

WWF-Brasil -  
World Wide Fund  
For Nature

**Financial statements  
as of December 31, 2021**

# Contents

<b>Independent auditors' report on the financial statements</b>	<b>3</b>
<b>Balance sheets</b>	<b>6</b>
<b>Statements of surplus (deficit)</b>	<b>7</b>
<b>Statements of comprehensive income</b>	<b>8</b>
<b>Statements of changes in net assets</b>	<b>9</b>
<b>Statements of cash flows - Indirect method</b>	<b>10</b>
<b>Notes to the financial statements</b>	<b>11</b>



KPMG Auditores Independentes Ltda.  
SAI/SO, Área 6580 - Bloco 02, 3º andar, sala 302 - Torre Norte  
ParkShopping - Zona Industrial (Guará)  
Caixa Postal 11619 - CEP: 71219-900 - Brasília/DF - Brazil  
Telephone +55 (61) 3362 3700  
kpmg.com.br

## Independent auditors' report on the financial statements

### **To the Board Members and Directors of WWF-Brasil – Fundo Mundial para a Natureza** Brasília – DF

#### **Opinion**

We have examined the financial statements of WWF-Brasil - World Wide Fund For Nature ("Entity") comprising the balance sheet as of December 31, 2021 and the related statement of surplus (deficit), comprehensive income and changes in net assets, and cash flows for the year then ended, as well as the corresponding notes, comprising the significant accounting policies and other clarifying information.

In our opinion, the aforementioned financial statements present fairly, in all material respects, the financial position of WWF-Brasil – Fundo Mundial at December 31, 2021, the performance of its operations and its cash flows, for the year then ended, in conformity with Brazilian accounting practices, applicable to small and medium-sized entities.

#### **Basis for opinion**

Our audit was conducted in accordance with Brazilian and international standards on auditing. Our responsibilities under those standards are further described in the following section, titled "Auditor's Responsibilities for the Auditing of Financial Statements". We are independent in relation to the Entity, according to the relevant ethical principles established in the Accountants' Professional Code of Ethics and the professional standards issued by the Federal Accounting Council, and we comply with the other ethical responsibilities according to these standards. We believe that the audit evidence obtained is sufficient and appropriate to support our opinion.

#### **Management's responsibility for the financial statements**

The Management is responsible for the preparation and adequate presentation of the financial statements in accordance with the accounting practices adopted in Brazil, applicable to small and medium-sized

enterprises and the internal controls it deemed necessary to enable the preparation of these financial statements free of material misstatements, regardless of whether caused by fraud or error.

In the preparation of financial statements, management is responsible for assessing the ability of the Entity to continue as a going concern, disclosing, where applicable, the matters relating to its going concern and the use of this basis of accounting in preparing the financial statements, unless management intends to wind-up the Company or cease its operations, or has no realistic alternative to avoid the closure of operations.

## **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, regardless of whether caused by fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that the audit conducted pursuant to Brazilian and international auditing standards will always detect any existing material misstatements. Misstatements may arise from fraud or error, and are considered material when, individually or in aggregate, may influence, from a reasonable perspective, the economic decisions of users taken based on such financial statements.

As part of an audit conducted according to the Brazilian and international auditing standards, we exercise professional judgment, and maintain professional skepticism during the audit. We also:

- Identify and assess the risks of material misstatement of the 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 the internal controls relevant to the audit to design auditing procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern accounting basis by management, and based on the audit evidence obtained, whether there is significant uncertainty in relation to events or conditions that may cast significant doubt on the ability of the Entity to continue as a going concern. If we conclude that there is material uncertainty, we will call attention in our audit report to the respective disclosures in the financial statements or include any change in our opinion, if the disclosures are inappropriate. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity not to continue as going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with management regarding planned scope, audit period and significant audit findings, including possible significant internal control deficiencies identified during our work.

Brasília, April 20, 2022.

KPMG Auditores Independentes  
CRC SP-023228/O-4 F-DF

Jaqueline Oliveira Silva  
Accountant CRC GO-021960/O-7

## WWF-Brasil - World Wide Fund For Nature

### Balance sheets at December 31, 2021 and 2020

(In thousands of reais)

Assets	Note	2021	2020	Liabilities	Note	2021	2020
<b>Current assets</b>				<b>Current liabilities</b>			
Cash and cash equivalents	3	15.398	10.602	Suppliers		965	593
Project-linked funds	4	24.124	29.167	Advance for future projects	7	24.124	29.167
Loans receivable from projects executed	5	1.495	1.690	Labor obligations	9	3.953	3.423
Other receivables		1.159	729	Obligation to WWF head office – Network Service	14.e	285	658
Inventories		<u>83</u>	<u>120</u>	GMI obligations	8	2.982	3.009
				Other trade payables	10	<u>508</u>	<u>447</u>
<b>Total current assets</b>		<b><u>42.260</u></b>	<b><u>42.308</u></b>	<b>Total current liabilities</b>		<b><u>32.818</u></b>	<b><u>37.297</u></b>
<b>Non-current assets</b>				<b>Non-current liabilities</b>			
Property, plant and equipment	6	1.645	1.828	Obligation to WWF head office – Network Service	14.e	440	292
Intangible assets		<u>3</u>	<u>17</u>	Provision for civil and labor risks	14.c	232	65
				GMI obligations	8	<u>-</u>	<u>-</u>
<b>Total non-current assets</b>		<b><u>1.648</u></b>	<b><u>1.845</u></b>	<b>Total non-current liabilities</b>		<b><u>671</u></b>	<b><u>357</u></b>
				<b>Total liabilities</b>		<b><u>33.489</u></b>	<b><u>37.654</u></b>
				<b>Net assets</b>			
				Net assets	14.d	6.499	6.959
				Accumulated surplus/(deficit)		<u>3.919</u>	<u>(460)</u>
				<b>Total net assets</b>		<b><u>10.418</u></b>	<b><u>6.499</u></b>
<b>Total assets</b>		<b><u>43.907</u></b>	<b><u>44.153</u></b>	<b>Total liabilities and net assets</b>		<b><u>43.907</u></b>	<b><u>44.153</u></b>

