuant to Law No. 13,169/15 and, as of March 2020, the Bank started to adopt the rate of 20%, pursuant to Constitutional Amendment No. 103/19. The controlled companies maintained the 15% rate.

The stock of tax credits and deferred tax liabilities recorded on December 31, 2021 and 2020 were calculated considering the rate in effect on the date of realization.

As of July 2021, in accordance with Law No. 14,183/2021, the social contribution of financial institutions was increased by 5% until December 31, 2021.

k) **Financial instruments recorded in current and non-current liabilities**

They are stated at known or estimated amounts, including, where applicable, charges and inflation adjustments (on a pro rata basis) and exchange-rate change earned.

l) **Provisions, contingent assets and liabilities and legal obligations - taxes and social security**

The recognition, measurement and disclosure of contingent liabilities and legal obligations are carried out in accordance with the criteria set forth by CVM Resolution 3,823/09.

- **Contingent assets:** are not recognized in accounting books, except when there is a favorable final court decision, and such assets are characterized as practically certain. Assets with probable likelihood of success are only disclosed in notes. CCB Brasil does not have contingent assets with probable likelihood of success.
- **Provisions:** are recognized when the Management, advised by the legal advisors' opinion, evaluates if the chance of loss is probable. Cases for which an unfavorable outcome is regarded as possible are only disclosed in the note.
- **Contingent liabilities** according to CPC 25, the term "contingent" is used for liabilities and assets that are not recognized, as their existence will only be confirmed by the occurrence or non-occurrence of one or more future and uncertain events, not fully under the control of the Entity. The term "contingent liability" is used for liabilities that do not satisfy the recognition criteria, as they are considered possible losses, and should only be disclosed in notes, when material. Obligations classified as remote are not accrued or disclosed; and
- **Legal obligations:** these are recognized and provided for in the balance sheet, regardless of the evaluation of the likelihood of a favorable outcome.

## Notes to the individual and consolidated financial statements

In thousands of reais - R\$, unless otherwise indicated.

## m) Accounting estimates

The preparation of financial statements complies with accounting policies adopted in Brazil, applicable to institutions authorized to operate by the Central Bank of Brazil and requires that Management uses its judgment in determining and recording accounting estimates. Significant items subject to these estimates and assumptions include: The evaluation of realization of the credit portfolio for calculation of allowance for doubtful accounts, the technical studies to estimate the periods for realization of tax credits, the evaluation of contingencies, liabilities and respective provisions, and evaluation of non-financial asset impairment loss and evaluation of market value of financial instruments and derivatives.

The settlement of the transactions and the respective book balances determined using estimates may present differences, due to inaccuracies inherent in the process. CCB Brasil reviews the estimates and assumptions at least semi-annually.

## 4. CASH AND CASH EQUIVALENTS

	BANK		CONSOLIDATED	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Cash and cash equivalents	348,045	168,495	348,220	168,559
Money market repurchase commitments	1,499,994	733,997	1,499,994	733,997
Interbank deposit investments	155,809	-	-	-
Investments in foreign currencies	-	148,362	-	148,362
<b>Total</b>	<b>2,003,848</b>	<b>1,050,854</b>	<b>1,848,214</b>	<b>1,050,918</b>

## 5. INTERBANK FUNDS APPLIED

	BANK		CONSOLIDATED	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Money market repurchase commitments	1,499,994	733,997	1,499,994	733,997
Interbank deposit investments	159,413	381,387	3,603	5,531
Investments in foreign currencies	-	148,362	-	148,362
<b>Total</b>	<b>1,659,407</b>	<b>1,263,746</b>	<b>1,503,597</b>	<b>887,890</b>

	BANK		CONSOLIDATED	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Current	1,659,407	1,262,638	1,503,597	886,782
Non-current	-	1,108	-	1,108
<b>Total</b>	<b>1,659,407</b>	<b>1,263,746</b>	<b>1,503,597</b>	<b>887,890</b>

## Notes to the individual and consolidated financial statements

In thousands of reais - R\$, unless otherwise indicated.

## 6. SECURITIES

## a) Operation policy

Destination of securities is evaluated upon acquisitions, and formed portfolio is evaluated upon half-annual balance sheet.

## b) Securities portfolio by category and type

12/31/2021								
	BANK							CONSOLIDATED
	Up to 90 days	91 - 360 days	Total current	Non-current	Total account amount	Adjusted cost	Market value	Total account amount
<b>Securities available for sale</b>	<b>633,462</b>	<b>1,189,617</b>	<b>1,823,079</b>	<b>2,141,691</b>	<b>3,964,770</b>	<b>3,967,462</b>	<b>3,964,770</b>	<b>3,964,770</b>
Own portfolio (*)	50,666	15,732	66,398	241,447	307,845	308,200	307,845	307,845
Financial Treasury								
Bills	50,666	15,732	66,398	241,447	307,845	308,200	307,845	307,845
<b>Subject to purchase and sale agreements</b>	<b>356,738</b>	<b>1,071,050</b>	<b>1,427,788</b>	<b>1,806,565</b>	<b>3,234,353</b>	<b>3,236,525</b>	<b>3,234,353</b>	<b>3,234,353</b>
Financial Treasury								
Bills	356,738	1,071,050	1,427,788	1,806,565	3,234,353	3,236,525	3,234,353	3,234,353
<b>Related to guarantees provided (**)</b>	<b>226,058</b>	<b>102,835</b>	<b>328,893</b>	<b>93,679</b>	<b>422,572</b>	<b>422,737</b>	<b>422,572</b>	<b>422,572</b>
Financial Treasury								
Bills	226,058	102,835	328,893	93,679	422,572	422,737	422,572	422,572
<b>Securities held to maturity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>91,583</b>	<b>91,583</b>	<b>91,583</b>	<b>91,583</b>	<b>91,583</b>
Own portfolio	-	-	-	91,583	91,583	91,583	91,583	91,583
Quotas - FIDC	-	-	-	91,583	91,583	91,583	91,583	91,583
<b>Total</b>	<b>633,462</b>	<b>1,189,617</b>	<b>1,823,079</b>	<b>2,233,274</b>	<b>4,056,353</b>	<b>4,059,045</b>	<b>4,056,353</b>	<b>4,056,353</b>

(\*) Terms are assigned based on nominal maturity without considering public securities' high liquidity.

(\*\*) Book balance includes R\$ 421,438 in Bank and Consolidated referring to margin deposited in guarantee of transactions with derivative financial instruments, R\$ 651 in Bank and Consolidated referring to lawsuits and R\$ 483 in Bank and Consolidated referring to other guarantees.

12/31/2020								
	BANK							CONSOLIDATED
	Up to 90 days	91-360 days	Total current	Non-current	Total account amount	Adjusted cost	Market value	Total account amount
<b>Securities available for sale</b>	<b>398,526</b>	<b>611,054</b>	<b>1,009,580</b>	<b>3,791,369</b>	<b>4,800,949</b>	<b>4,809,252</b>	<b>4,800,949</b>	<b>4,800,949</b>
Own portfolio (*)	8,456	58,347	66,803	869,818	936,621	937,968	936,621	936,621
Financial Treasury								
Bills	8,456	58,347	66,803	869,818	936,621	937,968	936,621	936,621
<b>Subject to purchase and sale agreements</b>	<b>390,070</b>	<b>281,757</b>	<b>671,827</b>	<b>2,868,031</b>	<b>3,539,858</b>	<b>3,546,573</b>	<b>3,539,858</b>	<b>3,539,858</b>
Financial Treasury								
Bills	390,070	281,757	671,827	2,868,031	3,539,858	3,546,573	3,539,858	3,539,858

## Notes to the individual and consolidated financial statements

In thousands of reais - R\$, unless otherwise indicated.

Related to guarantees provided (**)	-	270,950	270,950	53,520	324,470	324,711	324,470	324,470
Financial Treasury								
Bills	-	270,950	270,950	53,520	324,470	324,711	324,470	324,470
Securities held to maturity	83,674	-	83,674	-	83,674	83,674	83,674	83,674
Own portfolio	83,674	-	83,674	-	83,674	83,674	83,674	83,674
Quotas - FIDC	83,674	-	83,674	-	83,674	83,674	83,674	83,674
<b>Total</b>	<b>482,200</b>	<b>611,054</b>	<b>1,093,254</b>	<b>3,791,369</b>	<b>4,884,623</b>	<b>4,892,926</b>	<b>4,884,623</b>	<b>4,884,623</b>

(\*) Terms are assigned based on nominal maturity without considering public securities' high liquidity.

(\*\*) Book balance includes R\$ 321,890 in Bank and Consolidated referring to margin deposited in guarantee of transactions with derivative financial instruments, R\$ 2,118 in Bank and Consolidated referring to lawsuits and R\$ 462 in Bank and Consolidated referring to other guarantees.

Public securities are registered with BACEN's Special Settlement and Custody System (SELIC) and FIDC quotas are held in custody by custodian institutions indicated by Fund Administrator.

Government bonds' market value was determined based on unit prices disclosed by ANBIMA on balance sheet date and investment fund quotas by the quota value on the date of balance sheet disclosed by the Fund's administrator.

## 7. DERIVATIVE FINANCIAL INSTRUMENT PORTFOLIO

### a) Policy of use

Due to *Paul Volcker* Rule, applicable to the CCB Group on a global basis, transactions of CCB Brasil's trading portfolio are restricted to derivative transactions with customers and must always be hedged. In current year and or the purpose of mitigating market risk deriving from mismatches between the Conglomerate's assets and liabilities, CCB Brasil traded traditional and non-complex derivatives (plain vanilla) aiming at meeting clients' needs mainly, always with respective hedges. It also used this instrument to hedge exposure of banking portfolio to interest rates.

### b) Protection against Exchange Rate Exposures

CCB Brasil carries out Swap, NDF (currency term) and Futures Market transactions to hedge obligations with securities issued abroad and foreign currency funding received. Therefore, it is possible to protect the Bank from the risk of currency and exchange coupon change to which such transactions are naturally subject to, and thus, protect it from unexpected impacting changes through economic and accounting hedge, when applicable.

### c) Portfolio Protection with Fixed Rates

CCB Brasil adopts the strategy of acquiring DI futures contracts, evaluating amount allocated per credit portfolio term and amount allocated per DI futures contracts' maturities. Bearing in mind that credit portfolio, which is the object of hedge, is distributed between the companies (Bank and Financial Institution), and in turn, future contracts are all concentrated in the Bank, determination of fair value hedge of this relationship was applied only in consolidated balance sheet. Hedge coverage is daily monitored and assessed on a quarterly basis for the purpose of maintaining accounting hedge and making it effective. It complies with criteria that consider total portfolio less

**Notes to the individual and consolidated financial statements**

**In thousands of reais - R\$, unless otherwise indicated.**

delayed payments and prepayment. The Bank's Treasury assesses the need to buy or sell new DI futures contracts to offset adjustment to market value of hedge object and guarantee hedge effectiveness ranging 80–125%, considering relationship between market change of protected layer, designated hedge object and market change of DI futures contracts.

**d) Risk management**

CCB Brasil operates with derivative financial instruments as part of a list of services provided to its customers and to meet its own needs in connection with the management of market risks, arising basically from normal mismatches between currencies, interest rates, indices, and terms of its asset and liability transactions.

The main risk factors for derivatives assumed on December 31, 2021 were related to exchange rate, interest rate and dollar coupon, which aim maximizing risk and return ratios, even in situations of high volatility. Portfolios' risk management control is carried out using metrics VaR (trading portfolio), EVE and NII (banking portfolio), Profitability and Liquidity Risk.

**e) Measurement criteria of market value**

In order to obtain market values, the following criteria were adopted:

- **Term and Futures Contracts:** quotations in Stock exchanges; and
- **Swap:** cash flow of each of its parties is estimated discounted to present value, according to corresponding interest curves obtained based on prices of B3 S.A. - Brasil, Bolsa, Balcão, and/or on public securities' market prices for Brazilian transactions, and on prices of international exchanges for transactions carried out abroad, when applicable.

**f) Recognition of amounts**

The balances arising from these transactions are recorded in offset and equity accounts, pursuant to specific rule of the BACEN.

In terms of accounting, the financial instruments are classified according to the intention of Management of using them as hedge instruments or not, according to the BACEN Circular Letter 3,082/02 and subsequent updates.

Operations that use financial instruments carried out upon a request from clients, or that do not fulfill the protection criteria (especially derivatives utilized to manage global risk exposure up to December 31, 2021), are recorded at market value, with realized and unrealized gains and losses, recorded directly in the statement of income.

Specifically, for the market value hedge, the financial assets and liabilities, and the related financial instruments are stated at market values including gains and losses, realized and unrealized, and recognized directly to the statement of income.

Notes to the individual and consolidated financial statements  
In thousands of reais - R\$, unless otherwise indicated.

