

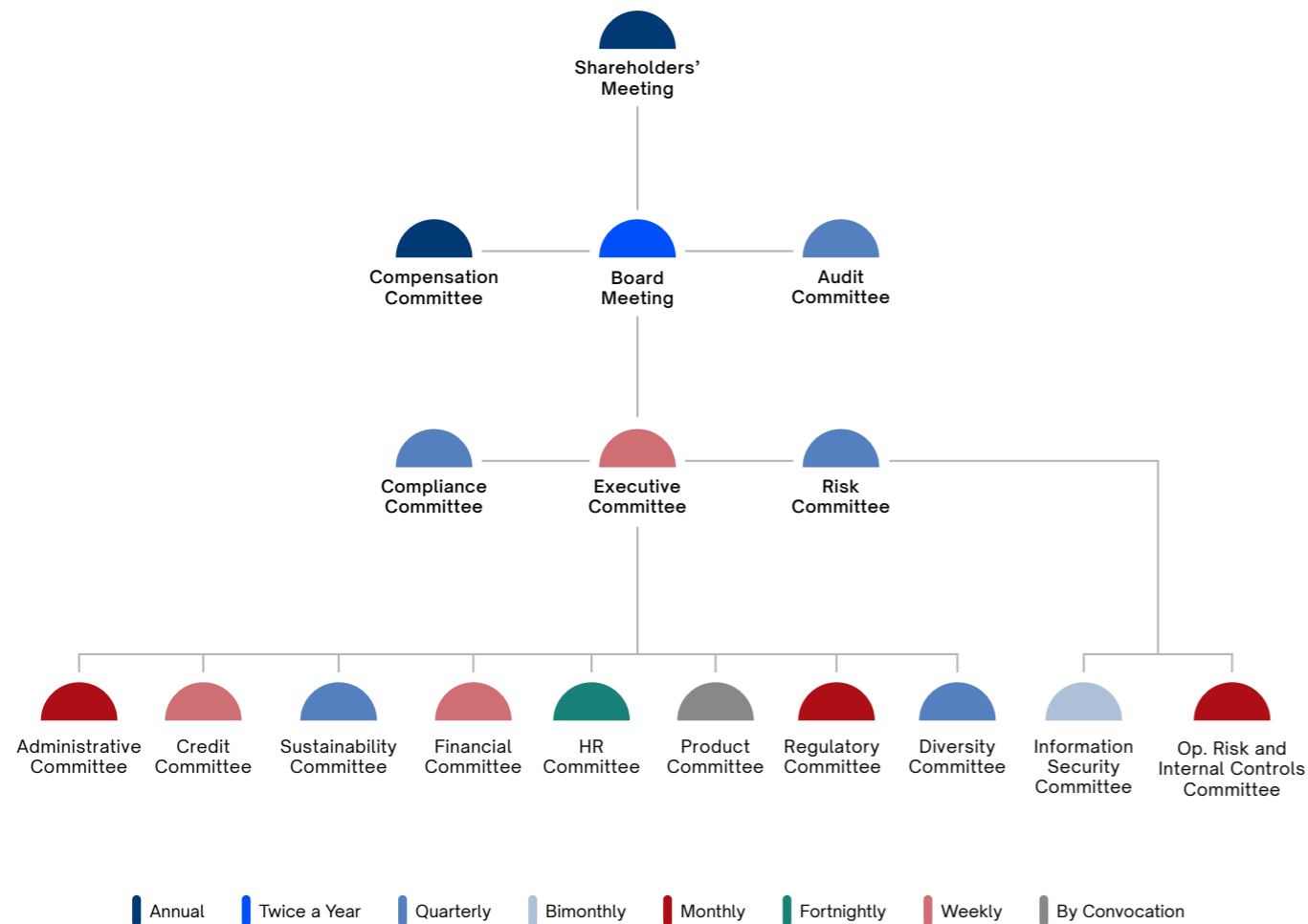
# How we decide

Our governance structure comprises the Shareholders' Meeting, the Board of Directors, the Executive Committee, and 14 specialized committees, including the Diversity Committee.

All decisions taken by these bodies reflect our commitment to transparency, agility, effectiveness and security.

BOCOM BBM's guidelines are periodically updated to ensure they are in line with best practices in the financial services industry.

The responsibilities of these bodies are detailed below.



## Shareholders' Meeting

Made up of shareholders, this is the Bank's highest decision-making body. It meets at least once a year to discuss topics of great significance to the organization, but can be convened whenever necessary.

## Board of Directors

The Board is the main governance body responsible for establishing general guidelines for the Bank's business. It also devises the Bank's strategies and oversees the activities of top management, assuring their alignment with the established values and objectives.

It analyzes and decides on the Executive Committee's proposals, for ratification by the shareholder meeting if necessary.