See the accompanying notes to the financial statements.

# WWF-Brasil - World Wide Fund For Nature

## Statements of surplus (deficit)

Years ended December 31, 2021 and 2020

*(In thousands of reais)*

	Note	2021	2020
<b>Operating revenues</b>			
Revenue related to projects	11	81.823	62.450
Institutional revenue		908	797
Net revenue from sale of products and services		542	764
Volunteer work	14.g	200	171
Other revenues	12	411	231
		<u>83.883</u>	<u>64.413</u>
<b>Operating expenses/revenues</b>			
Personnel expenses	13.1	(32.727)	(29.876)
Costs of programs and projects	13.2	(43.378)	(29.752)
General and administrative expenses	13.3	(3.430)	(2.819)
Volunteer work	14.g	(200)	(171)
Other expenses		(814)	(1.688)
Tax expenses		(343)	(475)
		<u>(80.891)</u>	<u>(64.781)</u>
<b>Finance result</b>			
Financial revenue	13.4	1.339	1.199
Financial expense	13.4	(413)	(1.291)
		<u>927</u>	<u>(92)</u>
<b>Net financial income (loss)</b>		<u>927</u>	<u>(92)</u>
<b>Surplus (deficit) for the year</b>		<u><u>3.919</u></u>	<u><u>(460)</u></u>

See the accompanying notes to the financial statements.

# WWF-Brasil - World Wide Fund For Nature

## Statements of comprehensive income

Years ended December 31, 2021 and 2020

*(In thousands of reais)*

	2021	2020
<b>Surplus (deficit) for the year</b>	<b>3.919</b>	<b>(460)</b>
Other components of the comprehensive income	<u>-</u>	<u>-</u>
<b>Comprehensive Total Surplus/(Deficit)</b>	<b><u>3.919</u></b>	<b><u>(460)</u></b>

See the accompanying notes to the financial statements.

# WWF-Brasil - World Wide Fund For Nature

## Statements of changes in net assets

Years ended December 31, 2021 and 2020

*(In thousands of reais)*

	Net assets	Accumulate d surplus (deficit)	Total
<b>Balance at December 31, 2019</b>	<b>6.041</b>	<b>918</b>	<b>6.959</b>
Transfer of surplus to net assets	918	(918)	-
Deficit for the year	-	(460)	<b>(460)</b>
<b>Balance at December 31, 2020</b>	<b>6.959</b>	<b>(460)</b>	<b>6.499</b>
Transfer of surplus to net assets	(460)	460	-
Surplus for the year	-	3.919	3.919
<b>Balance at December 31, 2021</b>	<b><u>6.499</u></b>	<b><u>3.919</u></b>	<b><u>10.418</u></b>

See the accompanying notes to the financial statements.



# WWF-Brasil - World Wide Fund For Nature

## Statements of cash flows - Indirect method

Years ended December 31, 2021 and 2020

*(In thousands of reais)*

	Notes	2021	2020
<b>Cash flows from operating activities</b>			
<b>Surplus (deficit) for the year</b>		<b>3.919</b>	<b>(460)</b>
Provision for lawsuits	14c	167	65
Write-offs and losses of receivables		(62)	(49)
Write-off of property, plant and equipment	6b	341	128
Provision for write-down of property, plant and equipment	6b	-	1.075
Exchange gains and losses	14.4	(49)	741
Amortization	13.3	11	15
Depreciation	13.3	671	752
		<u>4.997</u>	<u>2.267</u>
<b>Changes in assets and liabilities</b>			
<b>(Increase) decrease in assets:</b>			
Project-linked funds	4	5.042	2.414
Credits receivable from projects	5	311	(549)
Other receivables		(277)	2.319
Inventories		37	388
<b>Increase (decrease) in liabilities:</b>			
Advances for projects to be undertaken	7	(5.042)	(2.414)
Labor obligations	9	530	124
Obligations with suppliers		372	(570)
Other liabilities	10	(348)	(372)
<b>Net cash from operating activities</b>		<u><b>5.622</b></u>	<u><b>3.607</b></u>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	6b	(826)	(1.187)
<b>Net cash flow used in investment activities</b>		<u><b>(826)</b></u>	<u><b>(1.187)</b></u>
<b>Increase in cash and cash equivalents</b>		<u><b>4.796</b></u>	<u><b>2.420</b></u>
Cash and cash equivalents at the beginning of the year		10.602	8.182
Cash and cash equivalents at the end of year		15.398	10.602
<b>Increase in cash and cash equivalents</b>		<u><b>4.796</b></u>	<u><b>2.420</b></u>

See the accompanying notes to the financial statements.

