Management Report – BNDES System
December 31, 2015

To shareholder and other stakeholders:

In compliance with the legal stipulations and the best practices of corporate governance, we present the BNDES’ Management Report as well as the Indivudual and Consolidated Financial Statements for the year ending December 31, 2015, together with the respective the Notes and the Independent Auditor’s Report.

I. Macroeconomic Environment

In the international scenario, the year of 2015 was one with a series of factors that continue to instill a heightened sense of uncertainty regrading the global economy. The world’s main economies are on very different paths when it comes to the level of activity. With this, reactions in terms of economic policy tend to appear uncoordinated, and may, in the short term, lead to another slowdown in the worldwide economy.

In the US, normalizing monetary policy began due to the better performance of economic activity, especially the boom in the work market. On the other hand, Europe’s Central Bank, in 2015, finally instituted Quantitative Easing in the Eurozone.

In China, by rebalancing its growth model – ranging from investments to household consumption – associated with the gradual financial liberalization/internationalization and the fight against corruption, the country underwent an expected slowdown in the rate of economic growth to 6.9% in 2015. China’s slower growth has important implications on international commodities prices, which plummeted over the year, affecting, above all, the emerging economies exporting basic products, including Brazil.

China’s slowdown is taking place within the context of na across-the-board slump in the growth rates of emerging economies. According to data from the World Bank, owing to the growing participation of emerging markets in the worldwide economy throughout the 2000s, a 1 p.p. drop in the growth of the BRICs generates an effective spillover and negatively affects the growth rate of other emerging nations by 0.98 p.p., as well as the worldwide economy by 0.4 p.p.

In the domestic scenario, Brazil’s economy had a troubling 2015. Changes to the economic policy, whether that had to do with the fiscal or monetary/credit areas, was accompanied by exogenous crises (specifically the political influence from the Lava-Jato investigations in the political area), which ignited uncertainties concerning the economy and undermined the confidence of domestic agents.

In this sense, with regard to supply, industrial activity, as in the last few years, remained slow. Structural problems, such as, for example, the trend in rising production costs and the fall in productivity, coupled with other circumstances, namely, high supply levels, long idle periods, a decrease in business confidence and low demand, reduced any perspective of resuming production in the short term.

Additionally, in 2015, the pessimistic outlook, which were restricted to industrial activity specifically related to supply, has also affected the services sector and, even moreso, the work market. The number of service sectors connected to transport and commercialization has been seriously affected by the low domestic demand. The increase in commercial properties to let has shown that not only has unemployment risen, but that this situation is expanding rapidly and has more evidently affected the real income of workers, which has also fallen. Real wages registered a 5.0% drop over the Jan-Nov 2015 period compared to the same period in 2014. The net decline in registered employment affected more than 1.5 million jobs in 2015, especially in the industrial sector, which alone posted a loss of 600,000 jobs.
Concerning demand, problems associated with investment – the drop in the production of capital goods and typical inputs for civil construction – still continue. In the accumulated result for 2015 with data up to November, the production of capital goods fell 25.0% compared to the same period in the previous year. This poor performance was led by the segment of transport equipment, with a more severe decline of 30.6% in the same period.

What was new in 2015 was the effects that the falling work market indicators had on household consumption. If, in the past, household consumption had shown certain resilience against the declining economy, with uninterrupted growth since 2003, it was 2015 that marked the end to this. The fall in worker's real wages, coupled with tighter bank restrictions on access to credit, truly affected the buying power of these economic agents.

Inflation as measured by the IPCA ended 2015 at 10.67%, well above the ceiling target of 6.5% established in the inflation target regime. The main factors behind this result were: i) realigning relative prices in the economy, between the regulated and free market prices – specifically due to the corrections to electric energy prices that had been suppressed – and between domestic and foreign prices – more specifically the exchange rate and the price of fuel; ii) inflation in the services sector remaining high, despite the fact that output is significantly low; and iii) the price falls for some foodstuffs, both in the in natura goods due to El Niño weather conditions, as well as in processed foods owing to the effects from exchange rate depreciation.

This poor economic performance, on the other hand, has facilitated an adjustment to Brazil’s foreign accounts. Even with the dramatic fall in commodities prices, the severe slump in activity and the adjustment made to the exchange rate have mainly affected imports. The trade balance posted a positive result of US$ 19.7 billion in 2015, reverting the negative amount registered in 2014, which was US$ 3.9 billion. Exports totaled US$ 191.1 billion, while imports reached US$ 171.5 billion. Besides this, data for 2H2015 registered drops in the most important entries for services accounts, especially transport and travel, as well as in primary income due to the fall in remittances of income and dividends abroad.

II. 2015 Highlights

The 2015 Best Practices Award from the Asociación Latinoamericana de Instituciones Financieras para el Desarrollo (ALIDE)
Criatec, the national seed fund, of which BNDESPAR is the main investor, received the Award in the Financial Products category, acknowledging the experience and the results obtained.

Brazil-France Chamber of Commerce Award
The social initiatives that received support from the Corporate Social Investment line of credit (ISE) in the surrounding areas of the Estreito hydroelectric power plant, in the states of Maranhão and Tocantins received this award.

The Multi-annual Plan to Implement and Monitor the Social and Environmental Responsibility Policy
The Plan aims at effectively implementing the BNDES’ Social and Environmental Responsibility Policy and making it possible for the Socio-environmental Sustainability Committee to monitor, on a monthly basis, the efforts set forth there, which offer new work fronts and reinforce the practices and initiatives the institution has in relation to social and environmental responsibility.

Seal of Approval for the 5th edition of the Pro-Equality Program for Gender and Race
The BNDES, for the 4th consecutive time, has been presented with the seal of approval for the Pro-Equality Program for Gender and Race run by the Special Policies Secretariat for Women at the Ministry of Human Rights, Racial Equality and Women’s Policies. This seal acknowledges the BNDES as a company that works in favor of equality for gender and race within its workplace and with the institutions that are part of its chain of relations.
XV ABT Award
The BNDES’ Central Assistance took second place in the XV ABT Award, in the Quality Management category, which evaluates the best practices for client relations and is carried out by the Brazilian Institute for Marketing Relations (IBMR).

The Launch of the BNDES on Facebook
The Tableau Tool to release information on operations and disbursements. See the section “VIII. BNDES Transparent”

Monitoring and Assessment Policy (PM&A)
The PM&A was approved, as it is aimed at improving internal and external communication of results and at increasing the quality and credibility of evaluations, in answer to the growing demand for information related to the effectiveness of the BNDES’ efforts.

Memorandums of Understanding
* With Mexico’s Foreign Trade Bank – A Memorandum of Understanding was signed to improve the cooperations and sharing experiences, aimed at fostering programs and, in particular, helping implement activities and develop projects of mutual interest.

* Between the participants of the BRICS and the New Development Bank (NDB) – An accord was signed to establish the basis for development banks to work with the NDB. Besides the BNDES, other signatories to the memorandum include Russia’s Vnesheconombank, India’s Export-Import Bank, the China Development Bank, and the Development Bank of South America.