The outstanding derivative financial instruments on December 31, 2021 have the following characteristics:

BANK AND CONSOLIDATED							Reference value				
							Net position of assets' and (liabilities) contracts				
	Current	Non-current	Differential receivable	Current	Non-current	Differential payable	Falling due up to 03 months	Falling due 03-12 months	Total current	Non-current	Total
<b>Swap contracts</b>											
Interbank market	1,829	7,842	9,671	18,224	10,100	28,324	12,085	144,840	156,925	478,111	635,036
Foreign currency	1,798	5,758	7,556	208	2,775	2,983	(19,089)	(176,329)	(195,418)	(478,111)	(673,529)
Fixed rate	511	-	511	1,054	-	1,054	7,004	31,489	38,493	-	38,493
<b>Subtotal</b>	<b>4,138</b>	<b>13,600</b>	<b>17,738</b>	<b>19,486</b>	<b>12,875</b>	<b>32,361</b>	-	-	-	-	-
Adjustment to market value	831	7,154	7,985	450	(1,752)	(1,302)	-	-	-	-	-
<b>Total</b>	<b>4,969</b>	<b>20,754</b>	<b>25,723</b>	<b>19,936</b>	<b>11,123</b>	<b>31,059</b>	-	-	-	-	-
<b>Forward contracts/Non-deliverable forwards - NDF</b>											
Forward purchase/NDF	7,670	7,566	15,236	5,676	227	5,903	326,065	286,802	612,867	116,135	729,002
Forward sale/NDF	5,271	-	5,271	921	-	921	314,339	60,972	375,311	-	375,311
<b>Subtotal</b>	<b>12,941</b>	<b>7,566</b>	<b>20,507</b>	<b>6,597</b>	<b>227</b>	<b>6,824</b>	-	-	-	-	-
<b>Total</b>	<b>17,910</b>	<b>28,320</b>	<b>46,230</b>	<b>26,533</b>	<b>11,350</b>	<b>37,883</b>	-	-	-	-	-
<b>Futures contracts (*)</b>											
Purchase - Interbank market	113	-	113	-	-	-	61,795	267,682	329,477	107,779	437,256
Sale - Interbank market	-	-	-	400	-	400	(169,382)	(318,886)	(488,268)	(657,668)	(1,145,936)
Buy - DDI - For. cur. coupon	-	-	-	64,507	-	64,507	568,485	2,271,652	2,840,137	296,616	3,136,753
Sale - DDI - For. cur. coupon	3,568	-	3,568	-	-	-	(25,621)	(147,432)	(173,053)	-	(173,053)
Purchase - Foreign currency	43	-	43	19,003	-	19,003	922,168	-	922,168	-	922,168
Sale - Foreign currency	64,714	-	64,714	-	-	-	(3,148,812)	-	(3,148,812)	-	(3,148,812)
<b>Total</b>	<b>68,438</b>	<b>-</b>	<b>68,438</b>	<b>83,910</b>	<b>-</b>	<b>83,910</b>					

(\*) Amounts payable and amounts receivable from futures contracts are presented under captions Other financial instruments – Assets (Note 10) and Other financial instruments – Liabilities (note 20).

The outstanding derivative financial instruments on December 31, 2020 have the following characteristics:

BANK AND CONSOLIDATED							Reference value				
							Net position of assets' and (liabilities) contracts				
	Current	Non-current	Differential receivable	Current	Non-current	Differential payable	Falling due up to 03 months	Falling due 03-12 months	Total current	Non-current	Total
<b>Swap contracts</b>											
Interbank market	3,047	3,051	6,098	8	872	880	75,048	14,221	89,269	5,005	94,274
Foreign currency	31,256	39,367	70,623	16,312	34,000	50,312	(89,040)	(53,387)	(142,427)	(5,005)	(147,432)
Fixed rate	827	-	827	-	-	-	13,992	39,166	53,158	-	53,158
<b>Subtotal</b>	<b>35,130</b>	<b>42,418</b>	<b>77,548</b>	<b>16,320</b>	<b>34,872</b>	<b>51,192</b>	-	-	-	-	-
Adjustment to market value	962	2,336	3,298	(826)	1,498	672	-	-	-	-	-
<b>Total</b>	<b>36,092</b>	<b>44,754</b>	<b>80,846</b>	<b>15,494</b>	<b>36,370</b>	<b>51,864</b>	-	-	-	-	-
<b>Forward contracts/Non-deliverable forwards - NDF</b>											
Forward purchase/NDF	10,674	1,782	12,456	28,647	1,018	29,665	312,111	348,171	660,282	41,184	701,466
Forward sale/NDF	5,268	-	5,268	704	-	704	315,265	67,872	383,137	-	383,137
<b>Subtotal</b>	<b>15,942</b>	<b>1,782</b>	<b>17,724</b>	<b>29,351</b>	<b>1,018</b>	<b>30,369</b>	-	-	-	-	-
<b>Total</b>	<b>52,034</b>	<b>46,536</b>	<b>98,570</b>	<b>44,845</b>	<b>37,388</b>	<b>82,233</b>					
<b>Futures contracts (*)</b>											
Purchase - Interbank market	42	-	42	7	-	7	36,495	310,734	347,229	51,255	398,484
Sale - Interbank market	17	-	17	664	-	664	(415,790)	(214,966)	(630,756)	(1,070,498)	(1,701,254)
Buy - DDI - For. cur. coupon	228	-	228	3,331	-	3,331	383,089	1,498,342	1,881,431	-	1,881,431
Sale - DDI - For. cur. coupon	937	-	937	134	-	134	(498,003)	(262,938)	(760,941)	(53,669)	(814,610)
Purchase - Foreign currency	236	-	236	4,313	-	4,313	1,756,936	-	1,756,936	-	1,756,936
Sale - Foreign currency	3,880	-	3,880	474	-	474	(1,871,734)	-	(1,871,734)	-	(1,871,734)
<b>Total</b>	<b>5,340</b>	<b>-</b>	<b>5,340</b>	<b>8,923</b>	<b>-</b>	<b>8,923</b>					

(\*) Amounts payable and amounts receivable from futures contracts are presented under captions Other financial instruments – Assets (Note 10) and Other financial instruments – Liabilities (note 20).



## Notes to the individual and consolidated financial statements

In thousands of reais - R\$, unless otherwise indicated.

Swap and NDF transactions are registered at B3 S.A. - Brasil, Bolsa, Balcão, adjustments referring to receivable or payable differences are recognized in an asset or liability account, respectively, as a contra-entry to revenues or expenses. Transactions in “futures market” are registered at the B3 S.A. - Brasil, Bolsa, Balcão, daily appropriate/paid adjustments are accounted for as revenue or expense.

Amount of margins deposited as collateral for transactions involving derivative financial instruments are comprised as follows:

BANK AND CONSOLIDATED					
Title	Maturity	12/31/2021		12/31/2020	
		Fair value	Book value	Fair value	Book value
LFT	03/01/2022	225,576	225,576	269,455	269,455
LFT	09/01/2022	102,183	102,183	25,888	25,888
LFT	03/01/2023	27,763	27,763	-	-
LFT	09/01/2024	65,916	65,916	26,547	26,547
		<b>421,438</b>	<b>421,438</b>	<b>321,890</b>	<b>321,890</b>

## g) Hedge accounting

## Credit Transaction for Individuals

CCB Brasil has payroll loan portfolios for civil servants and retirees, and vehicle financing transactions. Loans are granted at fixed rates, exposing CCB Brasil to market risk arising from changes in interbank deposits (CDI) reference rate, index in which CCB Brasil's cost of funding and risk management are controlled. Thus, to cover fixed rate risk to CDI fluctuations, beginning as of January 2017, the Bank's treasury acquires DI futures contracts considering the ratio between quantities x maturities that offsets effect from hedge object adjustment to market value; and effects of this fair value hedge structure are recognized exclusively in consolidated financial statements.

12/31/2021	Hedged object		Hedge instrument		
	Carrying value	Fair value	Ineffective value	Nominal value	Changes in amount recognized in income (loss)
Interest rate risk	Assets	Assets			
Loans transactions	900,521	862,554	106	1,111,307	(38,073)

12/31/2020	Hedged object		Hedge instrument		
	Carrying value	Fair value	Ineffective value	Nominal value	Changes in amount recognized in income (loss)
Interest rate risk	Assets	Assets			
Loan transaction	1,379,522	1,454,742	10,036	1,555,731	65,184

## Notes to the individual and consolidated financial statements

In thousands of reais - R\$, unless otherwise indicated.

## 8. CREDIT AND LEASE PORTFOLIO

## a) Breakdown per type of operation

	BANK		CONSOLIDATED	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Export financing	3,880,974	3,289,695	3,880,974	3,289,695
Working capital and discounts	2,774,837	2,986,839	2,774,837	2,994,105
Payroll loans	1,012,135	1,562,843	1,172,263	2,031,727
Import financing	550,477	399,422	550,477	399,422
Rural and agribusiness financing	459,037	252,607	459,037	252,607
Loan operations subject to assignment (*)	24,968	50,065	-	-
Debtors in purchase of assets	18,751	36,744	18,751	36,744
Vehicle financing	11,658	56,332	19,348	71,987
Other	280,488	372,269	281,435	373,361
<b>Loans</b>	<b>9,013,325</b>	<b>9,006,816</b>	<b>9,157,122</b>	<b>9,449,648</b>
Leases	-	-	70,613	67,875
<b>Total loan operations and lease</b>	<b>9,013,325</b>	<b>9,006,816</b>	<b>9,227,735</b>	<b>9,517,523</b>
Advances on exchange contracts (**)	1,174,669	906,075	1,174,669	906,075
<b>TOTAL</b>	<b>10,187,994</b>	<b>9,912,891</b>	<b>10,402,404</b>	<b>10,423,598</b>

(\*) Refers to payroll loans granted with co-obligation to CCB Financeira and recognized as Payroll loans in consolidated (Note 8.f).

(\*\*) Advance on foreign exchange contracts are recognized in balance sheets under "Liabilities - Foreign exchange transactions" (Note 9) plus income receivable on advances granted, which are under "Assets - Foreign exchange transactions" (Note 9).

## b) Diversification by sector of activity

	BANK		CONSOLIDATED	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
<b>Private sector</b>	<b>9,133,998</b>	<b>8,276,783</b>	<b>9,204,611</b>	<b>8,344,658</b>
Industry	4,588,133	3,893,408	4,595,189	3,898,598
Trade	2,635,654	2,200,942	2,648,052	2,209,659
Other services	1,626,946	1,904,217	1,678,105	1,958,185
Agribusiness	283,265	278,216	283,265	278,216
<b>Individuals</b>	<b>1,053,996</b>	<b>1,636,108</b>	<b>1,197,793</b>	<b>2,078,940</b>
<b>Total</b>	<b>10,187,994</b>	<b>9,912,891</b>	<b>10,402,404</b>	<b>10,423,598</b>

## c) Diversification per periods – per installment

	BANK				CONSOLIDATED			
	12/31/2021	%	12/31/2020	%	12/31/2021	%	12/31/2020	%
Past due as of 15 days	25,546	0.25	51,654	0.52	30,518	0.29	59,145	0.57
Up to 3 months	1,995,952	19.59	2,017,673	20.35	2,035,983	19.57	2,074,028	19.89
03–12 months	3,786,138	37.16	4,094,678	41.31	3,884,816	37.35	4,229,777	40.58
<b>Total current</b>	<b>5,807,636</b>	<b>57.00</b>	<b>6,164,005</b>	<b>62.18</b>	<b>5,951,317</b>	<b>57.21</b>	<b>6,362,950</b>	<b>61.04</b>
<b>Non-current</b>	<b>4,380,358</b>	<b>43.00</b>	<b>3,748,886</b>	<b>37.82</b>	<b>4,451,087</b>	<b>42.79</b>	<b>4,060,648</b>	<b>38.96</b>
<b>Total</b>	<b>10,187,994</b>	<b>100</b>	<b>9,912,891</b>	<b>100</b>	<b>10,402,404</b>	<b>100</b>	<b>10,423,598</b>	<b>100</b>

Notes to the individual and consolidated financial statements

In thousands of reais - R\$, unless otherwise indicated.

## d) Breakdown of portfolio per levels of risk

12/31/2021						
Risk level	BANK			CONSOLIDATED		
	Calculation basis	% (*)	Provision	Calculation basis	% (*)	Provision
AA	3,592,023	35.26	-	3,560,770	34.23	-
A	3,764,534	36.95	18,822	3,954,746	38.02	19,774
B	2,330,486	22.88	23,305	2,355,701	22.65	23,557
C	104,288	1.02	3,129	105,490	1.01	3,164
D	18,750	0.18	1,875	19,101	0.18	1,910
E	44,062	0.43	13,218	44,807	0.43	13,442
F	6,855	0.07	3,428	7,222	0.07	3,611
G	40,679	0.40	28,475	47,703	0.46	33,392
H	286,317	2.81	286,317	306,864	2.95	306,864
<b>Total</b>	<b>10,187,994</b>	<b>100</b>	<b>378,569</b>	<b>10,402,404</b>	<b>100</b>	<b>405,714</b>

(\*) Percentage of credit portfolio per rating over total portfolio.

12/31/2020						
Risk level	BANK			CONSOLIDATED		
	Calculation basis	% (*)	Provision	Calculation basis	% (*)	Provision
AA	2,566,450	25.89	-	2,641,730	25.35	-
A	3,472,031	35.03	17,360	3,829,983	36.74	19,150
B	2,320,838	23.41	23,208	2,336,113	22.41	23,361
C	1,090,065	11.00	32,702	1,100,003	10.55	33,000
D	8,717	0.09	872	9,086	0.09	909
E	30,100	0.30	9,030	30,293	0.29	9,088
F	14,113	0.14	7,056	14,417	0.14	7,208
G	46,340	0.47	32,438	55,087	0.53	38,561
H	364,237	3.67	364,237	406,886	3.90	406,886
<b>Total</b>	<b>9,912,891</b>	<b>100</b>	<b>486,903</b>	<b>10,423,598</b>	<b>100</b>	<b>538,163</b>

(\*) Percentage of credit portfolio per rating over total portfolio.

## e) Levels of risk concentration

	CONSOLIDATED			
	12/31/2021		12/31/2020	
	R\$	%	R\$	%
Major debtor	156,479	1.50	194,612	1.87
10 greatest debtors	1,520,313	14.62	1,665,243	15.98
100 main debtors	7,323,729	70.40	6,644,517	63.74

## Notes to the individual and consolidated financial statements

In thousands of reais - R\$, unless otherwise indicated.

## f) Operations related to assignment

## f1) Interbank credit assignment

In years prior to those presented, payroll loan transactions were carried out with its subsidiary, CCB Brasil S.A. - Crédito, Financiamentos e Investimentos.

These assignments are classified in category “transactions with substantial risk and benefit retention” and present the balance of R\$ 24,968 (December/20 - R\$ 50,065), and amount recorded as obligations from credit transactions linked to the assignment is R\$ 26,494 (December/20 - R\$ 53,657). Expenses from linked obligations recognized in the period amounted to R\$ 8,165 (December/20 - R\$ 16,670), and are in the Statement of Income under “Other financial intermediation expenses” (Note 31), deriving from “pro rata temporis” appropriation over the term of each assigned contract. Granting is subject to application of CMN Resolution 2,682/99 for the purpose of classifying credit risk and recognizing an allowance for doubtful accounts.