## Notes to the financial statements

*(Amounts expressed in thousands, unless otherwise indicated)*

### 1 Operations

WWF-Brasil - (“Entity” or “WWF-Brasil”) is a non-profit Brazilian civil society organization engaged in promoting nature conservation and the society’s engagement with the environmental cause within the Brazilian social and economic context. The Entity is incorporated as a civil association and is part of the *World Wide Fund for Nature - WWF*. WWF-Brasil’s office is located at CLS 114 Bloco D - 35 - Asa Sul, Brasília/DF.

Established in 1988 and reorganized in its current statutory form in 1996, WWF-Brasil started its operations as a representative office for WWF Network’s projects in the country. Since August 30, 1996, it became WWF-Brasil, operating under new Bylaws and as an autonomous national organization. In other words, it is the only organization responsible for WWF’s operations in Brazil, including project management, formation of partnerships, the use of world logo and fundraising within the country. Moreover, it integrates the international governance instances of the WWF Network with its own structure, voice and vote.

The Bylaws define the WWF-Brasil Mission as follows: “Contribute to a Brazilian society that conserves its natural environment, harmonizing human activity with the preservation of biodiversity and the sustainable use of natural resources, to the benefit of the citizens of today and of future generations.” Additionally, the Entity adopts the following values: Courage, Integrity, Respect, and Collaboration.

WWF-Brasil seeks to engage people for conservation, and one of the ways of doing this is through the affiliate program, through which people commit to make periodic donations. At December 31, 2021, the WWF-Brasil members program had 2,342 active members (compared to 3,932 members at December 31, 2020).

In accordance with by-laws, the institutional principles of WWF-Brasil are:

- (i) The promotion for reconciling sustainable development and nature conservation.
- (ii) Respecting the interest of traditional populations, as defined by law, linked to the areas where it operates.
- (iii) Respecting human rights.
- (iv) Repudiating all kinds of prejudice and discrimination as defined by law.
- (v) Lawfulness, impersonality, morality, publicness, economy and efficiency; and
- (vi) Respect for the Brazilian Federal Constitution and other laws and rules comprising the national legal system, unity and sovereignty of Brazil.

The Entity is ruled by a governance system, which involves the Chamber of Associates, a Deliberative Council, and an Advisory Board; and, in addition, it has thematic committees, which, together, periodically monitor the progress of operations, results and impacts regarding its strategy, bylaws and organizational mission. WWF-Brasil does not compensate its directors and associates, in compliance with the provisions of the federal tax legislation; nor does it share any institution's profits, bonuses or advantages, gains or positive results for the year with managers, supporters or associates, under any form or pretext.

WWF-Brasil is managed by professionals hired by the Chief Executive Officer, its main executive, and the person in charge of administrative and programmatic management. The Chief Executive Officer and his/her team periodically report on the financial and technical results to the Deliberative Council and other governance bodies.

## **1.1 Impacts of COVID-19**

The COVID-19 pandemic demanded restrictive measures by government authorities worldwide in order to protect the population, resulting in restrictions on the flow of people, including quarantine and lockdown, restrictions on travel and public transportation, extended workplace closure, supply chain disruptions, trade closures, and widespread consumption reductions. In Brazil, states and municipalities, including the locations in which we operate, adopted the guidelines established by the Ministry of Health, adopting measures to control the spread of the disease, social isolation, and the consequent restriction on circulation, which resulted in the closing of restaurants, hotels, malls, areas of general circulation, parks and other public spaces.

In view of the Declaration of Public Health Emergency of International Concern (PHEIC) by the World Health Organization on January 30, 2020, due to the human infection with the new Coronavirus (COVID-19), and the decree of the world pandemic state on March 11, 2020, WWF-Brasil prioritized the safety and integrity of everyone who helps in the realization of its mission, values, and strategic drivers, whether they are members of its team, as well as partners and suppliers contracted in 2020 and 2021 or with activities underway in that year.

The WWF-Brasil staff was placed in a work-from-home arrangement in mid-March 2020; all travel and events were suspended. We have also implemented a mechanism for assessing the risks of contracting third parties (suppliers and partners), transmitting guidelines, and mitigation measures for COVID-19 transmission in activities contracted and/or in collaboration with WWF-Brasil. Even in a challenging year, the team was resilient to adapt to the restrictions and/or limitations imposed on field activities and to redesign the work plans of the projects.

Throughout 2020 and 2021, the clear connection between nature conservation and the fight against the pandemic – already identified during the previous year – was firmly established. In this regard, we raised considerable funds for emergency actions in the field, for assisting and strengthening health-related measures (through donations of food, hygiene products, Personal Protective Equipment (PPE) and other materials), serving those involved in WWF-Brasil projects.

The Entity's revenue exceeded the planned budget in 2021, and we maintained a healthy pipeline of new project proposals. Finally, there was no need to use our reserves to absorb any financial impact due to the pandemic.

The Entity did not receive any direct government benefits, except for the use of the reduction in the contribution rate of the S system, better known as Other Entities (Third Parties) according to Executive Order 932/2020.