* With India’s Exim Bank – A Memorandum of Understanding was signed to strengthen relations and open up the path to increase the cooperation initiatives between the institutions.

III. Operational Performance

2015 Operational Policy

Since the beginning of 2015, with a revision of operational policies, the BNDES offers better conditions in terms of rates, terms and the level of participation for sectors deemed a priority (innovation, infrastructure, renewable energy, public transport, waterway and railway transport, sanitation and improving public administration), environmental projects, companies’ social investments, as well as micro, small and medium-sized companies (MSMEs). The revision also included increasing the use of market cost references in financing and opening up more space to employ other sources of long-term financing.

For sector priorities, the financial cost reference is the long-term interest rate (TJLP), currently at 7.5% p.a. For other sectors, a part of financing in TJLP, in a combination of market cost references. With this, the Bank maintains firm support for Brazilian companies, sustaining and expanding investments, and aligning them with the federal government’s guidelines for rationalizing and using resources.

By reducing the levels of participation and the portion of financing in TJLP, the BNDES stimulates more market presence in long-term credit. Nevertheless, the level of participation has been increased to 90%, using market references. This is how the BNDES guarantees financing for a project.

The MSMEs have access to financing with the TJLP reference, and, regardless of the sector, can receive support under one condition: 100% in TJLP and 70% of the Bank’s participation.

The expiry date for the Investment Maintenance Program (PSI) was extended to December 31, 2015, and the interest rate was raised although it remained quite competitive. The interest rates for the PSI, which varied between 4% and 8% p.a., remained between 6.5% and 11% p.a. The measure is in keeping with the federal government’s plan for fiscal adjustment, at the same time it guarantees investments are encouraged.
In 2015, the Liquidity Support Line for interest rates on debentures (LSL), a line of contingency credit offered to those issuing debentures by paying a surcharge on the credit award. The LSL aims at covering the flows of interest to be paid to debenture holders at the absolute limit of the amount in the contract, equivalent to two years of interest, and whether it is used is up to the issuing party, potentially covering the entire term of the debenture. The aim of the LSL is to provide liquidity to infrastructure projects already receiving support from the BNDES by stimulating the debenture as an option for long-term financing and constituting a form of support to the debenture issuer, reducing the investors’ perception of the debenture credit risk and stimulating higher investment of private resources in this type of instrument.

Disbursement Numbers

Disbursements from the BNDES System, excluding the disbursements to the secondary market, reached R$ 135.942 billion in 2015, down R$ 51.895 billion (27.6%) against 2014. Approvals reached R$ 109.499 billion and consultations, R$ 124.620 billion, both presenting a 47% decrease compared to 2014.

The volume of operations also dropped 15.6% in 2015, falling from 1,130,202 operations in 2014 to 954,208 in 2015.

Performance was in tune with the slowdown in demand for new instruments and was affected by the fiscal adjustment policy the federal government implemented, which brought about two changes: more restrictive conditions in the equalized programs and the end of the National Treasury’s policy to lend money.

Faced with these circumstances, the BNDES adjusted its Operational Policy, maintaining larger levels of participation, lower rates and longer terms for priority sectors. As a result, and even facing the slowdown, the Bank maintained consistent levels of support for important areas. Highlights include electric energy projects, which received R$ 21.9 billion (up 15%), and transport logistics, which grew 8%, with close to R$ 20 billion in disbursements.

In the electric energy area, the main highlight is financing for wind energy projects, which rose 85%, with disbursements reaching R$ 6.1 billion in 2015. In the logistics area, releases to urban mobility projects totaled R$ 8.5 billion, up some 30% from the R$ 6 billion disbursed in 2014, of which some R$ 6 billion was earmarked for subway transport projects, including the construction and expansion of the subways systems in São Paulo, Rio de Janeiro, Salvador and Fortaleza.

Disbursements to projects in the so-called Green Economy reached R$ 31.3 billion in 2015, a rise of 11%. The BNDES Card, financing exclusively for micro, small and medium-sized companies, ended 2015 practically stable, with releases of R$ 11.2 billion, against R$ 11.5 billion in 2014.

Breakdown of Disbursements

The charts below show the participation per sector, size of company and region in total disbursements.
IV. Financing and Job Generation

Investment projects financed by the BNDES have a direct effect on job and income generation in the economy, either by stimulating the real economy, or through the sheer amount of resources involved.

Estimates at how many workers are required (jobs generated or maintained) when implementing investments that are receiving support from the Bank are made using the BNDES’ Job Generation Template (MGE), an input-product template for the Brazilian economy, which employs official data from the IBGE’s National Accounting System, as well as the Input-Product Guide. It is important to emphasize that the number of jobs the MGE suggests does not correspond to the net number of jobs generated in the economy, but rather to the volume of jobs related to the interventions so as to make such projects feasible.

The volume of employment estimated can be broken down into two types:

- **Direct employment** – this takes place in the sector that has an effective increase in the final demand. In fixed-investment projects, this is related, mainly, to civil construction, the manufacture of machinery and equipment, and services rendered to the companies; and
- **Indirect employment** – jobs in production chains that serve the sectors that are directly affected by the increase in demand.
In 2015, disbursements from the BNDES System totaled close to R$ 136 billion and represented almost an R$ 121 billion increase in the final demand while the investment projects were being implemented. The number of jobs required to make this amount of investments feasible, according to the MGE estimates, was approximately 2.5 million. The 31% decline in this indicator compared to the result in 2014 (3.6 million) is in tune with the fall in the volume of the BNDES’ disbursements in the same period compared (28% in nominal terms).1

Concerning the breakdown per type of job, the year 2015 presented the same results as 2014, split into 55% direct employment and 45% indirect. The average number of jobs generated or maintained per million reais invested in the economy fell slightly from 21.7 in 2014 to 20.5 in 2015, which means that the sectors impacted by the projects receiving support did not undergo any significant change.

The main sectors with an increase in final demand while investments receiving BNDES support were being implemented, according to the calculations made to estimate employment are: i) civil construction; ii) manufacture of machinery and equipment; iii) electronic material and communication equipment; iv) production of trucks and buses; and v) office appliances and computer information apparatuses. Together, these sectors, in 2015, corresponded to 63% of the final demand stimulated by the BNDES while investments were being implemented.

V. Economic-Financial Performance

The year 2015

The year 2015 was marked by the R$ 2.542 billion fall in income from equity investments, which decisively contributed to the R$ 2.395 billion drop (27.9%) in net income compared to 2014. The R$ 5.306 billion increase (39.6%) in income from financial intermediation in 2015 offset these effects.