## 9. FOREIGN EXCHANGE TRANSACTIONS

	BANK AND CONSOLIDATED	
	12/31/2021	12/31/2020
<b>Assets</b>		
Purchased foreign exchange to be settled	1,346,682	1,008,455
Receivables from foreign exchange sales	110,121	47,941
Earnings receivable from granted advances	12,551	21,152
Advances received in national currency	(3,392)	(1,896)
<b>Total</b>	<b>1,465,962</b>	<b>1,075,652</b>
Current	1,465,962	1,075,652
<b>Total</b>	<b>1,465,962</b>	<b>1,075,652</b>

	BANK AND CONSOLIDATED	
	12/31/2021	12/31/2020
<b>Liabilities</b>		
Obligations from foreign currency purchases	1,268,422	936,073
Advances on exchange contracts	(1,162,118)	(884,923)
Sold foreign exchange to be settled	137,599	61,706
<b>Total</b>	<b>243,903</b>	<b>112,856</b>
Current	243,903	112,856
<b>Total</b>	<b>243,903</b>	<b>112,856</b>

## Notes to the individual and consolidated financial statements

In thousands of reais - R\$, unless otherwise indicated.

## 10. OTHER FINANCIAL INSTRUMENTS - ASSETS

	BANK		CONSOLIDATED	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Debtors of guarantee deposits (*)	416,667	424,305	432,517	430,899
Securities clearing accounts	68,438	5,340	68,438	5,340
Income receivable	14,870	14,770	14,850	14,750
Securities and credits receivable	7	7,314	556	11,647
<b>Total</b>	<b>499,982</b>	<b>451,729</b>	<b>516,361</b>	<b>462,636</b>
Current	75,810	28,181	75,790	18,682
Non-current	424,172	423,548	440,571	443,954
<b>Total</b>	<b>499,982</b>	<b>451,729</b>	<b>516,361</b>	<b>462,636</b>

(\*) Comprises substantially of judicial deposits related to legal discussions at the Bank in the amount of R\$ 412,548 (December/20 – R\$422,473) and in the Consolidated amount of R\$ 419,269 (December/20 – R\$438,125).

## 11. PROVISION FOR EXPECTED CREDIT RISK LOSS

	BANK			CONSOLIDATED		
	2nd Half 2021	12/31/2021	31/12/2020	2nd Half 2021	12/31/2021	31/12/2020
<b>Opening Balance</b>	<b>316,693</b>	<b>486,903</b>	<b>451,043</b>	<b>353,355</b>	<b>538,163</b>	<b>551,723</b>
Increase/reversal of provision for credits for the year	489	19,369	398,734	(2)	18,027	382,871
<b>Subtotal</b>	<b>317,182</b>	<b>506,272</b>	<b>849,777</b>	<b>353,353</b>	<b>556,190</b>	<b>934,594</b>
Debt restructuring (*)	110,666	110,666	-	110,666	110,666	-
Write-offs to loss (**)	(49,279)	(238,369)	(362,874)	(58,305)	(261,142)	(396,431)
<b>Closing balance</b>	<b>378,569</b>	<b>378,569</b>	<b>486,903</b>	<b>405,714</b>	<b>405,714</b>	<b>538,163</b>
Recovery of loans written off	36,430	54,968	6,945	39,308	61,812	34,942
Percentage of provision on portfolio	3.72	3.72	4.91	3.90	3.90	5.16
Current	229,683	229,683	225,281	247,018	247,018	258,559
Non-current	148,886	148,886	261,622	158,696	158,696	279,604
<b>Closing balance</b>	<b>378,569</b>	<b>378,569</b>	<b>486,903</b>	<b>405,714</b>	<b>405,714</b>	<b>538,163</b>

(\*) Refers to debt restructuring of credit operations previously recorded as losses and recorded in assets as a contra-entry to the loan portfolio.

(\*\*) Of the write-off amount, R\$14,750 in the Bank and Consolidated (December/20 – R\$ 109,956) refer to credit operations linked to funding operations in accordance with the rules established by CMN Resolution 2,921/02 (Note 17).

As of December 31, 2021, renegotiated contracts portfolio presented balance of R\$ 2,145,390 (December 2020 - R\$ 1,458,542) in the Bank and R\$ 2,259,942 (December 2020 - R\$ 1,654,395) in Consolidated and balance of provision for renegotiated credits of R\$ 224,953 (December 2020 - R\$ 116,062) at the Bank and R\$ 237,258 (December 2020 - R\$ 133,411) at Consolidated.

Notes to the individual and consolidated financial statements  
In thousands of reais - R\$, unless otherwise indicated.

## 12. NON-FINANCIAL ASSETS HELD FOR SALE

They are mainly represented by assets received to settle loan operations.

	BANK		CONSOLIDATED	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Real estate	212,790	292,825	215,430	295,465
Machinery and equipment	15,683	16,808	15,810	17,053
Vehicles and the like	1,033	1,230	2,578	5,542
Other	598	624	597	624
<b>Subtotal</b>	<b>230,104</b>	<b>311,487</b>	<b>234,415</b>	<b>318,684</b>
Provision for impairment	(119,223)	(142,343)	(121,903)	(146,736)
<b>Total</b>	<b>110,881</b>	<b>169,144</b>	<b>112,512</b>	<b>171,948</b>

## 13. OWNERSHIP INTEREST

The main information of subsidiaries in which the Bank has direct interest is shown as follows:

Company's name	12/31/2021						12/31/2020
	Number of shares/quotas held	% Interest	Shareholders' equity	Net income / (loss)	Equity in net income of subsidiaries	Book value of investments	Book value of investments
CCB Brasil Arrendamento Mercantil S.A.	180,920,168	100%	271,381	5,427	5,427	271,381	267,243
CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A.	14,223,228	100%	21,302	307	307	21,302	21,068
CCB Brasil Informática S.A.	50,000	100%	783	3	3	783	780
CCB Brasil Administradora de Cartões de Crédito Ltda.	3,670,000	100%	5,709	(2,276)	(2,276)	5,709	7,985
CCB Brasil S.A. – CFI (*)	116,405,774	100%	52,638	15,004	15,004	52,638	37,634
CCB Brasil Promotora de Vendas Ltda.	1,354,000	1.67%	1,694	33	1	29	-
CCB Brasil Cobrança Ltda.	110,402,810	3.75%	34	(22)	(1)	1	-
<b>Subtotal</b>					<b>-</b>	<b>351,843</b>	<b>334,710</b>
Brasifactors S.A. (**)	62,931	50%	(4,496)	(519)	(519)	(2,248)	(2,346)
<b>Total</b>					<b>17,946</b>	<b>349,595</b>	<b>332,364</b>

(\*) As Brasifactors S.A. presented shareholders' deficit, amount equivalent to the Bank's interest is recorded in Other liabilities.

### a) Dividends

On June 10, 2021, the Bank received from its subsidiaries CCB Brasil Arrendamento Mercantil and CCB Brasil Distribuidora e Valores Mobiliários the amount of R\$ 923 and R\$ 56, respectively, as dividends for the year 2020.

In December 2021, minimum dividends were proposed in the amounts of R\$ 1,289 and R\$ 73 for the year 2021 of the subsidiaries CCB Brasil Arrendamento Mercantil and CCB Brasil Distribuidora e Valores Mobiliários, respectively, to be received in 2022, recorded in the group of "Other Assets" (note 15).

Notes to the individual and consolidated financial statements  
In thousands of reais - R\$, unless otherwise indicated.

b) Interest on own capital

On June 10, 2021, the Bank received from its subsidiary CCB Brasil Arrendamento Mercantil the amount of R\$ 8,500 as interest on own capital.

#### 14. TAX ASSETS AND LIABILITIES

a) **Deferred tax credits:** the deferred income tax and social contribution, recorded at Tax Assets presented the following changes in the year:

	BANK						CONSOLIDATED
	12/31/2020	Change in shareholders' equity	Realizations	Additions	Write-off	12/31/2021	12/31/2021
<b>Income tax</b>							
Provision for expected credit loss	276,145	-	(17,117)	15,279	-	274,307	285,242
Provision for impairment of non-operating assets	12,075	-	(8,065)	-	-	4,010	4,680
Provision for contingencies and others	239,609	(1,403)	(8,775)	-	(21,309)	208,122	228,828
<b>Subtotal – Tax Credit IRPJ (corporate income tax)</b>	<b>527,829</b>	<b>(1,403)</b>	<b>(33,957)</b>	<b>15,279</b>	<b>(21,309)</b>	<b>486,439</b>	<b>518,750</b>
<b>Social contribution</b>							
Provision for expected credit loss	220,916	-	(13,693)	12,221	-	219,444	226,035
Provision for impairment of non-operating assets	9,660	-	(6,452)	-	-	3,208	3,610
Provision for contingencies and others	191,687	(1,122)	(6,778)	-	(17,048)	166,739	183,292
<b>Subtotal – Tax Credit CSLL (social contribution on net income)</b>	<b>422,263</b>	<b>(1,122)</b>	<b>(26,923)</b>	<b>12,221</b>	<b>(17,048)</b>	<b>389,391</b>	<b>412,937</b>
<b>Total - Tax credit - IRPJ/CSLL</b>	<b>950,092</b>	<b>(2,525)</b>	<b>(60,880)</b>	<b>27,500</b>	<b>(38,357)</b>	<b>875,830</b>	<b>931,687</b>

**Realization of tax credits** - based on a technical study, it was possible to estimate the generation of future taxable income, in a sufficient amount for the realization of all tax credits existing on the balance sheet date, in a ten-year period, distributed as follows:

Projected year	BANK										12/31/2021
	Realization of tax credits										Total
<b>Projected value</b>	139,915	74,644	123,538	129,967	28,264	80,614	321	321	321	297,925	<b>875,830</b>
<b>Present value (*)</b>	128,068	62,540	94,741	91,232	18,160	47,411	173	158	145	122,997	<b>565,625</b>
<b>% Realization</b>	16.0%	8.5%	14.1%	14.8%	3.2%	9.2%	0.0%	0.0%	0.0%	34.2%	<b>100%</b>

(\*) Calculated based on projected Selic rate.

## Notes to the individual and consolidated financial statements

In thousands of reais - R\$, unless otherwise indicated.

BANK										
Projected year	Realization of tax credits									
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Projected value	145,825	65,219	91,178	75,415	192,046	34,723	3,741	362	362	341,221
Present value (*)	142,966	62,687	85,919	69,671	173,942	30,833	3,257	309	303	279,920
% Realization	15.3%	6.9%	9.6%	7.9%	20.2%	3.7%	0.4%	0.0%	0.0%	36.0%
(*) Calculated based on projected Selic rate.										

CONSOLIDATED										
Projected year	Realization of tax credits									
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Projected value	148,792	91,614	137,301	132,128	30,831	80,643	350	350	350	309,328
Present value (*)	136,194	76,757	105,295	92,749	19,810	47,428	188	172	158	127,704
% Realization	16.0%	9.8%	14.7%	14.2%	3.3%	8.7%	0.0%	0.0%	0.0%	33.3%
(*) Calculated based on projected Selic rate.										

CONSOLIDATED										
Projected year	Realization of tax credits									
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Projected value	157,028	76,969	101,850	76,937	194,416	35,369	3,771	392	392	352,516
Present value (*)	153,949	73,980	95,976	71,078	176,089	31,407	3,283	335	328	289,185
% Realization	15.7%	7.7%	10.2%	7.7%	19.5%	3.5%	0.4%	0.0%	0.0%	35.3%
(*) Calculated based on projected Selic rate.										

In addition to the expectation of generating future taxable income, CMN Resolution No. 4,842/20 establishes that the accounting record of tax credit can only be made under the condition that the Bank presents a history of taxable income for income tax and social contribution purposes, evidenced by the occurrence of this situation in at least three of the last five fiscal years. The Bank presented income tax loss and negative social contribution base in the fiscal years of 2017, 2018 and 2021.

Bank's Management submitted to the Central Bank of Brazil a new technical study for the realization of tax credits, as established by BACEN Resolution 15/20, requiring the approval of the maintenance of the balance of tax credits, and was authorized the maintenance of tax credits in the amount of R\$ 875,830 on December 31, 2021.

On December 31, 2021, the Bank has non-recorded tax credits derived from income tax loss and negative basis of social contribution in the total amount of R\$ 1,027,883 (R\$ 1,084,845 in December 2020) at the Bank, R\$ 1,053,855 at Consolidated (R\$ 1,110,817 in December 2020), and tax credits from temporary differences and tax contingencies in the amount of R\$ 181,933 (R\$ 123,799 in 2020) at the Bank and Consolidated, for which there is no expectation of realization within the period provided for in CMN Resolution 4,842/20 of up to 10 years.

## b) Presumed tax credit

In view of high balance of temporary differences deriving from credit losses incurred beginning as of 2014, the Bank chose to determine Presumed Tax Credit in the amount of R\$ 380,662, according to criteria established by Law 12,838/13 and BACEN Circular Letter 3,624/13, which require determination of tax losses and credits deriving from temporary differences deriving from allowance for doubtful accounts, determined and existing in prior calendar year.



## Notes to the individual and consolidated financial statements

In thousands of reais - R\$, unless otherwise indicated.

Also according to Law 12,838/2013, Federal Revenue Service may verify accuracy of presumed tax credits determined over a period of five years, counted as of reimbursement request date, which may be in kind or in federal public debt securities; and there may be deduction of tax on non-tax values owed to the Treasury Department.

During the year of 2021, the Bank recovered R\$ 912 (December 2020 - R\$ 318) from credit transactions that are part of presumed tax credit calculation basis, whose deferred taxes, in the amount of R\$ 411 (December 2020 - R\$ 143), were recognized in Deferred taxes, as these amounts will be taxed when credit is reimbursed by the National Treasury.

Management understands that, due to macroeconomic scenario and expected generation of future taxable income by CCB Brasil, Presumed Tax Credit is the best alternative to reduce the time for realization of temporary differences deriving from allowances for doubtful accounts.