## **1.2 Rede WWF – World Wide Fund For Nature**

Established in 1961, the WWF Network has become one of the most respected independent organizations of environmental civil society. With a secretariat located in Geneva, Switzerland, where the WWF-International is headquartered, the WWF Network is composed of autonomous national organizations, associated organizations, regional hubs and project units in over 100 countries.

The WWF Network operates as a kind of federation of environmental organizations. All of them are non-governmental, independent and non-profit entities, associated through voluntary agreement. There are several levels of association, and WWF-Brasil is among the most comprehensive of them, which is the National Organization (NO) status. The link to the WWF Network does not imply loss of local autonomy. The member organizations share programs, plans and strategies and join forces to act globally. Nevertheless, there is no overlapping decision making or decisions imposed at the national level.

Relationships within the WWF Network are coordinated by WWF-International, which governs the operation and integration standards regarding actions carried out by the offices. Partnerships between WWF offices are contractually defined and follow operational standards and practices, which are defined collaboratively with other national offices.

WWF-Brasil is responsible for integrating its national strategy with the global strategy through the definition of nationally determined critical contributions to WWF's global impact goals. Moreover, there are common standards for the design, performance and accountability of projects and programs.

## **1.3 Tax exemptions**

WWF-Brasil is a non-profit entity and enjoys exemption from income tax and social contribution on net income under the terms of article 15 of Law 9532/97. Since 2016, WWF-Brasil has the ITCMD (the Brazilian tax on *Causa Mortis* Transmission and Donation of any assets or rights) exemption certificate in the State of São Paulo, as it is a non-profit environmental organization, in accordance with State Law 10705, dated December 28, 2000, and São Paulo Decree No. 45,837, dated June 4, 2001 — said exemption has been renewed in accordance with the state rule.

## **2 Presentation of financial statements and accounting policies**

### **a. Basis for preparation and presentation of the financial statements**

The financial statements were prepared and are being presented in accordance with accounting practices adopted in Brazil and applicable to Small and Medium-Sized Enterprises (“CPC SMEs”) and ITG 2002 (R1) - Non-Profit Entities, issued by the Federal Accounting Council (CFC).

These financial statements were approved by Management on April 19, 2022.

All material information proper to the financial statements, and only it, is being evidenced, and corresponds to those used by Management for administration.

**b. Functional and presentation currency**

These financial statements are being presented in Brazilian Real, functional currency of the Entity. All balances have been rounded to the nearest value, unless otherwise indicated.

**c. Use of estimates and judgments**

The financial statements are prepared based on several evaluations used in accounting estimates. The accounting estimates involved in the preparation of financial statements were based on objective and subjective factors, with a basis on Management's judgment for determination of the adequate amount to be recorded. Significant items subject to these estimates and assumptions include their recoverability in operations and allowance for civil and labor risks.

The settlement of transactions involving these estimates may result in different amounts described in the financial statements due to the probabilistic treatment inherent to the estimative process. The Entity regularly reviews its estimates. Reviews of estimates are recognized on a prospective basis.

Non-financial data included in these financial statements, such as number of associates and affiliates and number of projects, are outside the scope of the audit.

**d. Measuring basis**

The financial statements were prepared based on the historical cost, unless otherwise indicated.

**e. Significant accounting policies**

***Statement of net assets***

Income and expenses are recognized on the accrual basis and observe the following aspects:

***Revenue recognition***

The Entity has the following revenues:

- (i) Donor contribution revenue: it is recognized according to the application of funds in the respective projects/donations. Amounts received and still not invested in projects are recorded as "Advances for projects to be undertaken".
- (ii) Revenues from institutional donations: they are amounts not linked to projects and are recognized when effective, that is, upon receipt.

- (iii) Sales of products: Sales of products: they comprise products that communicate our brand, that allow consumers to access socially and environmentally responsible alternatives and that at the same time express the causes with which they identify. The product mix involves t-shirts, cups, and other artifacts. WWF-Brasil currently markets these products exclusively through a partner that operates in an e-commerce format. The model adopted is the consigned sales, that is, the recognition of the revenue in WWF-Brasil occurs during the symbolic return of the goods sold through the partner's platform, and at this moment we issue the sales invoice.
- (iv) Volunteer work: comprises the measurement of the work of directors who are not paid, but dedicate hours of work to the management of the entity.
- (v) Other revenues: comprises revenues from sales of property, plant and equipment and expense recovery.

#### ***Recognition of project expenses***

Expenditures from contracts with third parties related to projects are recognized according to a budgetary agenda provided for in contracts or estimated by management, in expense as a counterpart to the item "Third-party commitments to be met" in liabilities. Financial disbursement is monitored in order to comply with the budgetary agenda.

#### ***Recognition of administrative expenses***

Administrative expenses are recognized under the accrual system.

#### ***Translation of balances denominated in foreign currency***

Monetary assets and liabilities denominated in foreign currency are translated to the functional currency (reais - R\$), using the exchange rate in effect on the respective balance sheet date. Gains and losses resulting from the restatement of such assets and liabilities verified between the exchange rate in effect on the date of transaction and the closing of the years are recognized as financial result in statement of net assets for the year.

#### ***(i) Cash and cash equivalents***

Cash and cash equivalents include cash, bank deposits, other highly liquid short-term investments, redeemable within 90 (ninety) days, with insignificant risk of change in fair value, which are intended to meet payment commitments and short-term cash requirements, and not for investments for other purposes.