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1 At the end of 2015, the estimates made by the BNDES’ Job Generation Template were revised due to methodological improvements. Now, the template has incorporated the new methodology from the IBGE’s National Accounting System and the 2005 Input-Product Model. The BNDES income-effect job estimates are no longer used because it began to correspond, under the new methodology, to more than two-thirds of the total result, divert the analyses.
### Main Economic-Financial Indicators

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>∆ (%)</th>
<th>2H/15</th>
<th>2H/14</th>
<th>∆ (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Income</td>
<td>6,199</td>
<td>8,594</td>
<td>(27.9)</td>
<td>2,684</td>
<td>3,122</td>
<td>(14.0)</td>
</tr>
<tr>
<td>Product of Financial Intermediation</td>
<td>20,159</td>
<td>13,449</td>
<td>49.9</td>
<td>9,116</td>
<td>7,358</td>
<td>23.9</td>
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<tr>
<td>Allowance for Loan Losses</td>
<td>(1,468)</td>
<td>(65)</td>
<td>2,158.5</td>
<td>284</td>
<td>28</td>
<td>914.3</td>
</tr>
<tr>
<td>Equity Investments</td>
<td>(5,407)</td>
<td>(2,865)</td>
<td>(288.7)</td>
<td>(5,512)</td>
<td>(838)</td>
<td>557.8</td>
</tr>
<tr>
<td>Tax Expenses</td>
<td>(1,167)</td>
<td>(968)</td>
<td>20.6</td>
<td>(640)</td>
<td>(464)</td>
<td>37.9</td>
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<tr>
<td>Income Taxes</td>
<td>(3,272)</td>
<td>(4,392)</td>
<td>(25.5)</td>
<td>981</td>
<td>(1,804)</td>
<td>(154.4)</td>
</tr>
<tr>
<td>Other Expenses, net</td>
<td>(2,646)</td>
<td>(2,295)</td>
<td>15.3</td>
<td>(1,545)</td>
<td>(1,158)</td>
<td>33.4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Financial Position</strong></th>
<th>Dec/15</th>
<th>Dec/14</th>
<th>∆ (%)</th>
<th>Dec/15</th>
<th>June/15</th>
<th>∆ (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets (TA)</td>
<td>930,576</td>
<td>877,219</td>
<td>6.1</td>
<td>930,576</td>
<td>911,453</td>
<td>2.1</td>
</tr>
<tr>
<td>Loan Portfolio, net</td>
<td>695,378</td>
<td>651,207</td>
<td>6.8</td>
<td>695,378</td>
<td>667,625</td>
<td>4.2</td>
</tr>
<tr>
<td>Securities</td>
<td>105,051</td>
<td>105,033</td>
<td>-0.2</td>
<td>105,051</td>
<td>110,396</td>
<td>4.3</td>
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<tr>
<td>Equity Investments</td>
<td>52,388</td>
<td>63,360</td>
<td>(17.3)</td>
<td>52,388</td>
<td>68,324</td>
<td>(23.3)</td>
</tr>
<tr>
<td>Credits from the National Treasury</td>
<td>7,834</td>
<td>26,163</td>
<td>(70.1)</td>
<td>7,834</td>
<td>27,227</td>
<td>(71.2)</td>
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<tr>
<td>Cash and Cash-Equivalents</td>
<td>35,403</td>
<td>7,879</td>
<td>349.3</td>
<td>35,403</td>
<td>16,099</td>
<td>119.9</td>
</tr>
<tr>
<td>Other Assets</td>
<td>34,522</td>
<td>23,576</td>
<td>46.4</td>
<td>34,522</td>
<td>21,782</td>
<td>58.5</td>
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<tr>
<td>Third-party Funds</td>
<td>899,583</td>
<td>846,482</td>
<td>6.3</td>
<td>899,583</td>
<td>873,424</td>
<td>3.0</td>
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<tr>
<td>National Treasury</td>
<td>523,737</td>
<td>506,215</td>
<td>3.5</td>
<td>523,737</td>
<td>521,115</td>
<td>0.5</td>
</tr>
<tr>
<td>FAT/PIS-Pasep</td>
<td>254,397</td>
<td>229,077</td>
<td>11.1</td>
<td>254,397</td>
<td>240,115</td>
<td>5.9</td>
</tr>
<tr>
<td>International Funding</td>
<td>56,543</td>
<td>41,280</td>
<td>37.0</td>
<td>56,543</td>
<td>46,165</td>
<td>22.5</td>
</tr>
<tr>
<td>Merchant Marine Fund (FMM)</td>
<td>22,171</td>
<td>15,418</td>
<td>43.8</td>
<td>22,171</td>
<td>18,075</td>
<td>22.7</td>
</tr>
<tr>
<td>Repurchase Agreements</td>
<td>-</td>
<td>16,356</td>
<td>(100.0)</td>
<td>-</td>
<td>18,684</td>
<td>(100.0)</td>
</tr>
<tr>
<td>BNDESPAR Debentures</td>
<td>3,554</td>
<td>5,911</td>
<td>(39.9)</td>
<td>3,554</td>
<td>3,861</td>
<td>(8.0)</td>
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<tr>
<td>Other Liabilities</td>
<td>39,181</td>
<td>32,225</td>
<td>21.6</td>
<td>39,181</td>
<td>25,409</td>
<td>54.2</td>
</tr>
<tr>
<td>Shareholders’ Equity (SE)</td>
<td>30,993</td>
<td>30,737</td>
<td>0.8</td>
<td>30,993</td>
<td>28,029</td>
<td>(18.5)</td>
</tr>
<tr>
<td>SE/TA</td>
<td>3.3%</td>
<td>3.5%</td>
<td>-17.3%</td>
<td>3.3%</td>
<td>4.2%</td>
<td>(20.2)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Prudential Requirements (%)</strong></th>
<th>Dec/15</th>
<th>Dec/14</th>
<th>Dec/15</th>
<th>June/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basel Ratio</td>
<td>14.7%</td>
<td>15.9%</td>
<td>14.7%</td>
<td>17.0%</td>
</tr>
<tr>
<td>Common Equity Ratio</td>
<td>9.8%</td>
<td>10.6%</td>
<td>9.8%</td>
<td>11.3%</td>
</tr>
<tr>
<td>Tier 1 Capital Ratio</td>
<td>9.8%</td>
<td>10.6%</td>
<td>9.8%</td>
<td>11.3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Credit Ratios (%)</strong></th>
<th>Dec/15</th>
<th>Dec/14</th>
<th>Dec/15</th>
<th>June/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-performing / Loan Portfolio</td>
<td>0.00%</td>
<td>0.01%</td>
<td>0.00%</td>
<td>0.05%</td>
</tr>
<tr>
<td>Allowance for Loan Losses / Loan Portfolio</td>
<td>0.67%</td>
<td>0.49%</td>
<td>0.67%</td>
<td>0.53%</td>
</tr>
<tr>
<td>Coverage Ratio 1/</td>
<td>10.9</td>
<td>36.1</td>
<td>10.9</td>
<td>11.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Profitability (%)</strong></th>
<th>2015</th>
<th>2014</th>
<th>2H/15</th>
<th>2H/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROA (Net Income/TA_average)</td>
<td>0.67%</td>
<td>1.03%</td>
<td>0.29%</td>
<td>0.37%</td>
</tr>
<tr>
<td>ROE (Net Income/SE_average)</td>
<td>15.37%</td>
<td>21.18%</td>
<td>6.38%</td>
<td>7.67%</td>
</tr>
</tbody>
</table>

1/ Allowance for loan losses / Non-performing loans
2/ Excluding adjustments to fair value (net of taxes, in the case of ROE)
3/ Profitability in 2014: different from the published in the 2014 Management Report due to the reclassification of debt instruments eligible for common equity to liabilities from shareholders' equity in 2015, retroactively, as detailed in Note 4.3 of the 2015 Financial Statements.
Petrobras

On 12/31/15, the interest of the BNDES System (BNDES and BNDESPAR) in Petrobras capital was 17.3% (a 10.1% interest in the voting capital on the same date).