	12/31/2021	12/31/2020
<b>Presumed tax credit formed</b>	380,662	380,662
<b>Deferred tax liabilities</b>	(82,693)	(82,282)

## c) Deferred tax liabilities

	BANK		CONSOLIDATED	
	12/31/2020	Change in income (loss)	12/31/2021	12/31/2021
<b>Income tax</b>				
Linked funding (Res 2,921)	78,590	1,198	79,788	79,788
Inflation adjustment of judicial deposits	20,878	833	21,711	21,975
Positive MTM adjustment of government securities and derivatives	2,133	16,258	18,391	18,391
Excess depreciation	-	-	-	6,528
<b>Subtotal Income tax</b>	<b>101,601</b>	<b>18,289</b>	<b>119,890</b>	<b>126,682</b>
<b>Social contribution</b>				
Linked funding (Res 2921)	62,872	958	63,830	63,830
Inflation adjustment of judicial deposits	16,703	666	17,369	17,527
Positive MTM adjustment of government securities and derivatives	1,707	13,006	14,713	14,713
<b>Subtotal Social contribution</b>	<b>81,282</b>	<b>14,630</b>	<b>95,912</b>	<b>96,070</b>
<b>Total deferred taxes</b>	<b>182,883</b>	<b>32,919</b>	<b>215,802</b>	<b>222,752</b>
Presumed tax credit Income tax – Law 12,838/13	45,712	228	45,940	45,940
Presumed tax credit Social contribution – Law 12,838/13	36,570	183	36,753	36,753
<b>Total</b>	<b>265,165</b>	<b>33,330</b>	<b>298,495</b>	<b>305,445</b>

Notes to the individual and consolidated financial statements  
In thousands of reais - R\$, unless otherwise indicated.

d) Statement of calculation of income and social contribution tax charges

	12/31/2021			
	BANK		CONSOLIDATED	
	Income tax	Social contribution	Income tax	Social contribution
<b>Determination</b>				
Income before tax on profit	162,744	162,744	62,771	62,771
<b>Calculation basis</b>	162,744	162,744	62,771	62,771
Temporary additions	134,313	134,313	268,245	268,245
Permanent additions	491,264	491,264	495,806	495,806
Exclusions	(806,193)	(806,193)	(843,118)	(835,929)
<b>Taxable income and calculation basis of income tax and social contribution on net income</b>	<b>(17,872)</b>	<b>(17,872)</b>	<b>(16,296)</b>	<b>(9,107)</b>
(+) Negative taxable result of consolidated companies	-	-	635	635
(-) Offset of tax loss/negative basis of social contribution on net income	-	-	1,185	3,283
<b>Taxable income and calculation basis of income tax and social contribution on net income</b>	<b>(17,872)</b>	<b>(17,872)</b>	<b>(14,476)</b>	<b>(5,189)</b>
Charges at the rates of 15% for Income Tax and Social Contribution	-	-	479	1,487
10% IR Surtax	-	-	245	-
<b>Current taxes</b>	<b>-</b>	<b>-</b>	<b>724</b>	<b>1,487</b>
<b>Reconciliation of Income (loss)</b>				
Current taxes	-	-	724	1,487
Income tax and deferred CSLL (Liabilities)	18,517	14,813	1,493	(212)
<b>(=) Provision for Income Tax and Social Contribution on Net Income</b>	<b>18,517</b>	<b>14,813</b>	<b>2,217</b>	<b>1,275</b>
Constitution of tax credit (on temporary additions)	(15,279)	(12,221)	(28,101)	(24,852)
Write-off of tax credit	21,309	17,048	21,309	17,048
Realization of tax credit	33,957	26,923	45,743	34,281
<b>(=) Net effect of tax credit</b>	<b>39,987</b>	<b>31,750</b>	<b>38,951</b>	<b>26,477</b>
<b>Income and social contribution tax expense</b>	<b>58,504</b>	<b>46,563</b>	<b>41,168</b>	<b>27,752</b>

	12/31/2020			
	BANK		CONSOLIDATED	
	Income tax	Social contribution	Income tax	Social contribution
<b>Determination</b>				
Income before tax on profit	(239,165)	(239,165)	(210,254)	(210,254)
<b>Calculation basis</b>	<b>(239,165)</b>	<b>(239,165)</b>	<b>(210,254)</b>	<b>(210,254)</b>
Temporary additions	826,195	826,195	919,607	919,803
Permanent additions	567,440	567,440	567,473	567,473
Exclusions	(1,138,373)	(1,138,373)	(1,242,739)	(1,235,747)
<b>Tax loss and negative basis of income tax and social contribution on net income</b>	<b>16,097</b>	<b>16,097</b>	<b>34,087</b>	<b>41,275</b>
(+) Negative taxable result of consolidated companies	-	-	7,852	1,631
(-) Offset of tax loss/negative basis of social contribution on net income	(4,829)	(4,829)	(12,582)	(12,872)

Notes to the individual and consolidated financial statements  
In thousands of reais - R\$, unless otherwise indicated.

<b>Tax loss and negative basis of income tax and social contribution on net income</b>	<b>11,268</b>	<b>11,268</b>	<b>29,357</b>	<b>30,034</b>
Charges at the rates of 15% for Income Tax and Social Contribution	1,690	2,254	4,404	5,075
10% IR Surtax	1,103	-	2,872	-
<b>Current taxes</b>	<b>2,793</b>	<b>2,254</b>	<b>7,276</b>	<b>5,075</b>
<b>Reconciliation of Income (loss)</b>				
Current taxes – year 2020	2,793	2,254	7,276	5,075
Current taxes – year 2019	1,157	(316)	1,157	(316)
Income tax and deferred CSLL (Liabilities)	(32,322)	(25,857)	(37,308)	(31,289)
<b>(=) Provision for Income Tax and Social Contribution on Net Income</b>	<b>(28,372)</b>	<b>(23,919)</b>	<b>(28,875)</b>	<b>(26,530)</b>
Constitution of tax credit (on temporary additions)	(164,276)	(131,419)	(175,992)	(138,478)
Constitution of tax credit (on tax losses and negative basis of social contribution on net income)	-	-	(1,590)	(8,230)
Write-offs of tax credits. Resol. 3059/02	200,653	167,556	216,941	177,240
Realization of tax credit	111,728	89,381	146,280	104,858
<b>(=) Net effect of tax credit</b>	<b>148,105</b>	<b>125,518</b>	<b>185,639</b>	<b>135,390</b>
<b>Income and social contribution tax expense</b>	<b>119,733</b>	<b>101,599</b>	<b>156,764</b>	<b>108,860</b>

## 15. OTHER ASSETS

	BANK		CONSOLIDATED	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Sundry debtors in the country	26,167	24,748	26,705	34,330
Payments to be refunded	21,610	26,585	22,574	28,097
Interbank accounts/relations	4,653	11,114	4,653	11,114
Payable dividends	1,362	9,479	-	-
Prepaid expenses	1,233	956	1,233	956
Other	775	1,678	791	1,703
<b>Total</b>	<b>55,800</b>	<b>74,560</b>	<b>55,956</b>	<b>76,200</b>
Current	34,046	47,957	33,238	48,083
Non-current	21,754	26,603	22,718	28,117
<b>Total</b>	<b>55,800</b>	<b>74,560</b>	<b>55,956</b>	<b>76,200</b>

Notes to the individual and consolidated financial statements  
In thousands of reais - R\$, unless otherwise indicated.

## 16. FUNDS OBTAINED IN THE MARKET

12/31/2021							
	BANK						CONSOLIDATED
	Without maturity	Up to 03 months	03–12 months	Total current	Non-current	Total	Total
Demand deposits	136,252	-	-	136,252	-	136,252	135,332
Saving deposits	2,931	-	-	2,931	-	2,931	2,931
Interbank deposits	-	271,510	2,535	274,045	239	274,284	53,371
Time Deposits	-	1,976,542	1,522,832	3,499,374	1,615,939	5,115,313	5,112,468
Liabilities from repurchase and resale agreements	-	3,628,991	2,142	3,631,133	-	3,631,133	3,603,942
Real Estate Credit Bills - LCI	-	-	1,200	1,200	-	1,200	1,200
Agribusiness Credit Bills – LCA	-	183,044	126,818	309,862	32,888	342,750	342,750
Financial Bills - LF	-	57,029	66,931	123,960	76,727	200,687	200,687
<b>Total</b>	<b>139,183</b>	<b>6,117,116</b>	<b>1,722,458</b>	<b>7,978,757</b>	<b>1,725,793</b>	<b>9,704,550</b>	<b>9,452,681</b>

12/31/2020							
	BANK						CONSOLIDATED
	Without maturity	Up to 03 months	03–12 months	Total current	Non-current	Total	Total
Demand deposits	116,369	-	-	116,369	-	116,369	114,594
Saving deposits	2,935	-	-	2,935	-	2,935	2,935
Interbank deposits	-	222,518	237,982	460,500	1,989	462,489	248,863
Time Deposits	-	318,120	2,106,267	2,424,387	3,134,845	5,559,232	5,555,163
Liabilities from repurchase and resale agreements	-	3,531,794	-	3,531,794	2,051	3,533,845	3,499,202
Real Estate Credit Bills - LCI	-	1,574	1,040	2,614	-	2,614	2,614
Agribusiness Credit Bills – LCA	-	52,050	105,619	157,669	121,000	278,669	278,669
Financial Bills - LF	-	25,933	247,099	273,032	138,884	411,916	411,916
<b>Total</b>	<b>119,304</b>	<b>4,151,989</b>	<b>2,698,007</b>	<b>6,969,300</b>	<b>3,398,769</b>	<b>10,368,069</b>	<b>10,113,956</b>

## 17. BORROWINGS AND ONLENDINGS

Obligations from loans and foreign contributions refer to raising of funds to finance import and export and contributions granted mainly by the controlling shareholder abroad and multilateral agencies.

The country's contributions are represented by funds from the Ministry of Agriculture under FUNCAFÉ category and Ministry of the Cities in the PSH - Social Housing Program and PMCMV - Minha Casa Minha Vida Program.

## Notes to the individual and consolidated financial statements

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Maturities are broken down as follows:

	BANK AND CONSOLIDATED					
	Up to 03 months	03-12 months	Total current	Non-current	12/31/2021	12/31/2020
Domestic onlendings - Official Institutions	75,998	109,904	185,902	25,957	211,859	154,233
Abroad	1,419,813	3,199,264	4,619,077	-	4,619,077	4,198,667
Loan with head office	782,351	2,819,548	3,601,899	-	3,601,899	3,544,112
Loans from the Parent Company - linked (*)	15,034	14,143	29,177	-	29,177	48,335
Other foreign loans <sup>(1)</sup>	622,428	365,573	988,001	-	988,001	606,220
<b>Grand total on December 31, 2021</b>	<b>1,495,811</b>	<b>3,309,168</b>	<b>4,804,979</b>	<b>25,957</b>	<b>4,830,936</b>	
<b>Grand total on December 31, 2020</b>	<b>1,269,388</b>	<b>3,054,223</b>	<b>4,323,611</b>	<b>29,289</b>		<b>4,352,900</b>

<sup>(1)</sup> Foreign loans and contributions, in the amount of R\$ - (R\$ 29,826 on December 2020) which contain restrictive clauses ("covenants"), are classified in current assets due to non-compliance with indicators.

(\*) In 2017, the Bank raised funds linked to active transactions in accordance with conditions established by CMN Resolution 2921/02, namely:

- I - Link between funds raised and corresponding active transaction;
- II - Subordination of raised funds' due dates to payment flow of linked active transaction;
- III - Linked active transaction remuneration sufficient to cover funding transaction costs;
- IV - Compatibility between linked active transaction cash flows and funding transaction;
- V - Funding transaction term equal to or greater than that of the linked active transaction;
- VI - Postponement of any payment to the creditor, including as charges or amortization, in case of default in linked active transaction, and
- VII - Non-payment to the creditor, in whole or in part, of principal and charges in case execution of guarantees is not sufficient to settle linked active transaction, or in other situations in which this transaction is not settled.

As of December 31, 2021, amount of funding linked to credit transactions recognized in group "Foreign Loans" is R\$ 420,255 (December 2020 - R\$ 362,694) and credit transactions balance is R\$ 175,326 (December 2020 - R\$ 84,975), and this year we have no overdue installments (December 2020 - R\$ 14,481 represented by credits with installments overdue for more than 1 day).

To provide the best expected disbursement estimate for the linked obligation, as well as reduce asymmetry, the Bank, considering the expectation of receiving the linked receivables, recorded a downward adjustment in the group "Foreign loans" of R\$ 391,078 (December 2020 - R\$ 314,359), with the amount of R\$ 4,793 (December 2020 - R\$ 31,948) as contra-entry to income for the year.

In the second half of 2020, the Bank wrote-off R\$ 173,448 (R\$ 95,396 net of tax effects), referring to loan operations linked to overdue credit operations, written-off as loss, for which there is no expectation of future recovery. In the second half of 2021, the amount of R\$ 71,926 was recorded again in the group obligations for loans

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and onlendings abroad as a result of the recovery of secured credit classified at risk level H according to CMN Resolution 2,682/99.

**18. DEBT INSTRUMENTS ELIGIBLE TO CAPITAL**

BANK AND CONSOLIDATED							
Funding	Issue value - Original currency	Issuance	Maturity	Issue value - Domestic currency	Interest rate (p.a.)	12/31/2021	12/31/2020
Level I Perpetual Debt (c) (d)	US\$ 70,000	12/29/2016	-	228,025	8.00%	390,635	363,769
Level I Perpetual Debt (a) (c)	US\$ 100,000	06/04/2021	-	506,660	5.80%	558,050	-
Level II subordinated debt (b)	US\$ 100,000	09/29/2015	09/29/2025	397,299	7.20%	-	529,128
<b>Total</b>						<b>948,685</b>	<b>892,897</b>

	12/31/2021	12/31/2020
Non-current	948,685	892,897
<b>Total</b>	<b>948,685</b>	<b>892,897</b>

- a) On June 4, 2021, CCB Brasil issued Perpetual Bonds in the amount of US\$100 million, bearing interest of 5.80% per year. The papers were privately issued with a perpetuity character in accordance with the provisions of article 17 of Resolution No. 4,192/13. The operation was authorized by the Central Bank of Brazil on September 28, 2021, comprising the capital of CCB Brasil and acquired by the CCB group itself.
- b) Privately issued bonds issued in 2015 with a ten-year term, to compose tier 2 capital, and acquired by the CCB group itself, are fully composing the tier 2 capital. As of December 2020, the annual and gradual reduction began 20% by the approximation to the expiration date, as provided for in Article 27 of Resolution No. 4,192/13. In September 2021, this paper was settled in advance and replaced by a Perpetual Bond (item a) which ensured continuity in capitalization levels as it was classified at capital level I, thus allowing Management a better perspective of planning and business continuity.
- c) As provided for in current regulations, as a result of accumulated losses in previous years, the Bank did not recorded a provision for payment of interest for the year of 2021, arising from perpetual debts issued.
- d) In November 2020, the Management of CCB Brasil obtained full reimbursement of the amounts paid in interest for the years 2017, 2018 and 2019 in the amount of R\$ 89,870, equivalent to US\$16,800, now presented in the Other operating income group (note 38) in the Bank and Consolidated. Additionally, as a result of the loss incurred in the year ended December 31, 2020, the Bank did not pay interest related to that year in the amount of R\$13,783.