#### ***Loans receivable from projects executed***

They include credits receivable from the WWF Network arising from expenses incurred on projects mainly due to trips (of interest to the donor) not originally provided for in the budget, but which are expected to be realized.

#### ***Other receivables***

Credits receivable from employees, partners and suppliers are recorded. The estimated loss from bad debt is recognized, where applicable, after six months in arrears.

#### ***Property, plant and equipment***

Property, plant and equipment are recorded at acquisition cost, net of accumulated depreciation, which is calculated under the straight-line method at the depreciation rates described in Note 6.

An item of property, plant and equipment is written off when sold or when no future economic benefit is expected from its use or sale. Possible gains or losses resulting from asset write-off (calculated as the difference between net sales value and book value) is included in the statements of surplus (deficit) for the year in which the asset was written off.

If there is any indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, this asset depreciation is reviewed on a prospective basis to reflect new expectations.

### **Impairment**

Management reviews annually the net book value of assets to assess events or changes in economic, operating or technological circumstances that might indicate an impairment of assets. This evidence is detected and the net book value exceeds recoverable value, an impairment loss is recognized to adjust net book value to its recoverable value.

### ***Taxes and contributions***

By virtue of its status as a not-for-profit entity, it is exempt from taxes and contributions levied on its surplus and revenues. In view of said exemption, WWF-Brasil's Management concluded, when analyzing the text of Law 12973/2014, which amended the Corporate Income Tax (IRPJ) legislation, that it meets all the provisions of the law regarding the Entity's activity.

### ***Employees' and directors' benefits***

The Entity does not maintain pension and private pension plans for employees and officers or any benefits after they leave it.

### ***Advances for projects to be undertaken***

Represent Entity's obligation to invest funds received in projects sponsored by donors. Each quarter, a summary of expenses is prepared to show how the funds were invested in the respective projects. Should there be a surplus of funds, this may be allocated to another project or returned to the donor. Management establishes agreements with overseas donors in connection with the criteria for justifying expenses and defining the exchange rates to be used in the conversion of expenses incurred and in the conclusion of projects.

### ***Provisions for lawsuits and other provisions***

The accounting practices used to recognize and disclose contingent assets and liabilities and legal obligations are as follows: i) contingent assets are only recognized when there are real guarantees, or favorable, final and unappealable decisions. Contingent assets with chance of success classified as probable, are only disclosed in the note; ii) provisions for contingencies are recognized when the losses are regarded as probable and the amounts involved can be reliably measured. The contingent liabilities regarded as possible losses are only disclosed in the accompanying notes and are evaluated as posing a risk of remote losses, neither accrued nor disclosed; iii) legal obligations are recorded as liabilities, regardless of the evaluation of the likelihood of success; iv) any type of bonus, when eligible, is provisioned.

### 3 Cash and cash equivalents

	<b>2021</b>	<b>2020</b>
Cash	-	1
Banks checking account	1,740	2,011
Interest earning bank deposits	13,658	8,590
	<b>15,398</b>	<b>10,602</b>

As of December 31, 2021, cash and cash equivalents are comprised by cash, demand deposits and short term investments, recorded at cost plus income accrued up to the balance sheet dates which does not surpass the market or realizable value. These funds are institutional, with no restrictions on use.

The Entity maintains a financial investment account in Bank Deposit Certificates (CDBs), with average yield between 92% and 94% (in 2021 and 2020) of the Interbank Deposit Certificate (CDI) rate, and immediate liquidity.

The sensitivity and risk management analysis of these assets is presented in Note 15.

### 4 Project-linked funds

Checking accounts and investment accounts are individually controlled through specific bank accounts. They refer to funds received from agreements for future use in projects agreed upon with the Entity, and such funds are allocated as established in contracts (Note 8).

Below is the breakdown of the cash account of earmarked resources:

	<b>2021</b>	<b>2020</b>
Banks checking account	513	1,907
Interest earning bank deposits	23,611	27,260
	<b>24,124</b>	<b>29,167</b>

Earmarked resources are subject to specific, donor-defined applications. Financial investment accounts earmarked for projects have an average remuneration of 92% to 94% (in 2021 and 2020) of the CDI rate. Income earned up to the balance sheet date is appropriated according to the specifics of each contract, where a portion of the funds goes back to the project, in which case they are allocated to liabilities and remaining income is allocated to Income for the year.

The sensitivity and risk management analysis of these assets is presented in Note 15.



## 5 Loans receivable from projects executed

Refers to amounts receivable from donors with signed contracts for expenditure incurred on projects in Brazilian Reais, with the receipt being linked to the currency of the funds defined by the donor in the contract. The amounts of credits receivable from projects executed are short-term receivables, as they have specific terms, set forth in the contracts with donors.