The issues related not only to the turbulent political scenario, but also to the confidence crisis regarding the company’s management and the successive revisions to the investment plans, coupled with the fall in international commodities prices and the expectations concerning inflation and a rise in interest rates, all had a significant impact on Petrobras’ market value, bringing about a drop in investment from the BNDES System from R$ 22.5 billion on 12/31/14 to R$ 16.3 billion on 12/31/15.

On 12/31/15, share prices for PN PETR4 and PN PETR3 reached R$ 6.63 and R$ 8.53, respectively, and they continued to fall throughout January 2016. These prices, references for analyzing impairment, were significantly below the average purchase price registered by BNDESPAR and the BNDES.

As impairment has been proven, the BNDES analyzed the recoverable value of the investment, based on the economic-financial evaluation model, which resulted in impairment losses, in the 2015 income, in the amount of R$ 7.35 billion (R$ 4.49 billion, net of taxes).

Nevertheless, it is worth mentioning that, in compliance with the CMN Resolution Nº 4,175/12, some R$ 3.30 billion (R$ 1.82 billion, net of taxes) was maintained as shareholders’ equity. The CMN Resolution Nº 4,175/12 establishes that losses in shares received from the federal government for capitalization, even if considered permanent, should only be recorded in income when the investment has been written-off, generally, for sale.

Another important issue to mention is that, in the case of shares classified as “Available for sale securities”, which is the case of the investment at hand, the impairment does not generate any impact on the company’s financial position because the positive or negative variations in the respective market values are already shown in Assets and in the Shareholders’ Equity. With this, the recording of impairment represents the transferring of a lost already recorded in shareholders’ equity (in a specific account called “equity valuation adjustments”) and in assets, also with no impact on the cash flow. The effective loss will only be real when the asset is written-off, generally by its sale.

The table below shows the BNDES System’s income in 2015, eliminating the effects of impairment registered in the investment in Petrobras, which, due to its size and extraordinary nature, could compromise the comparability of information.

<table>
<thead>
<tr>
<th>BNDES System</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Reported Income</td>
<td>Petrobras’ Effect</td>
</tr>
<tr>
<td>Income from Financial Intermediation</td>
<td>18,691</td>
<td>-</td>
</tr>
<tr>
<td>Income from Equity Investments</td>
<td>(5,407)</td>
<td>7,334</td>
</tr>
<tr>
<td>Other Expenses, net</td>
<td>(3,516)</td>
<td>-</td>
</tr>
<tr>
<td>Income before Income Taxes</td>
<td>9,768</td>
<td>7,334</td>
</tr>
<tr>
<td>Income Taxes</td>
<td>(3,271)</td>
<td>(2,849)</td>
</tr>
<tr>
<td>Employee Profit Sharing</td>
<td>(298)</td>
<td>-</td>
</tr>
<tr>
<td>Net Income</td>
<td>6,199</td>
<td>4,485</td>
</tr>
<tr>
<td>ROA (%)</td>
<td>0.7%</td>
<td>-</td>
</tr>
<tr>
<td>ROE (%)</td>
<td>15.4%</td>
<td>-</td>
</tr>
</tbody>
</table>
Loan Portfolio

Includes direct financing, represented by loan operations, and indirect financing, through accredited financial agents, represented by interbank onlending operations.

The loan portfolio, net of allowance for losses of R$ 4.687 billion, amounted to R$ 695.378 billion on December 31, 2015, corresponding to 74.9% of the total assets on the same date. The 6.8% increase compared to 2014 is due to the 18.0% rise in the loan operations portfolio, which offset the 5.5% drop in the interbank onlending portfolio.

Breakdown of the Gross Loan Portfolio

The risk spread is not charged in onlending operations, but there is a financial intermediation fee between 0.1% and 0.5%, depending on the size of the client. In these operations, the risk is taken on by the financial institutions onlending the BNDES resources.

The R$ 44.2 billion increase (6.8%) in the net loan portfolio in 2015 is basically due to the 40.3% rise in the foreign currency portfolio, as a result of the 47.0% in the appreciation in the US dollar in 2015.
The BNDES maintains constant monitoring of the quality of its loan portfolio, with the strategic aim to improve the management of risk and return. Financing is under permanent monitoring and requires guarantees to cover the indebted position over the term of the contracts.

Classifying the loan portfolio per risk level is in compliance with the CMN Resolution No. 2,682/99, which establishes the classifications of credit between AA, which is low level risk, and H, high risk, as well as the percentage of allowance that should be set aside for each level.
Credits classified between AA and C levels, considered low risk, accounted for 99.3% of the total portfolio on December 31, 2015, which is higher than the 92.4% registered in the National Financial System (NFS) on September 30, 2015 (most recent available data), and yet slightly below the 99.7% registered on December 31, 2014.

The non-performing rate reached 0.06% on December 31, 2015, slightly higher than that registered in 2014, the same movement verified in the NFS. Still, the BNDES System’s non-performing rate on 12/31/15 is one of the lowest registered by institutions in the NFS.

The low non-performing rate reflects not only the management and the quality of the loan portfolio, which is well above the NFS average, but also the consistency of the operational policies and, above all, the role of the BNDES as a development bank: granting financing with interest rates and loan terms that are compatible with long-term projects. As an indicator of the quality of the portfolio, the volume of renegotiation over the twelve months ending 12/31/15 reached 2.14% of the portfolio.

Between 2011 and 2015, the BNDES non-performing rates remained at levels lower than those registered at the NFS, even though the BNDES has rather conservative criteria when classifying a credit default: while the NFS considers an overdue credit payment a default as of 90 days, the BNDES has a shorter period of only 30 days.

The coverage ratio, a “safety net” that represents the number of times the allowance for losses is able to cover non-performing credits, reached 10.9 on 12/31/15.
Securities

This basically includes debentures and government securities, which accounted for 18.0% and 78.9%, respectively, of the securities portfolio on December 31, 2015.

Debentures are one of the ways the BNDES provides financial support. The portfolio, which reached R$ 19.214 billion on 12/31/15, comprises investments in simple debentures totaling R$ 8.856 billion and in convertible/exchangeable debentures valued at R$ 10.358 billion.

Credits from the National Treasury

These are receivable amounts owed by the National Treasury resulting from remuneration equalization of programs the federal government has stimulated, including Pronaf, Revitaliza, Agrícolas and, mainly, PSI.