**19. SUBORDINATED DEBT**

The subordinated debt (BIC20) issued in 2010 in the amount of US\$300,000 with an interest rate of 8.50% per annum, was settled on April 27, 2020, its maturity date.

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## 20. OTHER FINANCIAL INSTRUMENTS - LIABILITIES

	BANK		CONSOLIDATED	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Securities clearing accounts	83,910	8,923	83,910	8,923
Borrowings related to assignment (note 8.f1)	26,494	53,657	-	-
Commissions payable	6	29	6	29
<b>Total</b>	<b>110,410</b>	<b>62,609</b>	<b>83,916</b>	<b>8,952</b>
Current	99,776	62,609	83,916	8,952
Non-current	10,634	-	-	-
<b>Total</b>	<b>110,410</b>	<b>62,609</b>	<b>83,916</b>	<b>8,952</b>

## 21. PROVISIONS

	BANK		CONSOLIDATED	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Provisions for contingencies (Note 22.a)	1,033,140	1,021,130	1,075,013	1,061,659
Provisions for financial guarantees provided (Note 23)	25,933	25,136	25,933	25,136
Other	33,912	38,608	40,603	44,949
<b>Total</b>	<b>1,092,985</b>	<b>1,084,874</b>	<b>1,141,549</b>	<b>1,131,744</b>
Current	56,218	117,074	62,900	120,000
Non-current	1,036,767	967,800	1,078,649	1,011,744
<b>Total</b>	<b>1,092,985</b>	<b>1,084,874</b>	<b>1,141,549</b>	<b>1,131,744</b>

## 22. CONTINGENCIES AND LEGAL OBLIGATIONS

CCB Brasil and its subsidiaries are parties in lawsuits and administrative proceedings arising from the normal course of business, involving issues of a civil, labor, fiscal, and welfare nature.

### a) Provisions classified as probable loss and legal obligations

Based on information from its legal advisors, on examinations of outstanding lawsuits, and on the history of losses, the Management formed a provision for liabilities classified as probable loss in an amount deemed to be sufficient to cover estimated losses in the lawsuits in progress and the most relevant ones are:

#### Civil lawsuits

The Conglomerate is party to civil lawsuits assessed as having a probable risk, which have been fully accrued and amount to R\$ 189,263 (R\$ 187,925 in December 2020) in the Bank and R\$ 202,795 (R\$ 200,183 in December

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2020) in the Consolidated. In general, the provisions are the result of contract revisions and indemnities for material damages and pain and suffering, mostly under the Special Civil Court.

**Labor lawsuits**

The Conglomerate is party to labor lawsuits assessed as having a probable risk, which have been fully accrued and amount to R\$ 104,227 (R\$ 108,602 in December 2020) at the Bank and R\$ 113,738 at the Consolidated (R\$ 118,419 in December 2020). Provisions relate to lawsuits discussing labor claims referring to labor law that is specific of the professional category, such as overtime, salary equalization, additional payment due to transfer and other.

**Tax and social security proceedings**

**COFINS x Law 9,718/98** – amount involved R\$ 559,008 (R\$ 548,299 in December 2020) in the Bank and R\$ 576,985 (R\$ 565,915 in December 2020) in the Consolidated: claims payment of the contribution from November 2005 to December 2014, based on the calculation provided in Complementary Law 7/70, in view of the unconstitutionality of expanding the calculation basis provided for in Law 9,718/98. Part of the amount involved was deposited in court, R\$ 29,848 regarding the Bank (R\$ 29,134 in December 2020) and R\$ 32,791 in the Consolidated (R\$ 31,998 in December 2020).

**PIS x Law 9718/98** – amount involved R\$ 90,777 (R\$ 89,038 in December 2020) in the Bank and R\$ 91,630 (R\$ 89,876 in December 2020) in the Consolidated: claims payment of the contribution from November 2005 to December 2014, based on the calculation provided in Complementary Law 7/70, in view of the unconstitutionality of expanding the calculation basis provided for in Law 9718/98. Part of the amount involved was placed in a judicial deposit in the amount of R\$ 111,708 (R\$ 108,728 in December 2020).

**PDD/94** - amount involved R\$ 27,296 (R\$ 26,769 in December 2020) at the Bank and Consolidated: claims to deduct, from the calculation of income tax and social contribution on net income, for the tax base year of 1994, the expense related to the setting up of the Allowance for loan losses, as specified by the National Monetary Council and the Central Bank of Brazil, as allowed by CMN Resolution 1,748/90 and subsequent amendments, and dismissing, due to unconstitutionality and unlawfulness, the provision of article 43, paragraph 4, of Law 8,981/95. The amount involved was placed in a judicial deposit.

**INSS - Profit Sharing of Directors** – amount involved of R\$ 61,178 (R\$ 59,182 in December 2020) at the Bank and Consolidated: claims the derecognition of a supposed INSS debit, levied on the profit sharing of administrators, related to the base periods from 2009 to 2011, entered through the Tax Assessment Notice, as this contribution is not levied on profit sharing, under the terms of Article 7, XI of the Federal Constitution and Article 28, § 9, j, of Law 8812/91. The amount involved was placed in a judicial deposit.



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#### Changes in provisions classified as probable loss and legal obligations

Description	BANK						CONSOLIDATED
	12/31/2020	Addition	Reversal	Monetary Update	Payment	12/31/2021	12/31/2021
Civil	187,925	9,103	(4,207)	16,215	(19,773)	189,263	202,795
Labor	108,602	3,173	(1,384)	16,099	(22,263)	104,227	113,738
<b>Subtotal</b>	<b>296,527</b>	<b>12,276</b>	<b>(5,591)</b>	<b>32,314</b>	<b>(42,036)</b>	<b>293,490</b>	<b>316,533</b>
<b>Tax and social security</b>	<b>12/31/2020</b>	<b>Addition</b>	<b>Reversal</b>	<b>Monetary Update</b>	<b>Payment</b>	<b>12/31/2021</b>	<b>12/31/2021</b>
PIS – Expansion of Calculation Basis - Law 9718/98	89,038	-	-	1,739	-	90,777	91,630
Inc. tax and soc. contr. (IRPJ/CSLL) PDD 1994	26,769	-	-	527	-	27,296	27,296
COFINS - Expansion of Calculation Basis - Law 9718/98	548,299	-	-	10,709	-	559,008	576,985
INSS of Administrators – Years 2009–2011	59,182	-	-	1,996	-	61,178	61,178
Others	1,315	-	-	76	-	1,391	1,391
<b>Subtotal</b>	<b>724,603</b>	<b>-</b>	<b>-</b>	<b>15,047</b>	<b>-</b>	<b>739,650</b>	<b>758,480</b>
<b>Total</b>	<b>1,021,130</b>	<b>12,276</b>	<b>(5,591)</b>	<b>47,361</b>	<b>(42,036)</b>	<b>1,033,140</b>	<b>1,075,013</b>

In the case of the above-described contingencies, CCB Brasil made a judicial deposit (note 10 - Other financial instruments - Assets), totaling R\$ 412,548 to the Bank, of which R\$ 98,117 - civil lawsuits, R\$ 15,382 - labor claims and R\$ 299,049 – tax lawsuits and a total of R\$ 419,269 to the Consolidated, of which R\$ 98,857 - civil lawsuits, R\$ 16,687 - labor lawsuits and R\$ 303,725 - tax lawsuits.

In August 2021, the Bank adhered to the tax transaction promoted by Public Notice No. 11-2021, related to the tax assessment notice drawn up aiming at the collection of social security contribution for the base period of 2012, in the amount of R\$ 10,939, which was being discussed at the administrative. Thus, in accordance with the terms of this agreement, the Bank will pay the amount of R\$15,321 in seven consecutive installments, of which R\$ 5,742 as principal recorded in personnel expenses and R\$ 9,579 referring to interest and fine, recorded in other operating expenses. In 2020, the discussion related to this tax assessment was classified as possible and there was no judicial deposit recorded in the Bank's assets.

#### b) Lawsuits classified as possible loss

Contingent liabilities stated as likely losses are monitored by CCB Brasil and are based on opinions by legal counsel, with regard to each of the lawsuits and administrative proceedings. Hence, pursuant to the standards in force, any likely losses are not recognized in the accounting records, and these are composed mainly of the following issues:

#### Tax and social security proceedings

ISS – Service Tax – São Paulo - Taxed services - Correctness of levying the service tax on services listed in the attachment to Complementary Law 56/87 - involved amount of R\$ 23,869 (R\$ 24,085 in December 2020) at the Bank

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and Consolidated: claims to discontinue the charges of the service tax levied on supposed revenues from provision of taxable services, not expressly included in the list of services attached to Complementary Law 56/87, with the allegation that the list contains mere examples, contrary to understanding taken for granted at the Superior Court of Justice, which adopts the interpretation that only the listed services are taxed. The amount involved was placed in a judicial deposit.

**Withholding income tax on interest remittances to foreign countries** - amount involved, R\$ 14,520 (R\$ 14,440 in December 2020): claims to offset the unduly withheld amounts of withholding income tax on remittances of interest to foreign countries, against the same corporate income tax, as allowed by article 39 of Law 9,250/96, and excluding restrictions contained in Circular Letters 2,269/92 and 2,372/93 and Communication 2,747/92, which placed a condition that the zero income tax rate requires observance of minimum amortization periods, considering that condition as a clear violation of legal principles. The amount involved was placed in a judicial deposit.

**IRPJ/2008** – amount involved R\$ 40,566 (R\$ 20,461 in December 2020) in the Bank and Consolidated: awaiting approval of the adherence to the installment payment of Law 12,996/14 (REFIS of COPA), whose analysis of the RQA - Request for Early Discharge (art. 33 of Law 13,043/14) is suspended awaiting the judgment of the disallowance of tax losses and negative basis of social contribution on net income for the years 2012 and 2014 (see IRPJ/CSLL).

**INSS - Profit Sharing of Directors** – amount involved of R\$ 40,754 (R\$ 68,248 in December 2020) at the Bank and Consolidated: pleads cancellation of alleged INSS debt for the base periods of 2006 to 2008, generated by Tax Assessment Notice since the debts regarding the taxable events that occurred up to October 10, 2006 have already elapsed and also because it does not affect Social Security Tax on profit under the terms of Article 7, XI of the Federal Constitution and Article 28, § 9, j, of Law 8,812/1991. Part of the amount involved was deposited in court, regarding the Bank and Consolidated, R\$ 39,823 (R\$ 39,425 in December 2020).

**IRPJ/CSLL** – amount involved R\$ 168,154 (R\$ 168,154 in December 2020) at the Bank and Consolidated: claims the derecognition of the IRPJ/CSLL debt, related to the base period of 2012 and 2014, entered due to the tax assessment notice, due to disallowance of the deductibility of credit losses, for supposed non-compliance with the procedures established in Law 9,430/96.

**Tax on financial transactions (IOF) and Withholding income tax (IRRF)** - amount involved R\$ 1,527 (R\$ 1,515 in December 2020) at the Bank and Consolidated: CCB Brasil, as jointly liable, claims the derecognition of the supposed IRRF/IOF debit entry related to seven foreign exchange transactions for foreign currency remittances.

**IOF on Assignment of Receivables** – amount involved R\$ 2,657 (R\$ 2,627 in December 2020) at the Bank and Consolidated: claims the derecognition of the entry of IOF debit regarding the supposed levy on receivables assignment contracts with co-obligation, for the period from March 2014 to December 2014, for supposed non-compliance with Decree 6,306/07.

**Unapproved Offset** – amount involved R\$ 4,220 at the Bank (R\$ 4,198 in December 2020) and R\$ 4,220 in the Consolidated (R\$ 4,918 in December 2020): claims in the administrative level with the RFB the ratification of tax offsets against receivables arising from overpayment or incorrect payment.

**Labor lawsuits**

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There are lawsuits in the Conglomerate that are classified as a possible risk, and no provisions were formed for these cases. According to an estimate by legal advisors, the sum of indemnities for these lawsuits in case of loss amounts to R\$ 20,632 (R\$ 24,017 in December 2020) at the Bank and R\$ 24,359 (R\$ 27,705 in December 2020) at the Consolidated. Contingencies relate to lawsuits discussing labor claims referring to labor law that is specific of the professional category, such as overtime, salary equalization, additional payment due to transfer and other.

### Civil lawsuits

The Conglomerate is party to lawsuits that are classified as a possible risk; thus, no provision was formed. According to an estimate by legal advisors, the possible sum of indemnities for these lawsuits amounts to R\$ 362,484 (R\$ 232,996 in December 2020) at the Bank and R\$ 421,596 (R\$ 272,098 in December 2020) at the Consolidated. In general, the contingencies are the result of contract revisions and indemnities for material damages and pain and suffering.