	<b>2021</b>	<b>2,020</b>
WWF - United States	525	269
Freeland Brasil	315	-
WWF - International	242	1
WWF - Peru	203	-
Banco do Brasil	110	-
WWF - England	55	-
The World Bank Group	30	-
WWF-Norway	9	-
WCMC – World Conservation Monitoring Centre	6	75
European Union Delegation	-	713
WWF-France	-	534
CEPF – Critical Ecosystem Partnership Fund	-	48
WWF - Bolivia	-	23
COSERN – Companhia Energética do Rio Grande do Norte	-	18
CELPE - Companhia Energética de Pernambuco	-	10
	<b>1,495</b>	<b>1,690</b>

## 6 Property, plant and equipment

### a. Breakdown of property, plant and equipment

		2021		2020	
		Cost	Accumulated depreciation	Property, plant and equipment, net	Property, plant and equipment, net
Information Technology equipment	20%	2,058	(1,154)	904	821
Power equipment (i)	10%	790	(317)	473	1,231
Furniture and fixtures	10%	624	(288)	336	346
Film/Photography equipment	10%	465	(153)	312	177
Equipment - other	10%	224	(102)	122	62
Communication equipment	20%	584	(341)	243	184
Vehicles - Automotive	20%	133	(72)	61	88
Leasehold improvements	5%	213	(64)	149	265
Buildings	4%	117	(22)	95	99
Air conditioning equipment	10%	95	(49)	46	50
Security and surveillance equipment	10%	34	(5)	29	6
Telephony	50%	191	(191)	-	21
Elevator	10%	28	(9)	19	22
Donation write-off allowance (ii)		(1,143)	-	(1,143)	(1,544)
		<b>4,413</b>	<b>(2,768)</b>	<b>1,645</b>	<b>1,828</b>

- (i) In 2020, power generation equipment was acquired to serve projects in areas with little infrastructure.
- (ii) According to WWF-Brasil policy, when the project requires the application of equipment, at the end of the process, the equipment is donated to the communities served by the project. The donation write-off allowance was set up, on goods that are already slated for delivery to third parties.

**b. Changes in property, plant and equipment**

	Cost	Depreciation	Donation write-off allowance	Net
Balances at January 1, 2020	6,216	(3,151)	(469)	2,596
Additions	1,187	(752)	(1,075)	(640)
Write-offs	(1,559)	1,431	-	(128)
	<u>5,844</u>	<u>(2,472)</u>	<u>(1,544)</u>	<u>1,828</u>
Balances at December 31, 2020	5,844	(2,472)	(1,544)	1,828
Additions	826	(671)	(521)	(366)
Write-offs	(1,115)	375	923	183
	<u>(1,115)</u>	<u>375</u>	<u>923</u>	<u>183</u>
Balances at December 31, 2021	<u>5,555</u>	<u>(2,768)</u>	<u>(1,142)</u>	<u>1,645</u>

**7 Advances for projects to be undertaken**

These refer to amounts received from donors (Note 4) that were not fully invested in the respective projects by December 31, 2021, expected to be applied over the course of 2022, and are represented by:

**a. Breakdown of balance:**

Description	2021	2020
WWF - Holland	9,309	11,299
WWF - England	4,643	2,038
WWF - Germany	1,771	1,811
FUNBIO – Fundo Brasileiro para Biodiversidade	1,646	527
European Union Delegation	1,351	-
WWF - United States	1,329	5,906
WWF - International	1,209	946
IEB - Instituto Internacional de Educação do Brasil	1,009	1,331
WWF-Mexico	479	-
WWF - Finland	362	442
WWF-France	329	57
Instituto Neoenergia	216	164
AIEP – Associação para a Educação, a Saúde, a Arte	158	401
WWF - Peru	84	410
Fundação Renova	71	607
Tarik Joniot - PF	63	-
CEPF – Critical Ecosystem Parthership Fund	42	49
Major Donor	24	175
WWF-Sweden	4	80
AMBEV – Companhia de Bebidas das Américas	-	933
WWF-China	-	780
Unilever do Brasil	-	350
WWF-South Africa	-	309
WWF-Norway	-	203
IH – Instituto da Humanidade	-	138
WWF-Belgium	-	80
Other donors	25	130
	<u>24,124</u>	<u>29,167</u>

**b. Changes in the balance:**

<b>Balance at January 1, 2020</b>	<b>31,581</b>
Receipts + yields	61,573
Execution of projects	(62,450)
Execution linked to services	(792)
Advances to projects	(724)
(Gains) Losses with project completion	(21)
<b>Balance in December 2020</b>	<b>29,167</b>
Receipts + yields	77,599
Execution of projects	(81,899)
Execution linked to services	(552)
Advances to projects	(262)
(Gains) Losses with project completion	71
<b>Balance in December 2021</b>	<b>24,124</b>

**8 GMI obligations**

In 2007, WWF-Brasil – with the aim to increase fundraising through donations and national memberships – joined the initiative then called “Global Membership Initiative (GMI),” through which the WWF Network sought to expand its support base for the environmental cause. As part of this initiative, three loan agreements were entered into with WWF-International to finance the structuring of its membership and engagement area. The loans enabled the organizational development and training of WWF-Brasil in this area, in addition to the allocation of funds in membership drives.

The loan agreement sets out goals for the development of the WWF-Brasil membership program, the expected result of which was an increase in unrestricted income from individual (natural person) memberships / donations. The annual amount granted as a loan supported WWF-Brasil in planning activities, structuring systems, hiring staff, developing skills, and conducting membership drives.

The proceeds are to be reinvested in the membership program as a priority until the break-even point is reached, at which point the loan repayment begins. Loan repayment is to be calculated in such a way as to maintain the continuity of investments in further activities to attract new members, without compromising the sustainability of the program. Payments would only begin when the activity generated positive revenue, which has not yet occurred.