The R$ 18.329 billion decrease (70.1%) in 2015 is due to the fact the National Treasury paid R$ 30.641 billion related to remuneration equalization for the PSI and agricultural programs. With this payment, on 12/31/15, a further R$ 7.834 billion remains outstanding related to amounts of the 2H2015, which were settled in January 2016.

Cash and Cash Equivalents

The R$ 27.524 billion rise in 2015 is owing to the slump in the demand for disbursements, well above R$ 30 billion in 2015, and to the receipt of equalization rights.

Equity Investments

These include, basically, shares that the federal government offered as capital in the BNDES, corporate minority and transitory shares that seek to provide support to raise capital and develop national companies, as well as strengthening and modernizing Brazil’s capitals market, besides mutual investment and equity funds.

On December 31, 2015, of the total equity investments portfolio, some 69.2% represented investments in non-associated companies, while 27.1% was in associated companies, and the remaining 3.7% was in mutual investment and equity funds and other investments.

Investments in associated companies, in which the BNDES has influence over financial and operational decisions, are assessed using the equity method. Other investments are assessed using fair value and, in special cases, using the acquisition cost.

The equity investments portfolio, net of allowances for losses, reached R$ 52.388 billion on 12/31/15, a 17.3% decrease for the year, brought about by depreciation, to the tune of R$ 10.483 billion, in the portfolio of shares in non-associated companies, especially shares in Petrobras and Vale, affected by the fall in commodities prices on the international market.

Other Assets

The R$ 8.778 billion increase (37.2%) in 2015 was brought about, basically, by the effects of tax from reducing the fair value of the portfolios of non-associated companies as well as securities.
Funding Sources

Of the funding sources that make up the capital structure of the BNDES, one highlight is the importance of governmental sources.

National Treasury (Onlendings and Debt Instruments Eligible for Common Equity)

Since 2010, with increasing onlending of resources, the National Treasury is the main creditor to the BNDES and responsible for 56.4% of the total liabilities on December 31, 2015. Of the total onlending, some 89.1% is under the long-term interest rate (TJLP).

At the end of 2015, the BNDES paid off R$ 15.8 billion in contracts remunerated at market rates (US$ and the Selic rate) ahead of time. The aim of this payment was to adjust the cost and the availability of its funding to become more suitable not only for the loan portfolio but also to meet the demand for disbursements in the medium term, besides contributing to the federal government’s efforts stabilize the public debt in the medium term. The impact from paying it off ahead of time on the BNDES' liquidity was minimal, given the receipt of equalizations previously mentioned.

In March 2015, as established by the BACEN, the total of R$ 35.5 billion in debt instruments eligible for common equity were classified in the net worth for the liabilities. The cost of these instruments is variable, limited to the TJLP, and should be paid after the first dividend payment or interest on shareholders’ equity paid to the federal government on a date after the Financial Statements for the period have been approved by the Board of Directors.

No resources were received from the National Treasury in 2015.

Workers’ Assistance Fund (FAT) and the PIS-Pasep Fund

The FAT resources at the BNDES ended 2015 with a total of R$ 220.7 billion. Of this total, some R$ 205.9 billion came from the Constitutional FAT, while some R$ 14.8 billion is from the Special Deposits FAT.

In 2015, some R$ 19.3 billion in new resources came from the FAT, a volume 13.5% higher than in 2014, of which R$ 17.1 billion was from the Constitutional FAT and R$ 2.2 billion from Special Deposits.

On 12/31/15, the liability with the PIS-Pasep Fund totaled R$ 33.7 billion, earmarked for investments in social and economic development programs. Since the FAT was created in 1988, the PIS-Pasep Fund has not received any resources.
Other Governmental Funds

These include, basically, resources from the Merchant Marine Fund (FMM), from the Workers’ Severance Pay Fund (FGTS), from the FGTS Investment Fund (FI-FGTS) and the other financial and development funds, which, together, account for 3.8% of the liabilities on 12/31/15.

In 2015, some R$ 3.6 billion came from the FMM, a 71.4% increase against 2014.

International Funding

This is essentially onlending from multilateral institutions, bond issuances and syndicated loans, which, together, totaled R$ 56.5 billion on 12/31/15, an increase of 37.0% against 2014, which is the result of a 47.8% appreciation in the US dollar in 2015 and the arrival of resources from multilateral institutions, which reached R$ 2.8 billion in 2015. No bonds were issued in 2015.

Other Liabilities

Of the total of other obligations on 12/31/15, some 52.6% is fundraising from public debenture issuances from BNDESPAR and Agribusiness Letters of Credit (LCAs), as well as income taxes.

The amount of LCA issuances reached R$ 6.0 billion in 2015. These securities mature between January 2016 and January 2019 and cost between 93.0% and 96.0% of the CDI.

Shareholders’ Equity

There was no important variation in the shareholders’ equity comparing the periods.

The net income of R$ 6.199 billion in 2015 were absorbed by the fall in the fair value of available for sale securities, in the amount of R$ 1.157 billion, and by the supplementary dividend payment for 2014 (R$ 1.443 billion) and the intermediate dividends and interest on shareholders’ equity related to 2015 (R$ 3.343 billion).

Shareholder Remuneration

In 2015, the BNDES paid dividends and interest on shareholders’ equity of R$ 4.8 billion to the federal government, of which some R$ 3.3 billion was related to intermediate dividends on income registered in the balance sheet for 06/30/15 and some R$ 1.4 billion for supplementary dividends related to income in 2014.
Flow of Resources

In recent years, return on operations (receiving credit services, the original sources of resources are not established) have become the main source of funds for new projects.

Due to the very long terms for the main sources of funds in the BNDES (all governmental), well above the average turnaround of credit assets, return on operations is the most important and sufficient source of funds to meet the disbursement budget in the coming years.

Income from Financial Intermediation

This income is from financial intermediation net of allowances for losses.

Product from Financial Intermediation

It’s the income from financial assets and liabilities from the BNDES System. Financial assets are the loan portfolio as well as securities, net of allowances for losses.

The product from financial intermediation reached R$ 20.159 billion in 2015, up R$ 6.709 billion (49.9%) against 2014 resulting from the increase in the average loan portfolio and the management of resources from the treasury, intensified by the growing cash and cash equivalents, stemming from the National Treasury paying equalization rights, and required as a means to offset the decline in income from equity investments.

Allowances for Loan Losses

The expense of allowance for loan losses reached R$ 1.468 billion in 2015, against the amount of R$ 65 million in 2014, resulting from the growth in the loan portfolio and the drop in the perspective of risk of some clients.

Income from recovered credit did not present an important variation, falling slightly from R$ 383 million in 2014 to R$ 341 million in 2015.

Income from Equity Investments

These include income from dividends and interest on own capital, equity in earnings (losses) of subsidiaries and associates, divestments, derivatives and mutual investment and equity funds, allowance for impairment losses and other revenue mainly coming from BNDESPAR portfolio.

In 2015, result from equity investments was a loss of R$ 5.407 billion (income of R$ 2.865 billion in 2014) due to the R$ 6.922 billion increase (246.0%) in impairment expenses and the R$ 2.660 billion drop in income from dividends and interest on shareholders’ equity, partially offset by the R$ 545 million rise in earnings from equity in earnings (losses) of subsidiaries and associates.