## 23. SURETIES AND GUARANTEES

Description	BANK AND CONSOLIDATED			
	12/31/2021		12/31/2020	
	Amounts guaranteed	Provisions	Amounts guaranteed	Provisions
Guarantees or sureties in tax lawsuits and proceedings	736,013	25,501	747,482	24,699
Sureties - payments	420,857	328	435,323	339
Performance sureties	87,163	104	28,188	98
Bank guarantees	39,383	-	42,400	-
Other sureties	8,728	-	12,116	-
<b>Total</b>	<b>1,292,144</b>	<b>25,933</b>	<b>1,265,509</b>	<b>25,136</b>
Non-current	1,292,144	25,933	1,265,509	25,136
<b>Total</b>	<b>1,292,144</b>	<b>25,933</b>	<b>1,265,509</b>	<b>25,136</b>

## 24. OTHER OBLIGATIONS

	Bank		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Sundry creditors - domestic	32,846	41,985	38,341	44,785
Interbranch accounts	26,960	29,674	26,960	29,674
Social and statutory	8,444	14,306	9,575	15,204
Deferred income	13,592	13,622	13,592	13,622
Payables to related companies	16	6	16	-
<b>Total</b>	<b>81,858</b>	<b>99,593</b>	<b>88,484</b>	<b>103,285</b>
Current	68,266	85,971	74,892	89,663
Non-current	13,592	13,622	13,592	13,622
<b>Total</b>	<b>81,858</b>	<b>99,593</b>	<b>88,484</b>	<b>103,285</b>

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## 25. SHAREHOLDERS' EQUITY

CCB Brasil's shareholder structure is as follows:

### a) Share capital

Shareholder	12/31/2021			12/31/2020		
	Common	Preferred	Total	Common	Preferred	Total
CCB Brazil Financial Holding Investimentos	297,223,908	168,407,558	465,631,466	297,223,908	168,407,558	465,631,466
<b>Total shares</b>	<b>297,223,908</b>	<b>168,407,558</b>	<b>465,631,466</b>	<b>297,223,908</b>	<b>168,407,558</b>	<b>465,631,466</b>
<b>Total in reais (R\$)</b>	<b>1,887,438</b>	<b>1,069,426</b>	<b>2,956,864</b>	<b>1,887,438</b>	<b>1,069,426</b>	<b>2,956,864</b>

### b) Treasury shares

The number of treasury shares as of December 31, 2021 corresponds to 6,398,518 (6,398,518 in December 2020) preferred shares in the amount of R\$ 55,105 (R\$ 55,105 in December 2020).

### c) Dividends and interest on own capital

Pursuant to by-laws, it is entitled to minimum dividends corresponding to 25% of net income for the year, in accordance with the applicable corporate legislation.

### d) Reserves

The retained loss justified the non-recognition of profit reserves.

## 26. RELATED PARTIES

### a) Related parties

The Bank and its direct subsidiaries carry out transactions between themselves, which were eliminated in the consolidated statement.

The balances of operations of the Bank with the direct, indirect subsidiary, key management personnel and controlling shareholder are shown below:

	Assets / (liabilities)		Revenues / (expenses)	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
<b>Cash and cash equivalents in foreign currencies</b>	<b>4,924</b>	<b>30,418</b>	<b>-</b>	<b>-</b>
China Construction Bank Corporation (d)	4,924	30,418	-	-
<b>Interbank funds applied in interbank deposits - CDI</b>	<b>155,810</b>	<b>375,856</b>	<b>10,304</b>	<b>29,121</b>
CCB Brasil S.A. - Crédito, Financiamentos e Investimentos (a)	155,810	375,856	10,304	29,121

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	Assets / (liabilities)		Revenues / (expenses)	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
<b>Investment fund quotas</b>	<b>91,583</b>	<b>83,674</b>	<b>4,409</b>	<b>2,586</b>
FIDC Brasilfactors (b)	91,583	83,674	4,409	2,586
<b>Rendering of services</b>	<b>20</b>	<b>20</b>	<b>240</b>	<b>164</b>
CCB Brasil Arrendamento Mercantil S.A. (a)	20	20	240	164
<b>Receivables - related companies</b>	<b>39</b>	<b>44</b>	-	-
CCB Brasil Arrendamento Mercantil S.A. (a)	-	1	-	-
CCB Brasil S.A. - Crédito, Financiamentos e Investimentos (a)	39	43	-	-
<b>Other liabilities – Income receivable</b>	<b>1,362</b>	<b>9,479</b>	-	-
CCB Brasil Arrendamento Mercantil S.A. (a)	1,289	9,423	-	-
CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A. (a)	73	56	-	-
<b>Demand deposits</b>	<b>(2,773)</b>	<b>(2,186)</b>	-	-
CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A. (a)	(102)	(42)	-	-
CCB Brasil Arrendamento Mercantil S.A. (a)	(55)	(82)	-	-
CCB Brasil Informática S.A. (a)	(1)	(2)	-	-
CCB Brasil Administradora de Cartões de Crédito Ltda. (a)	(16)	(182)	-	-
CCB Brasil S.A. - Crédito, Financiamentos e Investimentos (a)	(746)	(1,464)	-	-
CCB Brasil Promotora de Vendas Ltda. (b)	(1)	(1)	-	-
Brasilfactors S.A. (f)	(1)	(1)	-	-
CCB Brazil Financial Holding Ltda. (e)	(202)	(107)	-	-
Key management personnel (c)	(1,649)	(305)	-	-
<b>Interbank deposits</b>	<b>(220,912)</b>	<b>(213,625)</b>	<b>(8,062)</b>	<b>(3,293)</b>
CCB Brasil Distribuidora de Títulos e Valores Mobiliários S.A. (a)	(21,388)	(21,246)	(917)	(566)
CCB Brasil Arrendamento Mercantil S.A. (a)	(199,524)	(192,379)	(7,145)	(2,727)
<b>Time deposits</b>	<b>(112,113)</b>	<b>(93,947)</b>	<b>(3,463)</b>	<b>(5,023)</b>
CCB Brasil Informática S.A. (a)	(750)	(738)	(31)	(22)
CCB Brasil Administradora de Cartões de Crédito Ltda. (a)	(417)	(1,684)	(49)	(75)
CCB Brasil Promotora de Vendas Ltda. (b)	(1,678)	(1,647)	(72)	(45)
Brasilfactors S.A. (f)	(609)	(4,543)	(52)	(64)
FIDC Brasilfactors (b)	(30,875)	(8,180)	(598)	(807)
CCB Brazil Financial Holding Ltda. (e)	(77,761)	(77,011)	(2,649)	(4,002)
Key management personnel (c)	(23)	(144)	(12)	(8)
<b>Purchase and sale agreements</b>	<b>(27,190)</b>	<b>(34,644)</b>	<b>(1,539)</b>	<b>(778)</b>
CCB Brasil Arrendamento Mercantil S.A. (a)	(18,346)	(29,542)	(1,033)	(313)
CCB Brasil S.A. - Crédito, Financiamentos e Investimentos (a)	(6,702)	(3,050)	(413)	(361)
CCB Brasil Administradora de Cartões de Crédito Ltda. (a)	(2,142)	(2,052)	(93)	(104)
<b>LCA</b>	<b>(11,371)</b>	<b>(7,007)</b>	<b>(414)</b>	<b>(138)</b>
Key management personnel (c)	(11,371)	(7,007)	(414)	(138)
<b>LCI</b>	-	-	-	<b>(21)</b>
Key management personnel (c)	-	-	-	(21)
<b>NDF</b>	<b>996</b>	<b>1,851</b>	<b>206</b>	<b>3,830</b>
Brasilfactors S.A. (f)	996	1,851	206	3,830
<b>Borrowings</b>	<b>(3,631,076)</b>	<b>(3,592,447)</b>	<b>(335,578)</b>	<b>(98,625)</b>
China Construction Bank Corporation (d)	(3,631,076)	(3,592,447)	(335,578)	(98,625)

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In thousands of reais - R\$, unless otherwise indicated.

	Assets / (liabilities)		Revenues / (expenses)	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
<b>Obligations from sales of financial assets – Resolution 3533/08</b>	<b>(26,494)</b>	<b>(53,657)</b>	<b>(8,165)</b>	<b>(16,670)</b>
CCB Brasil S.A. - Crédito, Financiamentos e Investimentos (a)	(26,494)	(53,657)	(8,165)	(16,670)
<b>Amounts payable - related companies</b>	<b>-</b>	<b>(6)</b>	<b>-</b>	<b>-</b>
CCB Brasil S.A. - Crédito, Financiamentos e Investimentos (a)	-	(6)	-	-
<b>Transfer of credit assignment</b>	<b>(101)</b>	<b>(122)</b>	<b>-</b>	<b>-</b>
CCB Brasil S.A. - Crédito, Financiamentos e Investimentos (a)	(101)	(122)	-	-

Namely:

- (a) Subsidiaries and associated companies - Direct
- (b) Subsidiaries and associated companies - Indirect
- (c) Key management personnel
- (d) Indirect controlling shareholder headquartered overseas
- (e) Parent Company - direct
- (f) *Joint venture*

#### a.1) Transactions due dates and rates

Floating interbank funds applied are stated at the average CDI of 100% (- in December 2020) and the fixed-interest rate ones are stated at average rates of - (4.66% p.a. in December 2020); Fixed repurchase and resale agreements were carried out at average rates of 9.15% p.a. (1.90% p.a. in December 2020) and mature on January 3, 2022 (January 4, 2021 in December 2020), with guarantee of up to 1 year (up to 1 year in December 2020), the floating interest ones are stated at an average rate of 100% of the CDI (100% in December 2020) and mature from January 3, 2022 to April 24, 2023 (August 30, 2022 in December 2020) with guarantee of up to 1 year (up to 2 years in December 2020). LCA (Agribusiness Credit Bills) operations were carried out with average rates of 100.43% of the CDI (101,60% in December 2020) and with final maturity up to 2 years (up to 2 years in December 2020) and the pre-fixed LCA at the average rates of 7.71% p.a. (6.79% p.a. in December 2020). LCI (Real estate Credit Bills) operations were carried out with rates of 103.656% of the CDI with maturity up to 1 year (96.06% in December 2020 – up to 1 year). Term deposits are remunerated at the average rate of 97.02% of CDI (82.90% of CDI in December 2020), directly related to the invested amount, with final maturity in up to 2 years (up to 2 years in December 2020). Borrowings were carried out at average rates of 5.74% p.a. (1.76% p.a. in December 2020) and foreign exchange-rate change with final maturity up to 6 years (up to 6 years in December 2020). Information regarding granting of loans to related parties is found in Note 8.f.

#### b) Remuneration of key management personnel – Consolidated

At the annual shareholders' meeting the maximum remuneration for Administrators, members of the Board of Directors, Executive Board and Audit Committee is established, and a decision is made ceiling regarding Directors' fees for each year, in compliance with limits of the CMN Resolution 3,921/10.

During the years of 2021 and 2020, the Board of Directors did not approve payments for the profit sharing of the administrators, in view of the recorded net loss.

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In thousands of reais - R\$, unless otherwise indicated.

## b.1) Short-term benefits – Board of Directors, Executive Board and Audit Committee

	BANK		CONSOLIDATED	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Fixed remuneration	20,517	13,514	20,644	13,633
Other (*)	662	1,047	662	1,047
<b>Total</b>	<b>21,179</b>	<b>14,561</b>	<b>21,306</b>	<b>14,680</b>

(\*) Refers substantially to benefits involving food/meal - R\$ 77 (December 2020 - R\$ 86) and medical and dental care - R\$ 585 (December 2020 - R\$ 961).

## b.2) Long-term benefits

CCB Brasil does not offer long-time benefits for termination of employment contract to the Key Management Personnel.

## 27. INCOME (LOSS) FROM LOAN OPERATIONS AND LEASE

	BANK			CONSOLIDATED		
	2nd Half 2021	12/31/2021	12/31/2020	2nd Half 2021	12/31/2021	12/31/2020
Loans	620,509	777,088	1,840,587	597,879	716,215	1,915,197
Recovery of loans written off as loss	36,430	54,968	20,643	39,308	61,812	34,942
Acquisition of receivables;	5,009	11,496	13,856	5,009	11,496	13,856
Income from credit notes and sale of assets	1,167	2,586	3,394	1,167	2,586	3,394
Leases	-	-	-	3,432	5,729	5,791
<b>Total</b>	<b>663,115</b>	<b>846,138</b>	<b>1,878,480</b>	<b>646,795</b>	<b>797,838</b>	<b>1,973,180</b>

The Bank has credit operations indexed to foreign currency, the amount of which recorded in the year of 2021 was impacted by the exchange variation in that period in the amount of R\$ 183,403 (December 2020 – R\$ 1,240,849).

## 28. INCOME (LOSS) FROM INTERBANK FUNDS APPLIED AND SECURITIES

	BANK			CONSOLIDATED		
	2nd Half 2021	12/31/2021	12/31/2020	2nd Half 2021	12/31/2021	12/31/2020
Income from Repurchase and resale agreement	96,818	145,127	101,766	96,818	145,127	101,766
Income from short-term interbank investments	52,431	71,733	50,982	46,576	61,445	21,867
Income from fixed income securities	27,680	37,250	28,698	27,406	36,961	28,918
Income from investments abroad	7,447	7,669	68,019	7,447	7,669	68,019
Other securities' operations	3,175	4,449	(2,342)	3,175	4,450	(2,342)
<b>Total</b>	<b>187,551</b>	<b>266,228</b>	<b>247,123</b>	<b>181,422</b>	<b>255,652</b>	<b>218,228</b>

## Notes to the individual and consolidated financial statements

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## 29. INCOME (LOSS) FROM DERIVATIVE FINANCIAL INSTRUMENTS

	BANK AND CONSOLIDATED		
	2nd Half		
	2021	12/31/2021	12/31/2020
Future Market - Dollar	165,569	114,006	(6,985)
Future Market - DI	24,256	49,695	(59,201)
Term of currencies	33,633	19,001	55,942
Swap	(7,923)	(17,169)	362,517
<b>Total</b>	<b>215,535</b>	<b>165,533</b>	<b>352,273</b>

## 30. FOREIGN EXCHANGE INCOME

	BANK AND CONSOLIDATED		
	2nd Half		
	2021	12/31/2021	12/31/2020
Cash and cash equivalents in foreign currencies	59,522	48,876	108,160
Foreign exchange transactions	21,142	40,268	75,322
Exchange-rate changes	103,758	60,675	356,961
<b>Total</b>	<b>184,422</b>	<b>149,819</b>	<b>540,443</b>

## 31. OTHER FINANCIAL INTERMEDIATION EXPENSES

	BANK			CONSOLIDATED		
	2nd Half			2nd Half		
	2021	12/31/2021	12/31/2020	2021	12/31/2021	12/31/2020
Income (loss) from credit assignment operations	(3,438)	(8,165)	(16,670)	-	-	-
Others	10	510	2,934	10	510	2,933
<b>Total</b>	<b>(3,428)</b>	<b>(7,655)</b>	<b>(13,736)</b>	<b>10</b>	<b>510</b>	<b>2,933</b>

## 32. BORROWINGS AND ONLENDINGS

	BANK AND CONSOLIDATED		
	2nd Half		
	2021	12/31/2021	12/31/2020
Expenses with obligations to foreign bankers	527,636	364,630	1,597,183
FUNCAFÉ/BNDES Onlendings	2,343	4,308	8,308
Reversal to loans linked to credit operations	(10,622)	(4,793)	(31,948)
<b>Total</b>	<b>519,357</b>	<b>364,145</b>	<b>1,573,543</b>

The Bank has obligations with bankers abroad for loans indexed to foreign currency, whose value recorded in the year of 2021 was impacted by the exchange variation in that period in the amount of R\$ 328,568 (December 2020 – R\$ 1,488,665).