In 2010, considering the difficulty for the membership program to generate positive revenue, WWF-Brasil pleaded with WWF-International for the remission of a portion of the debt, which was accepted; that same year, a total of EUR 500,000 of the original amount was forgiven (equivalent to R\$ 1,110,000 per the exchange rate at that time).

The balance payable at the end of 2012 remained at R\$ 1,864, of which R\$ 710 (EUR 220,000) was again forgiven by WWF-International during 2013. A total amount of R\$ 2,920 was received up to December 31, 2013, which was all invested in accordance with the agreements and agree-upon strategies.

No new transfers were received, no new amounts were remitted, and no loan payments were made in fiscal years 2013–2021. The contract remains in force, and WWF-Brasil and WWF-

International have been maintaining talks on the matter.

The loan has no interest or maturity date, being impacted only by the changes in foreign exchange rate incurred in 2021, as shown below:

<b>Description</b>	<b>R\$</b> <b>(R\$'000)</b>	<b>€</b> <b>(€'000)</b>
<b>Balance at 01/01/2020</b>	<b>2,138</b>	472
Foreign exchange rate expense in the year	871	-
<b>Balance at 12/31/2020</b>	<b>3,009</b>	<b>472</b>
Foreign exchange rate expense in the year	<u>(27)</u>	<u>-</u>
<b>Balance at 12/31/2021</b>	<b><u>2,982</u></b>	<b><u>472</u></b>

## 9 Labor obligations

	<b>2021</b>	<b>2020</b>
National social security institute–INSS, payable	563	463
FGTS (severance indemnity fund)	190	160
PIS	17	14
Vacations and social security charges	3,175	2,785
Other liabilities	<u>8</u>	<u>1</u>
	<b><u>3,953</u></b>	<b><u>3,423</u></b>

## 10 Other accounts payable

	<b>2021</b>	<b>2020</b>
Tax liabilities	400	334
Other	75	15
Third-party advances	33	95
Travel reimbursement	<u>-</u>	<u>3</u>
	<b><u>508</u></b>	<b><u>447</u></b>

## 11 Revenue related to projects

	<b>2021</b>	<b>2020</b>
<b>Donations from the WWF Network:</b>		
WWF - Holland	25,412	15,024
WWF - United States	13,321	11,007
WWF - England	12,046	10,135
WWF - Germany	4,584	4,734
WWF - Peru	3,338	2,183
WWF - International	3,029	1,677
WWF-Norway	912	129
WWF-Mexico	739	722
WWF-China	702	703
WWF - Finland	624	10
WWF-France	602	1,238
WWF-South Africa	309	503
WWF-Sweden	145	210
WWF-Belgium	80	797

	<b>2021</b>	<b>2020</b>
WWF-European Policy Office	82	-
WWF-Colombia	38	4
WWF-Japan	-	117
WWF - Bolivia	-	113
WWF-Denmark	-	61
WWF-Paraguay	-	43
	<hr/>	<hr/>
	<b>65,963</b>	<b>49,410</b>
<b>Companies/Corporations</b>		
AMBEV – Companhia de Bebidas das Américas	2,324	743
Unilever do Brasil	350	57
The World Bank Group	260	-
CELPE - Companhia Energética de Pernambuco	-	116
Banco do Brasil	-	19
Suzano Papel e Celulose S.A.	-	14
	<hr/>	<hr/>
	<b>2,934</b>	<b>948</b>
<b>Civil association</b>		
FUNBIO – Fundo Brasileiro para Biodiversidade	5,810	6,332
AIEP – Associação para a Educação, a Saúde, a Arte	1,393	893
IH – Instituto da Humanidade	644	365
IEB - Instituto Internacional de Educação do Brasil	359	268
Instituto Neoenergia	299	97
WCMC	33	99
	<hr/>	<hr/>
	<b>8,538</b>	<b>8,055</b>
<b>Private foundations</b>		
Fundação Renova	1,674	1,400
CEPF – Critical Ecosystem Partnership Fund	427	352
Freeland Brasil	488	129
Waycarbon Soluções Ambientais	-	-
	<hr/>	<hr/>
	<b>2,589</b>	<b>1,881</b>
<b>Government Bodies</b>		
German Consulate	231	-
IEF – Instituto Estadual de Florestas	-	445
	<hr/>	<hr/>
	<b>231</b>	<b>445</b>
<b>Bilateral and Multilateral Agencies</b>		
European Union Delegation	1,402	1,345
	<hr/>	<hr/>
	<b>1,402</b>	<b>1,345</b>
<b>Private donations</b>		
Private donor	166	367
	<hr/>	<hr/>
	<b>166</b>	<b>367</b>
	<hr/>	<hr/>
	<b>81,823</b>	<b>62,450</b>

## 12 Other revenues

	<u>2021</u>	<u>2020</u>
Sale of property, plant and equipment	41	16
Reversal of provision for write-off of assets by donation	370	215
	<u>411</u>	<u>231</u>