It has six members appointed by the controlling shareholder. It meets at least twice a year, but can be convened whenever necessary.

## Executive Committee

The Executive Committee's main responsibility is to coordinate compliance throughout the Bank with the business guidelines established by the Board and monitor the Bank's performance. Its members are the Chairman of the Board, the Executive Directors, and the Heads of Corporate Credit I and II, Capital Markets, and Treasury. It meets semiannually to analyze and decide on proposals by the specialized committees.

## Specialized Committees

We have 15 specialized committees that provide support to the Bank's senior management on specific topics or operational activities.

### • Audit and Compensation Committees

Report directly to the Board of Directors

### • Risk and Compliance Committees

Report to the Board of Directors through the Executive Committee.

### • Other committees

The specialized committees report to the Executive Committee, except the Information Security Committee and the Operational Risk and Internal Controls Committee, which report to the Risk Committee.

We adopt the best governance practices to ensure that our committees can act with autonomy, transparency and agility. Its composition includes at least two officers and, eventually, may have the participation of members of the Bank's Board of Directors.

### Audit Committee

The main responsibility of the Audit Committee is to independently advise the Board of Directors. Its duties include assuring the accuracy and reliability of the financial statements, verifying compliance with legal and regulatory requirements, monitoring the effectiveness and independence of the internal and external auditors, and evaluating the effectiveness of the internal control systems. It has three members, two of whom are independent while the third is a senior executive of BOCOM BBM, and meets quarterly.

### Compensation Committee

Its function is to assist the Board of Directors in matters related to the fixed and variable compensation of administrators. Meetings take place annually.

### Risk Committee

Monitors and assesses the main sources of market, credit, liquidity and operational risks, and discusses possible changes or adjustments. Also defines and analyzes stress scenarios to protect the Bank from unexpected fluctuations; tests and validates the quantitative models used to calculate risk factors and metrics; and decides on matters forwarded by the Operational Risk and Internal Control Committee and the Information Security Committee. Meets quarterly but can be convened at any time if there are significant changes in the economic environment with possible impacts for the Bank and its clients.

### Compliance Committee

Evaluates and monitors the annual compliance program, assures correct application of the Code of Ethics and Conduct, and periodically analyzes the compliance risks associated with our activities. Discusses and responds to the requirements sent by the Central Bank of Brazil (BCB), the Brazilian Securities and Exchange Commission (CVM), and self-regulating agencies. Establishes anti-money laundering and anti-terrorism financing (AML/CTF) guidelines. Meets quarterly or whenever necessary.

### Information Security Committee

Responsible for managing the risks associated with information and communications technology (ICT). Analyzes possible operating incident scenarios and proposes preventive measures. Establishes and renews contracts with cloud computing and data processing companies. Reports to the Risk Committee and meets fortnightly.

### Operational Risk and Internal Controls Committee

Analyzes, discusses and monitors matters relating to operational events, managing the risks associated with them. Reports to the Risk Committee, executing the action plans established by its directors, and meets monthly.

### Administrative Committee

In monthly meetings, the Administrative Committee manages the Bank's budget and administrative costs.

### Credit Committee

Establishes credit policies and approves credit limits on the basis of its analysis of the financial capacity of potential borrowers and the loan security they can provide. Also monitors the risk-return ratio for the credit portfolio, seeking to keep it positive. Decisions are based on qualitative and quantitative information extracted from a database constructed during our long history of experience in the credit market. Meets weekly on a regular basis and holds semiannual meetings to evaluate financial counterparties and set exposure ceilings.

### Sustainability Committee

Defines and monitors the development of all our socio-environmental initiatives. Reports directly to the Executive Committee and meets quarterly to review strategies, policies, goals, and sponsorships.

### Financial Committee

Meets weekly to analyze the economic and political outlook. Also monitors the Bank's cash flow and allocation of assets and liabilities.

### HR Committee

Meets fortnightly to define, revise and enhance our people management policies. Also participates in selection, recruitment, training, development and compensation, as well as topics relating to the well-being of our staff.

### Product Committee

Meets on demand to analyze and approve new products, review existing products and identify new business opportunities. Examines risks of various kinds, as well as the business opportunities for each product, proposing appropriate solutions.

### Regulatory Committee

Tracks changes in legislation, regulation, case law and industry best practices in a multidisciplinary manner, aiming to map their impact on our business activities and anticipate discussions about BOCOM BBM's compliance with the new conditions.

### Diversity Committee

Suggests, refines and implements policies to foster diversity and inclusion at the Bank. Acts strategically to promote awareness, training, professional development and corporate visibility based on the contributions of two gender and BIPOC affinity groups: Women's Engagement (WE) and Collective of Race (COR). Reports directly to the Executive Committee and meets quarterly.