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### 33. EXPENSES WITH MONEY MARKET REPURCHASE AGREEMENTS

	BANK			CONSOLIDATED		
	2nd Half 2021	12/31/2021	12/31/2020	2nd Half 2021	12/31/2021	12/31/2020
Time Deposits	158,323	226,144	122,377	158,223	225,991	122,235
Repurchase and resale agreements	105,431	154,847	108,013	104,478	153,308	107,241
Agribusiness credit bills expenses - LCA	9,264	12,952	10,672	9,264	12,952	10,661
Interbank deposits	8,927	12,836	13,049	2,348	4,773	9,755
Financial bills expenses	7,671	12,654	21,210	7,671	12,654	21,210
Credit Guarantee Fund (FGC) contribution expense	3,691	7,504	6,785	3,691	7,504	6,787
Real estate credit bills expenses - LCI	44	63	292	44	63	292
<b>Total</b>	<b>293,351</b>	<b>427,000</b>	<b>282,398</b>	<b>285,719</b>	<b>417,245</b>	<b>278,181</b>

### 34. EXPENSES WITH DEBT INSTRUMENTS ELIGIBLE TO CAPITAL

	BANK AND CONSOLIDATED		
	2nd Half 2021	12/31/2021	12/31/2020
Perpetual Debt	98,311	84,146	141,171
Subordinated debt	75,310	75,260	111,785
<b>Total</b>	<b>173,621</b>	<b>159,406</b>	<b>252,956</b>

### 35. REVENUES FROM RENDERING OF SERVICES AND TARIFFS

	BANK			CONSOLIDATED		
	2nd Half 2021	12/31/2021	12/31/2020	2nd Half 2021	12/31/2021	12/31/2020
Income from guarantees granted	18,453	37,608	44,306	18,453	37,608	44,306
Collection income	805	1,618	2,089	805	1,618	2,089
Income from bank fees	1,904	2,907	3,599	1,904	2,907	3,599
Income from other services	1,168	2,489	5,831	1,299	2,742	6,141
<b>Total</b>	<b>22,330</b>	<b>44,622</b>	<b>55,825</b>	<b>22,461</b>	<b>44,875</b>	<b>56,135</b>

### 36. PERSONNEL EXPENSES

	BANK			CONSOLIDATED		
	2nd Half 2021	12/31/2021	12/31/2020	2nd Half 2021	12/31/2021	12/31/2020
Salaries	43,414	91,227	84,914	47,732	99,441	94,006
Social charges	23,641	41,952	33,585	24,892	44,488	36,308
Directors' fees	7,927	20,517	13,514	7,998	20,644	13,633
Benefits	7,426	14,677	15,674	8,831	17,406	18,900

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Other	94	206	195	148	290	340
<b>Total</b>	<b>82,502</b>	<b>168,579</b>	<b>147,882</b>	<b>89,601</b>	<b>182,269</b>	<b>163,187</b>

### 37. OTHER ADMINISTRATIVE EXPENSES

	BANK			CONSOLIDATED		
	2nd Half 2021	12/31/2021	12/31/2020	2nd Half 2021	12/31/2021	12/31/2020
Outside service expenses	9,031	19,457	20,294	13,077	28,630	29,415
Rental and fees expenses	8,590	16,225	15,873	9,560	18,202	17,652
Data processing expenses	6,821	13,349	10,810	8,883	17,433	15,385
Expenses with amortization and depreciation	5,021	10,570	16,009	5,326	11,227	16,721
Financial system service expenses	3,868	7,886	7,079	4,140	8,490	7,841
Expenses with maintenance and preservation	1,645	3,220	2,568	1,736	3,393	2,809
Expenses with judicial and notary public fees	1,121	2,155	4,360	1,873	3,438	5,847
Other expenses	7,707	10,190	7,025	8,818	12,335	12,508
<b>Total</b>	<b>43,804</b>	<b>83,052</b>	<b>84,018</b>	<b>53,413</b>	<b>103,148</b>	<b>108,178</b>

### 38. OTHER OPERATING REVENUES

	BANK			CONSOLIDATED		
	2nd Half 2021	12/31/2021	12/31/2020	2nd Half 2021	12/31/2021	12/31/2020
Monetary update of judicial deposits	6,153	8,350	7,777	6,287	8,511	7,867
Reversal of provision for restructuring	1,795	2,768	10,053	1,795	2,768	10,053
Recovery of charges and expenses	1,093	1,974	931	5,155	12,769	14,191
Perpetual debt repayment (note 18)	-	-	89,870	-	-	89,870
Reversal of provision for profit sharing - employees	-	-	15,912	-	-	15,912
Other operating income	4,413	5,213	18,493	4,993	6,134	18,805
<b>Total</b>	<b>13,454</b>	<b>18,305</b>	<b>143,036</b>	<b>18,230</b>	<b>30,182</b>	<b>156,698</b>

### 39. OTHER OPERATING EXPENSES

	BANK			CONSOLIDATED		
	2nd Half 2021	12/31/2021	12/31/2020	2nd Half 2021	12/31/2021	12/31/2020
Tax expenses	16,550	32,668	21,980	18,472	36,925	27,864
Commission expenses	7,642	18,318	28,277	8,723	20,510	35,645
Provision for profit sharing - employees	11,135	11,135	14,102	12,448	12,448	15,035
Write-off of prepaid expense	-	-	17,059	-	-	17,059
Processing fee	2,163	4,592	8,450	3,043	6,421	11,138
Operating provision	8,917	8,917	15,290	11,590	11,590	15,290
Provision - Ministry of Cities	-	-	4,337	-	-	4,337
Other operating expenses	3,460	4,413	14,581	5,679	7,428	16,804
<b>Total</b>	<b>49,867</b>	<b>80,043</b>	<b>124,076</b>	<b>59,955</b>	<b>95,322</b>	<b>143,172</b>

**Notes to the individual and consolidated financial statements**

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**40. NON-OPERATING INCOME (LOSS)**

	BANK			CONSOLIDATED		
	2nd Half 2021	12/31/2021	12/31/2020	2nd Half 2020	12/31/2021	12/31/2020
Income from disposal of assets (Provision) for impairment of assets not for own use	15,560 (9,484)	27,152 (9,484)	2,923 (40,278)	16,270 (9,702)	29,893 (10,077)	4,053 (43,418)
Other non-operating income (expenses)	435	577	(456)	436	588	(451)
<b>Total</b>	<b>6,511</b>	<b>18,245</b>	<b>(37,811)</b>	<b>7,004</b>	<b>20,404</b>	<b>(39,816)</b>

**41. RISK AND CAPITAL MANAGEMENT FRAMEWORK**

The Bank's risk management enables inherent risks to be properly identified, measured, mitigated, and controlled, to support the sustained development of activities and the continuous improvement in risk management.

The Bank centralizes the management of Social and Environmental, Market, Credit, Liquidity, Operational and Capital Management risks to enhance the efficiency of its controls. It results in an overview of the exposures to which the Bank is subject due to the very nature of its activities, which makes it possible to improve and make more agile strategic decisions, in addition to ensure compliance with the policies established for the area and improve the identification of risks that may affect the business strategy and the fulfillment of related goals. Complies with CMN Resolution 4,557/17. It is included in the Risk Management Report website, in compliance with BACEN Resolution BCB 54/20, which provides for the disclosure of information regarding risk management and the Risk Management Framework report, which provides for the framework and responsibilities and its context in CCB Brasil.

The Capital Management Framework is implemented, in compliance with CMN Resolution 4,557/17. The Board of Directors approved the appointment of the executive officer in charge and the definition of the organizational structure, applicable to the entire financial Conglomerate and other member companies of the financial-economic consolidated. There are institutional policies and processes defined with the procedures and systems necessary for the effective implementation of the Capital Management framework.

Likewise, in compliance with CMN Resolution 4,557/17, the Risk Management framework was established and implemented. The Board of Directors approved the appointment of the executive officer in charge and the definition of the organizational structure, applicable to the entire financial Conglomerate and other member companies of the financial-economic consolidated, as well as approved the institutional policies on risk management.

CMN Resolution 4,327/14 is also observed in relation to the establishment and implementation of the Social and Environmental Responsibility Policy. The Bank has already adjusted the risk management framework to comply with CMN Resolution 4,557/17.

The Risk Management Policy establishes the underlying principles of the institutional strategy with regards to the control and management of risks in all operations. In the administrative scope, the shares are valued in the several committees that guarantee management compliance, considering the complexity of the products, the

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exposure to risk and the risk-return ratio that involves all the Bank's business decisions. Risk management is in line with guidelines set forth by the Central Bank and covers all subsidiaries.

CCB Brasil's risk management policies are designed to support the formulation of risk appetite, guide employees and establish procedures to monitor, control, dimension and report the risks to the Executive Board. The Senior Management's involvement with risk management issues occurs through deliberations of its management bodies, defined, in the articles of association, as the Board of Directors, the Executive Board and the Committees. The governance structure ensures effective risk management. The Bank's risk management is carried out through collective decisions, supported by specific Committees. The Risk Management Department is composed, among others, of departments dedicated to the management of social and environmental, market, credit, operational, liquidity, and capital management risks. These areas provide support to the Risk Committee, Internal Controls, Financial Operations that analyze and define strategies and actions pertinent to the areas of operations.

The controls and risk management committees and management bodies provide support to development and seek to minimize losses by adopting a centralized integrated view. They aim at the automation and creation of the database for risk management and modeling, based on history data of losses and evolution of controls.

- I. The risk mitigating controls allow the limits to be defined in advance, considering the profile and the strategic and operational aspects of each unit.
- II. The risk limits broadly consider the amounts that the Bank is willing to accept to meet its goals, and is reflected in the enterprise risk management philosophy, which in turn influences the Bank's culture and operation conduct. This tolerance is influenced by several factors, including the assessment of the risk's consistency with the corporate strategy.

**RISK MANAGEMENT**

CCB Brasil's Risk Management Policy defines a set of controls, process, tools, systems and standard reports, needed to provide the appropriate control and management of risk.

The Bank designated the CRO (Chief Risk Officer) as the one responsible for the Risk Framework before the Central Bank, according to the Board of Directors' decision.

**Market Risk Management**

The Liquidity, Market and Capital Risk Division is responsible for maintaining and updating the Policy and structure of the area on an annual basis. It is independent in relation to the business areas and has as duty to monitor and analyze market risks arising from business activities and the Bank's treasury. It also has as duty to guarantee that the levels of exposure to risk comply with the limits adopted by the Risk Appetite Statement (RAS), and to identify and recommend capitalization levels that are appropriate and compatible with these risks.

Market risk monitoring can be characterized by certain main types of measurements: stale positions, foreign exchange exposure level control, sensitivities, stress tests, Value-at-risk (including adherence tests and validations), DV01, EVE- Economic Value of Equity and NII - Net Interest Income.

All risk metrics are monitored continuously on an integrated basis with the purpose of offering a global view of CCB Brasil's risk profile. The monitoring and control of the Bank's positions is not limited to calculating its market

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value but recognizes an adequate sensitivity to the real exposure to the Bank's many risk factors. Complementing this measure with the other risk control tools improves monitoring and exposure analysis.

**Credit Risk Management**

CCB Brasil has an independent area for managing credit risk, in accordance with best governance practices. This area operates independently from the credit approval structure, calculates the ratings of clients based on metrics that consider their behavior in the market as well as that arising from their operations at the Bank. Thus, it differs from the concepts used by the credit approval area, whose structure is built on careful analysis procedures, developed from the expertise acquired throughout the Bank's history.

**ESG - Social and Environmental Risk**

The Bank constantly improves the methodologies and tools used for assessing social and environmental variables in its loan granting process to mitigate any risks associated with the capacity of payment and default on investments. For this reason, it has established policies and instruments that allow the suspension of the operation, accelerate contracts and the imposition of restriction penalties.

**Liquidity Risk Management**

CCB Brasil's Liquidity Risk management consists of measuring, evaluating, and controlling the bank's capacity to meet its financial commitments through mathematical estimates and modeling on its own base of operations. Such models have complementary characteristics and are described below:

- I. Backward Looking: historical analysis of transactions, repurchases, renewals of transactions by clients to estimate the potential of insufficient cash to pay the bank's commitments.
- II. Forward Looking: analysis of the projected portfolio, considering budget scenarios and expected portfolio growth.

The results of the liquidity calculations made for the next three years, following these models, demonstrate that CCB Brasil has and will have sufficient funds to meet its obligations and has a position with a wide safety margin in current in non-current.

CCB Brasil has a liquidity risk management department for the identification, monitoring and control of events that may impact the bank's liquidity in both current and non-current.

Liquidity risk management provides:

- I. Preparation of cash flow for evaluation and monitoring of liquidity in current and non-current terms;
- II. Statistical models for estimating unexpected cash outflows such as acceleration of CDB, derivative adjustment payments and additional guarantee deposits with B3.
- III. Stress tests to monitor financial health in adverse liquidity scenarios.

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Events that indicate inadequate liquidity capacity for the institution's future obligations are reported on a timely basis to take corrective and preventive actions.

The assets and liabilities according to the remaining contractual maturities, considering their undiscounted flows, are shown below:

As of December 31, 2021, CCB Brasil presented its Current Liabilities greater than Current Assets, calculated according to the nominal maturity of its operations. However, the Conglomerate has securities classified in the category available for sale (note 6.b), except for related to guarantees provided, in the amount of R\$ 2,048,012 (December 2020 - R\$ 3,737,849), which even classified as non-current, represent highly liquid investments in government bonds issued by the National Treasury, and a portion of the current liabilities are loans with the parent company in China in the total amount of R\$ 3,631,076 (December 2020 - R\$ 3,592,447), maturing in less than one year, which has been systematically renewed.