In 2014, Petrobras, Vale/Valepar and Eletrobras contributed R$ 2.785 billion in dividends and interest on shareholders’ equity. In 2015, income from these same companies reached R$ 381 million, with no payment by Petrobras.

Of the total R$ 9.736 billion for allowance for impairment losses 2015, close to 75% came from investments in Petrobras, as previously mentioned. The remainder is due, significantly, to the severe decline in the fair value of some shares in relation to respective acquisition costs.

In 2015, the R$ 1.310 billion income from equity in earnings (losses) of subsidiaries and associates (R$ 765 million in 2014) rose further due to the R$ 1.049 billion income from JBS (R$ 350 million in 2014).
Tax Expenses

In their totality, these include federal taxes such as PIS-Cofins, income tax and social contribution on net income.

The R$ 922 million reduction (17.2%) is the result of a 26.2% fall in income before taxes.

Other Expenses, net

This includes monetary restatement on assets and liabilities, administrative and personnel expenses, labor and civil provisions, among others.

The 15.3% jump in 2015 is mainly owing to the effects from collective salary bargaining in 2014, which ended only in May 2015, as well as those in 2015.

Information per Segment

The assets and income of the BNDES’ business segments were defined per activity: (i) financing (fixed income); (ii) capitals market (variable income); and (iii) treasury.

Breakdown of the Segments

- “Fixed Income”: includes assets, income and fundraising costs linked, basically, to loan and debenture portfolios;
- “Variable Income”: includes assets, income and fundraising costs linked to the variable income portfolio, which comprises corporate shares and mutual investment and equity funds; and
- “Treasury”: includes assets, income and fundraising costs linked, basically, to management of cash and cash equivalents within the BNDES System.

<table>
<thead>
<tr>
<th>Segment</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Assets</td>
<td>Income</td>
</tr>
<tr>
<td></td>
<td>(A)</td>
<td>%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>700,214</td>
<td>81.2%</td>
</tr>
<tr>
<td></td>
<td>729,280</td>
<td>80.4%</td>
</tr>
<tr>
<td>Variable Income</td>
<td>64,646</td>
<td>7.5%</td>
</tr>
<tr>
<td></td>
<td>54,247</td>
<td>6.0%</td>
</tr>
<tr>
<td>Treasury</td>
<td>97,007</td>
<td>11.3%</td>
</tr>
<tr>
<td></td>
<td>123,978</td>
<td>13.7%</td>
</tr>
<tr>
<td>Allocated</td>
<td>861,867</td>
<td>100.0%</td>
</tr>
<tr>
<td></td>
<td>907,505</td>
<td>100.0%</td>
</tr>
<tr>
<td>Non-allocated</td>
<td>15,352</td>
<td>(8,649)</td>
</tr>
<tr>
<td>Total</td>
<td>877,219</td>
<td>8,594</td>
</tr>
</tbody>
</table>

\*1/ Includes allowance for loan losses.

The BNDES assesses the performance of its segments based on the allocated income. All operational income comes from external clients, with no operations among segments.

Taxes on income and tax expenses are centrally monitored, with no allocations to segments. The different portfolios are subject to specific tax rates, and the variable income portfolio is subject to the lowest relative tax rate.
The performance of the segments known as Variable Income and the Treasury were determining factors in establishing the net income of the BNDES System in 2015. The Variable Income segment was heavily affected by the depreciation of investments operating in the commodities sector, whose international market prices are on the wane, and due to inflationary pressure, high interest rates and increasing risk premiums in Brazil, which culminated in recorded allowance for impairment losses to the tune of R$ 9.7 billion in 2015 (R$ 2.8 billion in 2014) and in the R$ 2.7 billion decrease in income from dividends and interest on shareholders’ equity in 2015. In 2015, the National Treasury’s payment of R$ 30.6 billion in equalization rights and the slump in disbursements, down approximately R$ 30 billion, generated cash and cash equivalents that allowed the Treasury segment to offset the negative impacts from the Variable Income on net income of the BNDES System.

Income from the Fixed Income segment between the periods followed the growth of its assets.

**Generating and Distributing Value**

An important indicator in assessing the social role, the added value statement (DVA), under a global view of performance, presents the institution’s contribution to generating wealth for the economy in which it is involved and the effective distribution of employees, government, financial agents and shareholders.

The wealth generated and distributed by the BNDES in 2015 was R$ 12.625 billion, well below the R$ 15.657 billion generated and distributed in 2014.

As the federal government is the BNDES’ sole shareholder, the participation of this sphere of government in distributing generated wealth includes federal tax, remuneration on shareholders’ capital and retained income, totaling R$ 10.823 billion (85.7% of the total wealth generated) in 2015, against R$ 14.111 billion in 2014 (90.1% of the total wealth generated).

**VI. Risk Management and Internal Controls**

Within the scope of activities focused on helping improve internal controls and managing risks within the BNDES System, in 2015, the following stood apart:

**Internal Controls**

- Adapting the assessment of internal controls in work processes, aimed at more efficiency and broader coverage in the analyses carried out;
- Improving ongoing monitoring, focusing on better meeting the internal standards;
- Developing efforts aimed at structuring a Compliance Program; and
- Implementing initiatives to improve dissemination of a control culture at the Institution.

**Operational Risk**

- Finalizing a development project and implementing a Management System for Ongoing Business at the BNDES;
- Improving the methodology to identify and measure operational risk; and
- Including the matter of analyzing operational risks as support for the collegiate body of Deputy Managing Directors when assessing proposals of new products, programs and policies in the BNDES System.
Market and Liquidity Risks

- Creating a tailor-made policy to monitor liquidity risk specifically for the characteristics of the BNDES’ cash flow;
- Contracting a new system for market and liquidity risk, which fosters the integration of risk management with both front-office and back-office processes, as well as management of variable income portfolio;
- Standardizing procedures and methodology related to mapping out cash flows in risk factors to meet institutional norms; and
- Incorporating prudential adjustments that reflect the uncertainties inherent to pricing non-liquid financial instruments.

Credit Risk

- Finalizing the internal project for technical support to implement the Credit Risk Management System, completing the information retrieval applications;
- Improving the economic capital methodology for share portfolio;
- Improving the stress tests, such as the assessment of expected losses due to default from larger exposure and risk parameter stress;
- Improving the methodology to self-assess capital for application in the ICAAP report; and
- Defining and approving the Socio-environmental Risk Concept in the Policies for Managing Credit Risk and Operational Risk.

Risk Management in Numbers

On December 31, 2015, the BNDES presented comfortable amounts for minimal capital requirements by Central Bank of Brazil: the Basel Index totaled 14.7%, while Indexes for Common Equity and Tier 1 Capital totaled 9.8%, respecting, therefore, the minimum amounts required by the regulator.