12/31/2021			
CONSOLIDATED			
	Nominal liquidity	Reclassification by effective liquidity	Adjusted liquidity
Current assets	9,804,898	2,048,012	11,852,910
Current liabilities	(13,056,339)	3,631,076	(9,425,263)
<b>Net balance</b>	<b>(3,251,441)</b>	<b>5,679,088</b>	<b>2,427,647</b>

12/31/2020			
CONSOLIDATED			
	Nominal liquidity	Reclassification by effective liquidity	Adjusted liquidity
Current assets	8,541,499	3,737,849	12,279,348
Current liabilities	(12,096,465)	3,592,447	(8,504,018)
<b>Net balance</b>	<b>(3,554,966)</b>	<b>7,330,296</b>	<b>3,775,330</b>

**Sensitivity analysis**

CCB Brasil has conducted a sensitivity analysis using the scenario of 10% for foreign exchange appreciations or depreciation, interest rates and shares (Scenario I), 25% (Scenario II) and 50% (Scenario III). It is necessary to disclose the demonstrative table of sensitivity analysis for each type of relevant market risk arising from financial instruments that expose the Institution on the closing date for each period. For its preparation we identified the types of risks that could generate material losses, including transactions with derivative financial instruments in a more probable scenario, as well as two (2) scenarios that could generate adverse results for the Institution. In the definition of the scenarios, the situation considered probable by management had as reference an independent external source: B3 S.A. - Brasil, Bolsa, Balcão and a situation, with depreciation or appreciation of 25% and 50% in the risk variable was considered.

We present in the sensitivity analysis table the set of operations involving financial instruments registered in equity accounts that CCB Brasil has with the purpose of managing its exposure to market risks and that aims to

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**In thousands of reais - R\$, unless otherwise indicated.**

protect it, especially in periods of historical records. This valuation is systematically carried out by the risk management area and evaluated by the Risk Committee and Asset and Liability Management Committee (ALCO), which meets and defines a set of scenarios in a crisis environment. A scenario, in this context, is regarded as a certain combination of prices and interest rates. The preparation of the table followed the procedure below:

- (i) In each scenario, the amounts of the trading portfolio (Trading Book) and the structural transactions from several of the Institution's business lines and their respective hedges (Banking Book) were calculated;
- (ii) For each one of the risk factors, we chose the calculation that incurred in the highest loss and, based on it, applied the defined increase or decrease;
- (iii) Finally, we obtained the losses, corresponding to the related hypothetical scenario.

The following scenarios do not necessarily reflect the market risk management of the Institution neither is it associated with the accounting policies. The stress models may represent extreme situations that are distant from a day-to-day situation.

Below is the summary of the premises for each one of the scenarios.

We chose for each portfolio the trend (increase or decrease) that maximizes loss for each risk factor. The parallel dislocations of the curve were maintained, that is, a dislocation of + 1,000 basis means that in all future curves there was a 10% increase to the current rates.

For each scenario, the expected loss of the portfolio in relation to the marked-to-market position was measured.

Scenarios are described as follow

**Scenario 1:** Lower oscillation situation. Assumptions adopted: parallel shock of 10% in risk variables, based on market conditions seen on December 31, 2021, and considering the most significant losses from risk factor, not including the relationship dynamics between the macroeconomic variables.

**Scenario 2:** Potential situation. Assumptions adopted: parallel shock of 25% in risk variables, based on market conditions seen on December 31, 2021, and considering the most significant losses from risk factor, not including the relationship dynamics between the macroeconomic variables.

**Scenario 3:** Potential situation. Assumptions adopted: parallel shock of 50% in risk variables, based on market conditions seen on December 31, 2021, and considering the most significant losses from risk factor, not including the relationship dynamics between the macroeconomic variables.

The scenarios adopted for Banking and Trading Portfolio are shown in the following table, and also reflects the deterioration in the macroeconomic expectations since it maximizes loss for each risk factor in this portfolio. (Fixed interest rates strongly increase (10%; 25%; and, 50%), there is a substantial parallel dislocation of the foreign exchange coupon curves, the foreign exchange rates increase widely, the Brazilian stock exchange faces a downfall, reflecting in the indicators and indexed contracts

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Banking Portfolio - premises for risk factors			
	Scenario 1	Scenario 2	Scenario 3
(Fixed) Interest Rate Curve	parallel shift of +1,000 basis points	parallel shift of +2,500 basis points	parallel shift of +5,000 basis points
Foreign Exchange Coupon Curve	parallel shift of -1,000 basis points	parallel shift of -2,500 basis points	parallel shift of -5,000 basis points
Dollar - Spot	10% decrease	25% decrease	50% decrease
B3 S.A. - Brasil, Bolsa, Balcão	10% decrease	25% decrease	50% decrease
Inflation	10% increase	25% increase	50% increase

The results of the losses calculated in the scenarios presented summarize the losses from market fluctuations by risk factor, generated by CCB Brasil's systems and calculated for the Banking portfolio. These losses are shown in the following table:

Banking Portfolio - Results for risk factors in 12/31/2021			
Risk factors	Scenario 1	Scenario 2	Scenario 3
Dollar and dollar coupon	(11,191)	(27,477)	(53,270)
Fixed Rate in reais	(15,520)	(37,173)	(69,427)
Inflation	(5)	(13)	(27)
Total loss	(26,716)	(64,663)	(122,724)

Trading Portfolio - Results for risk factors in 12/31/2021			
Risk factors	Scenario 1	Scenario 2	Scenario 3
Dollar and dollar coupon	(130)	(356)	(817)
Fixed Rate in reais	(8,867)	(22,133)	(44,149)
Total loss	(8,997)	(22,489)	(44,966)

The risk factors are presented as follows:

- Includes all the products that have price variations pegged to dollar variations and interest rates in dollars.

- Fixed rate in real – Includes all products that have price variations pegged to dollar variations and interest rates in Real.

- Shares and Indices – Comprises the shares and indices of stock exchanges, shares and options pegged to share indices.

- Inflation – Refers to all products that have price variations pegged to inflation coupon variations and inflation rates.



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The sensitivity analysis Table has limitations and the economic impact on a potential fluctuation in interest rates might not represent necessarily a profit or a material accounting loss for the institution. The specific combination of prices which determine each scenario is an arbitrary decision, though possible. The signs of historical correlations between the assets were not necessarily respected and the scenarios chosen were analyzed according to a past time frame.

The accounting of the "Banking" Portfolio instruments, at a large extent, is made by the contract curve, which is different from the derivative financial instruments in the "Trading" Portfolio that are subject to fluctuations in the respective accounting record due to mark-to-market.

The results presented in the table referring to the banking portfolio may, at first glance, give the impression of high sensitivity to volatility. For a better analysis of the results obtained in this portfolio, it is suggested to evaluate the results of the measurements of Delta EVE (Economic Value of Equity) and Delta NII (Net Interest Income) with the calculation methodology standardized by the Central Bank of Brazil in Circular 3,876 /18 and in BCB Resolution 54/20. In view of this, it is noteworthy that the sensitivity analysis is an overview of the potential losses involved in the portfolio in the event of materialization of shocks on the stressed risk factors in isolation. This means that correlation and conjunctural impacts are not being considered in this analysis.

Likewise, in the sensitivity chart, interest rates and foreign exchange were considered unrelated. The limitations of the analysis of scenarios also involve the marking to market of all positions, which contradicts the Institution's determination in taking operations (especially foreign currency funding operations) to maturity, which may lead readers to make a mistake in judging that the losses presented in the scenarios will materialize, even if the oscillations provided for in the risk factors are verified.

## **CAPITAL MANAGEMENT**

CCB Brasil's risk and capital sufficiency management adopts, among others, basic elements of analysis, such as the understanding and identification of the risks inherent in its activities embodied in Capital and Liquidity management policy, assessment of the need for capital for the most relevant risks; development of methodologies for quantifying capital buffer; Capital and Contingency plan, and Strategic budget. It is carried out using quantitative metrics that include models and recommendations from the Central Bank of Brazil, from the Basel III perspectives and concepts.

The follow-up and monitoring of this management is continuous by the Risk Committee, assessed by the Board of Directors in Brazil, by the Head Office and regularly reported to BACEN. This framework is based on the guidelines established by CMN Resolution 4,557/17, which provides for the Risk and Capital management structure and the information disclosure policy. The resolution highlights the mandatory creation of a continuous and integrated risk management framework in banks, the definition of a Risk Appetite Statement (RAS), of stress testing programs, the creation of the Risk Committee, among others.

Among the measures adopted to face the crisis caused by the Covid-19 pandemic in 2020, and to provide greater stability for the Brazilian financial system, the Bacen launched a series of contingency actions, such as the reduction in the additional collection on mandatory deposits, exemption from provisioning for renegotiated loan operations, the option of funding by Financial Institutions through time deposits with special "NDPGE" guarantees, among others.

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In this sense, CMN Resolution 4,783/20 established the reduction in the rate of the capital conservation buffer (ACPC) from 2.5% to 1.25% for the period of one year, with a gradual review until March 2022 also aimed to improve the Institutions' ability to leverage assets and loans.

BACEN Requirements	Valid in 12/31/2021	Valid in 12/31/2020
Core capital ratio	6.5%	5.75%
Tier I Capital ratio	8.0%	7.25%
Basel Ratio (total PR)	10.0%	9.25%

The Leverage Ratio (RA) is defined as the ratio between Tier I Capital and Total Exposure, calculated in accordance with BACEN Circular 3,748/15. It is a simple leverage measure not sensitive to risk and does not consider the Risk Weighting Factors (FPR) or mitigations considered in the RWA. It is not required for S3 Group banks, but is calculated for the purpose of monitoring RAS and is a good indicator of an institution's capital-to-assets ratio.

The tables presented below show the main capital indicators calculated as of December 31, 2021 and December 31, 2020 and those established in the RAS Policy for 2021 - with review expected to occur in a year or any time when the circumstance requires.

It is noted that the capitalization and leverage indices comfortably meet all the minimum requirements, with space for asset growth in 2022.

In R\$ thousand	12/31/2021	12/31/2020
<b>Capital – Level 1</b>	<b>2,051,929</b>	<b>1,422,085</b>
- Core Capital	1,103,244	1,058,316
- Perpetual Bonds	948,685	363,769
<b>Capital – Level 2</b>	<b>-</b>	<b>423,302</b>
<b>Reference Equity</b>	<b>2,051,929</b>	<b>1,845,387</b>
- RWACpad	10,965,365	10,453,127
- RWAMPad	415,104	152,154
- RWAOpad	1,405,146	1,447,455
<b>Total RWA</b>	<b>12,785,615</b>	<b>12,052,736</b>
-	65,111	184,713
<b>Ratios</b>		
Main Capital	8.63%	8.78%
Level 1	16.05%	11.80%
Basel Ratio	16.05%	15.31%
IB to RWA + IRRBB	15.09%	12.85%

Art. 13, CMN Resolution 4,193/13, determines that institutions must maintain sufficient Capital to cover the risk of changes in interest rates on the bank portfolio (IRRBB), treating it as a capital buffer requirement, without including it in the definition of RWA (art. 3, CMN Resolution 4,193/13). At CCB Brasil, the limit for IRRBB is set in R\$ in the risk appetite statement and has represented on average 3 points in the capitalization indicator, as seen above. The review of the calculation methodology, combined with the reduction of the long-term credit portfolio, reduced the consumption of capital in this item, from December 2020 to December 2021, as noted above.

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 In thousands of reais - R\$, unless otherwise indicated.

#### 42. RECURRING AND NON-RECURRING RESULTS

As provided for in BCB Resolution No. 02/2020, a non-recurring result should be considered as a result that is not related or is incidentally related to the typical activities of CCB Brasil and is not expected to occur frequently in future years. Thus, in the year of 2020, at the Bank R\$ 89,870 was recorded referring to the reimbursement of unduly paid interest arising from perpetual debt and in the Consolidated, the amount of R\$ 25,972 was recorded arising from the write-off of the tax credit recorded in the subsidiary CCB Financeira as there is no expectation of generating taxable income in the next 10 years, sufficient for absorption of this credit in the total amount of R\$ 63,898. In the year of 2021, there was no record of non-recurring results in the Bank and Consolidated.

#### 43. OTHER INFORMATION

##### a) Commitments assumed for guarantees received and funding from international bodies

In 2020, CCB Brasil was debtor due to loans taken from Proparco (Société de Promotion et de Participation pour la Coopération Économique) for onlending to Brazilian companies, whose agreement required the maintenance of minimum financial ratios (financial covenants) in addition to the assumption of social and environmental responsibility obligations. Foreign loans and onlendings, which contain covenants, were classified in current, due to non-compliance with indicators in that year.

The financial ratios are calculated based on the financial information prepared in accordance with Brazilian law and standards of the Central Bank of Brazil (BACEN). These are monitored and assessed by the aforementioned creditor.

<b>BANK AND CONSOLIDATED</b>	<b>Required</b>
Capitalization (Basel)	≥ 11%
Sum of the 20 biggest risks on PR	≤ 300%
Concentration of risk per market segment	≤ 25%
D-H Loans + Pledges - Provisions over Reference Equity	≤ 25%
Operating Expenses over Operating Income	≤ 85%
90-day Liquidity Gap in Reais	> 00%

##### b) Insurance

The Bank adopts a risk protection policy, according to the relevance of the amounts involved, and Management considers the global amounts of the insurance contracted to be sufficient.

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**Board of Directors**

President:	Xilai Feng
Board members:	Fanggen Liu Liping Shang Daniel Joseph McQuoid Heraldo Gilberto de Oliveira

**Executive Board**

Chief Executive Officer:	Liping Shang
Directors, Vice-President:	Yongdong Jiang Zhiqiang Zhu
Directors:	Carlos José Roque Claudio Augusto Rotolo
Accountant:	Fábio José Mazzetto Said CRC: 1SP264988/O-8

**Audit Committee**

President and qualified member:	Heraldo Gilberto de Oliveira
Committee Members	Walter Mallas Machado de Barros Daniel Joseph McQuoid