<table>
<thead>
<tr>
<th>Regulatory Capital - RC</th>
<th>Basileia II</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2011</td>
</tr>
<tr>
<td>= Tier 1 Capital (T1)</td>
<td>99,084</td>
</tr>
<tr>
<td>(+) Common Equity Tier 1 (CE)</td>
<td>51,849</td>
</tr>
<tr>
<td>(+) Additional Tier 1 Capital (AC)</td>
<td>-</td>
</tr>
<tr>
<td>= Tier 2 Capital</td>
<td>48,044</td>
</tr>
<tr>
<td>(−) Deductions from RC</td>
<td>809</td>
</tr>
</tbody>
</table>

Risk-Weighted Assets (RWA)*

<table>
<thead>
<tr>
<th></th>
<th>Basileia II</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2011</td>
</tr>
<tr>
<td>= Credit Risk (RWA_CPAI)</td>
<td>471,800</td>
</tr>
<tr>
<td>(+) Market Risk (RWA_MPAI)</td>
<td>652</td>
</tr>
<tr>
<td>(+) Operational Risk (RWA_OPAD)</td>
<td>8,607</td>
</tr>
<tr>
<td>Interest Rate Risk (RIS)</td>
<td>1,461</td>
</tr>
<tr>
<td>Basel Index / Regulatory Capital Index (RC/RWA)</td>
<td>20.60%</td>
</tr>
<tr>
<td>Common Equity Tier 1 Ratio (CE/RWA)</td>
<td>-</td>
</tr>
<tr>
<td>Tier 1 Capital Ratio (T1/RWA)</td>
<td>-</td>
</tr>
</tbody>
</table>

*Due to the new rules from Basileia III, which took effect in 2013 (particularly the CMN Resolution nº 4.193/13), for comparative purposes, the amounts of RWA (Risk-Weighted Assets) presented between 2010 and 2012 are the amounts of Required Reference Equity (RRE), disclosed in the Notes, divided by the 0.11 factor.

The payment of dividends and interest on shareholders’ equity along with the fall in the fair value of the available for sale securities portfolio in 2015 led to the fall in RC and, consequently, the Basel Index compared to 2014.

VII. Ethics Management

The Ethics Management at the BNDES is conducted by the BNDES Ethics Committee (CET/BNDES) and the Secretariat of the Ethics Committee (SECET/GP), linked to the President’s Office at the BNDES.

The Code of Ethics and the Internal Regulations of the BNDES System, as well as the other internal and external norms, guide the ethics management through efforts of an educational and preventative nature, by updating and improving norms, by verifying and applying the possible actions when ethics have been breached.

Among the activities carried out in 2015, one highlight is the cycle of lectures presented to all divisions at the Bank, besides two groups of new employees, and participation in developing the Policy on Gender and Diversity.

In 2015, the CET/BNDES open 72 Preliminary Procedures, of which 47 were consultations or requests for authorization to carry out parallel activities, some 13 were reports or representations, including direct analyses and 12 assistance hearings. All consultations were answered and reports were assessed or are in the final stages of preliminary evaluation.

Breakdown of Preliminary Procedures
Ombudsperson’s Office

The Ombudsperson’s Office offers citizens a channel for active participation together with the BNDES’ Management. Aimed at helping improve the Institution’s practices, the Ombudsperson’s Office takes part in internal discussion forums, disseminating information gathered while handling the most common requests that citizens have made.

In 2015, the Ombudsperson’s Office, in cooperations with several of the Bank’s divisions, received and handled 1,463 calls, which is a 4.1% decline in the annual number.

Breakdown of Queries

![Type of Contact 2015 Graph]

![Contacts made by 2015 Graph]

![Region 2015 Graph]

VIII. BNDES Transparent

In maintaining its firm commitment to transparency in its operations, the BNDES aims to strengthen its relationship with its many different audiences through the following initiatives:

Call Center

*The BNDES’ Call Center*

Assistance is offered to the external audience concerning products, services and other topics related to the BNDES System operation through the following: telephone (0800 702-6337), written correspondence and e-mail using an online form available at www.bndes.gov.br/faleconosco.
In 2015, close to 667,000 calls were received, of which 86% were by phone. In a customer satisfaction survey conducted after each call, some 95% of the respondents considered the assistance EXCELLENT or GOOD. These numbers prove the external audience’s preference for contact via the telephone and their satisfaction with the service provided.

In recognition for its quality, the BNDES Call Center was awarded the silver trophy in the ABT XV Award in the category Quality Control for the case “Our brand is excellence”. This case covers the work conducted by the BNDES, together with an outsourced company, aimed at excellent assistance, focused on the client and pursuing ongoing improvement in the quality of the services rendered.

**On-site Service**

The BNDES also has a channel for direct dialogue with clients and the general public, offering corporate guidances in its offices in Belém, Brasília, Recife, Rio de Janeiro and São Paulo. In 2015, some 836 face-to-face contacts were conducted.

Of this total, some 352 contacts took place in the Rio de Janeiro office, and most were micro, small and medium-sized companies (58%), individual micro-entrepreneurs (16%) and individuals (18%). Among the lines of financing recommended, highlights include the BNDES Card and BNDES Microcredit, as well as BNDES Automatic, BNDES Finame and BNDES Progeren. In customer satisfaction conducted after each contact, some 98% of the respondents considered the face-to-face assistance an important channel for clarifying doubts. The team responsible for assistance was also commended in the survey, with satisfaction above 98%.

Also in 2015, the BNDES took its booth to 18 trade fairs and exhibitions, attending 2,046 contacts.

**Citizens Information Service (SIC)**

Responsible for handling requests for information within the Information Access Act, the SIC provides assistance via the following: face-to-face (Rio de Janeiro), telephone (0800-887-6000), written correspondence, e-mail (sic@bndes.gov.br) or via the e-SIC System (www.acessoainformacao.gov.br/sistema/).

In 2015, the SIC received 734 requests for information, all answered within the legal deadlines.

**Investor Relations**

Assistance for other requests for financial information from the BNDES System via the following: e-mail (ri@bndes.gov.br) or telephone (2172-8071 or 2172-6588).

There is also registration available for those wishing to receive an e-mail with financial information from the BNDES System with financial statements, financial-economic release, and institutional presentations, among others. Registration can be done via the site, on the page http://www.bndes.gov.br/SiteBNDES/bndes/bndes_en/Institucional/Investor_Relations/Newsletter_Contact/index.html

Currently, there are 1,346 registered users.

**Institutional Lectures**

The BNDES receives domestic and international delegations and students to provide lectures on Brazil’s economy and the importance of the Bank as a key player in national development.

In 2015, some 30 institutional presentations were given – in Portuguese, English and Spanish – to a total of 617 visitors.
“BNDES Closer to You” Lectures

These were conducted using points of information, through agreements between the BNDES and other institutions, with the aim of disseminating the forms of financing offered to micro, small and medium-sized companies.

In 2015, some 12 lectures were held in seven states, reaching a total of 1,624 participants. The voluntary satisfaction survey measured the audience’s satisfaction concerning the content, physical infrastructure and publicity of the event. The average grade the public registered was “excellent” with regard to the quality of the lecture and the facilities, and “very good” for publicity.

The BNDES’ Site and Social Media

In 2015, the BNDES’ site was visited by four million separate visitors – a monthly average of 333,000 users, which is 33% higher than in the previous year. The number, associated with the 19% fall in the rejection rate\(^2\), reflects, mainly, the improvements to available content.

*Transparent BNDES Section*

On the Bank’s site since 2008, the BNDES Transparent section allows internet navigators to consult awarded operations and the volume of the Bank’s disbursements. In 2015, the section included interactive panels using the Tableau software, a technological solution that cross-references data quickly and more intuitively.

*Tableau Tool*

Implemented in April 2015, the Tableau software offers a new way to consult the BNDES’ operations and disbursements.

In consultations on disbursements, interactive maps and charts were incorporated facilitating a variety of cross-referencing, such as size of company, regions in the country and the economic sector, for more extensive analysis. Besides guaranteeing better access to data, the new layout helps the general public understand the volumes disbursed.

Consulting operations allows the public to search an operation using the name of the client, the date of the operation, the type of support (direct or indirect), the division at the BNDES that is responsible for the operation and the modality of support (reimbursable or non-reimbursable), and it is also possible to blend criteria to obtain the result desired.

In August 2015, the BNDES Transparent section increased the available consultation data to the year 2002 on direct and indirect non-automatic operations, and on the post-shipping operations for engineering services. And, in November, “The BNDES” section, which offers visual resources – such as buttons, icons and charts – to facilitate navigation and understanding the content, was reformulated. This section now includes information on operations and the breakdown of the BNDES’ committees, with more data on the company structure and the institution’s contacts. Also available now is extra information on the BNDES’ main sources of resources, with details on operations carried out with the federal government, and on the Bank’s relations with control agencies.

The pages on Exports, in the “Financial Support” section, and Investor Relations were also reformulated. The texts were re-edited, using a more straightforward, didactic and objective style, prioritizing information that help the public to understand how the BNDES’ financial support works. The Investor Relations has undergone important changes: with the opinions proffered by the Fiscal Council and summaries from the Auditing Committee, comparisons of financial information from other institutions, as well as data on the loan portfolio and default in the BNDES System.

\(^2\) The rejection rate is the percentage of visitations in which a person leaves the webpage without interacting with it.
Improving consultations, coupled with the publicity campaign, resulted in a significant increase in the numbers of visitors to the BNDES Transparent section.

These measures strengthened the BNDES’ commitment to transparency, in efforts which were intensified throughout 2015.

*Effectiveness Report*

In June 2015, the BNDES released its first Effecticity Report for the 2007-2014 period, in the BNDES Transparent section. The Report compiles the economic, territorial, environmental and social effects of the Bank’s operations, and systematically organizes information and studies the BNDES produced or funded while monitoring and assessing its operations.

*Social Media*

In 2015, the BNDES launched its Facebook fanpage (https://www.facebook.com/bndes.imprensa), which expands its presence on social media, which began in 2010 when the Bank launched its Twitter account.

Visitation to official pages on social media also grew. The BNDES’ YouTube channel (youtube.com/bndesgovbr) received close to 112,000 visits and in 2015 registrations reached 2,966.

Throughout the year, other users are sharing information related to society via Twitter (@bndes_imprensa) and Facebook, as well as presentations available on Slideshare (slideshare.net/bndes). The Bank’s image on social media has been closely monitored.

*IX. Managing People*

The BNDES ended 2015 with 2,783 staff members and, due to its policy on benefits and staff development, continues to present low rates of staff departure. Only 2.4% of staff members left the institution in the period.

*Breakdown of staff*
Learning and Knowledge

In 2015, the BNDES continued with its efforts towards personal and professional development for staff members. In this period, driven by the need to foster skill development to meet the organization’s demands, the Bank invested approximately R$ 16.1 million in training, certification programs and language classes, in addition to graduate courses, in Brazil and abroad. All up, this totaled 112,662 hours of training, which resulted in an average of 40.6 hours of training per staff member, and 56 staff members starting graduate courses.

Tailor-made training was delivered to 75 groups on a range of topics, totaling 1,130 participants in well-populated courses despite the heavy content and work demands. In this year, the Management Development Program (PDG) was implemented, with the first two groups containing 67 managers. The 100-hour course offers a practice approach and covers such topics as sustainability, public administration, ethics, strategies and managing people.

Internship Program and the Young Apprentice Program

The BNDES’ Internship Program offers high school graduates the opportunity for professional development and improvement in a range of areas. Interns are selected by an integration agent, who is a partner in managing the Program, which currently has 308 interns that have 4-hour daily shifts. The Program offers a scholarship, as well as meal and travel allowances, besides a health and dental plan.

In addition to the Internship Program, the BNDES also has the Young Apprentice Program, which fosters methodic technical-professional education for adolescents, aimed at inserting them into the registered job market and, thus, contributing, to reducing the main cause of adolescent unemployment: the lack of professional experience. The learners must be between 14 and 18 years of age, and enrolled in grade 9, at least.

Currently, the Program has 32 young learners, spread across several positions, including the Xerox sector, Document Management, Library, Travel Sector, Center for Studies, among others.

Valuing Diversity

The BNDES is permanently committed to eliminating all forms of inequality and discrimination in the work environment and in the institutions with which it has relations.

This commitment is clearly established in its Mission and Value Statement, and in its Code of Ethics. The aim is for the Bank to be acknowledged as an inclusive company, capable of understanding and meeting society’s needs.

Specific efforts conducted in 2015 include:

- Achieving, for the fourth consecutive year, the Pro-equality Seal for the Policy Secretariat for Gender and Race for Woman;
- Approval of the Policy on Gender Equality and Valuing Diversity;
- Running publicity pieces promoting the quality for gender and race;
- Sponsorship for the 1st International Seminar on the Culture of Violence against Women;
• Bringing together the entities that foster gender equality through a meeting with the International Labor Organization (ILO) in Brazil and taking part in opening ceremony of the 2nd Workshop for Working Women who Breastfeed;
• Donation of Booklets on Maria da Penha Law (anti violence against women) to the Women’s Integrated Center in the downtown area of Rio de Janeiro;
• Internal lecture on awareness of to include people with special needs with the para-Olympic athlete Fernando Fernandes (canoeing);
• Training for employees on inclusive management and accessibility;
• Following up on and facilitating the inclusion of new staff members with special needs;
• Review the number of interns, with some positions reserved for people with special needs; and
• Improvements to the work environment in terms of accessibility in the BNDES.

X. Rating

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<tr>
<th>Rating Agency</th>
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<th>Local Currency - Long Term</th>
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<td>S&amp;P</td>
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XI. BACEN Circular Letter Nº 3,068/2001

The BNDES declares it has the financial capacity and the intention of maintaining, until the maturity date, the securities classified as “Held to Maturity” on 12/31/15, in the amount of R$ 9.000 billion, equivalent to 6.3% of the net securities portfolio.

XII. Acknowledgements

We thank our collaborators for their dedication and talent, which has allowed us to reach consistent results; our clients, which have motivated us in the ongoing pursuit to develop our services; and the market, for the undeniable support and trust.