## 13 Expenses allocated by project

Projects/Cycles	Personnel expenses	Costs of programs cost and projects with third parties	General and administrative expenses	Total	2020
Amazônia Pessoas e Floresta	(5,351)	(9,391)	-	(14,742)	(5,777)
Iniciativa Cerrado	(3,522)	(3,769)	-	(7,291)	(2,615)
Proteção de Espécies Ameaçadas	(2,380)	(5,560)	-	(7,940)	(2,331)
Incidência Política	(2,236)	(1,146)	-	(3,382)	(1,390)
Restauração Mata Atlântica	(2,002)	(5,760)	-	(7,762)	-
Gestão Reputacional	(1,704)	(2,101)	-	(3,804)	(359)
Paisagens Sustentáveis no Pantanal	(1,465)	(1,512)	-	(2,977)	(5,745)
Gestão Estratégica	(1,258)	(75)	-	(1,333)	(771)
Rede WWF	(1,238)	(106)	-	(1,344)	(730)
Valorização e Defesa Áreas Protegidas	(1,164)	(1,230)	-	(2,394)	(808)
Finanças Verdes	(1,085)	(771)	-	(1,856)	(916)
Ações emergenciais	(285)	(2,392)	-	(2,677)	-
Conversão Zero da Vegetação Nativa	(1,035)	(1,612)	-	(2,647)	1
Transição Energética	(1,006)	(781)	-	(1,786)	(695)
Oceanos	(795)	(1,231)	-	(2,026)	(1,247)
Acesso Justo a Natureza	(710)	(2,864)	-	(3,574)	(541)
Develop - Desenvolvimento Organizacional	(285)	(2,199)	-	(2,485)	(2,443)
Ciência	(569)	(344)	-	(914)	-
Escritório de Projetos	(254)	-	-	(254)	-
Amazônia	-	-	-	-	(4,656)
Agricultura e Alimentos	-	-	-	-	(3,770)
Respostas Emergenciais em Campo	-	-	-	-	(3,640)
Sertão Cerrado	-	-	-	-	(3,445)
Pro Espécie – GEF	-	-	-	-	(2,617)
Amazon Fires	-	-	-	-	(2,259)
Políticas Públicas	-	-	-	-	(1,648)
Mata Atlântica	-	-	-	-	(1,260)
Mudanças Climáticas e Energia	-	-	-	-	(1,240)
Fundo Irrestrito-Holanda	-	-	-	-	(1,117)
Marinho	-	-	-	-	(616)
Rio Doce – Renova	-	-	-	-	(487)
Fundo Irrestrito-Alemanha	-	-	-	-	(220)
Empresas por uma Natureza sem Plástico	-	-	-	-	(34)
Programa Água Brasil-PAB	-	-	-	-	(19)
	<u>(28,342)</u>	<u>(42,846)</u>	<u>-</u>	<u>(71,188)</u>	<u>(54,441)</u>
<b>Administrative/operating</b>	<u>(4,385)</u>	<u>(532)</u>	<u>(3,430)</u>	<u>(8,347)</u>	<u>(8,006)</u>
	<u>(32,727)</u>	<u>(43,378)</u>	<u>(3,430)</u>	<u>(79,534)</u>	<u>(62,447)</u>



After preparing the strategic plan through 2030, the Entity underwent a period of redefining its organizational structure and reviewing its portfolio, always in search of greater alignment with the strategy, agility and medium and long-term impact vision. It is worth noting that the portfolio is not a rigid structure and can be modified throughout the year, project cycles can be closed when reaching their purpose, and new project cycles can be created to achieve new purposes.

### 13.1 Personnel expenses

	<b>2021</b>	<b>2020</b>
Salaries and wages	(17,860)	(16,207)
INSS	(4,929)	(3,997)
FGTS (severance indemnity fund)	(1,574)	(1,607)
Provision for vacation and social security charges	(2,345)	(2,135)
Provision for 13th salary and charges	(2,045)	(1,882)
Meal tickets	(1,778)	(1,603)
Health and dental care	(1,786)	(1,716)
Other	(409)	(729)
	<b>(32,727)</b>	<b>(29,876)</b>

### 13.2 Costs on programs and projects (i)

	<b>2021</b>	<b>2020</b>
Technical partnership agreement (ii)	(20,570)	(16,326)
Consulting and services rendered	(14,382)	(7,776)
Technical publications	(4,000)	(2,264)
Other	(3,541)	(2,312)
Airfare and lodging	(434)	(675)
Transport	(226)	(156)
Food	(54)	(139)
Technical support agreement	(170)	(106)
	<b>(43,378)</b>	<b>(29,752)</b>

- (i) Regarding costs on programs and projects for the year 2021, there was an increase proportional to the increase in executions in the period.
- (ii) Transfers are made in Brazilian reais and through bank deposits to the retained third parties, according to the parameters established in WWF-Brasil internal procedures, and also in requirements specified in the agreements between WWF-Brasil and the respective donors and good transfer practices. In the case of technical partnership agreements, the partner undertakes to provide rendering of technical and financial accounts, also aimed at meeting the donor's requirements. In the event of any surplus funds, they must be returned to WWF-Brasil, or, upon prior agreement with WWF-Brasil, may be directed toward some other activity — or, if the project continues, it may be considered as an advance on the transfers from the next agreement. Any amount considered not acceptable according to contractual clauses, contract budget, or the description of the technical development of activities – which is an integral part of the agreement in the form of a Term of Reference (TOR) – may also be disallowed.



### 13.3 General and administrative expenses

	<b>2021</b>	<b>2020</b>
Outsourced services	(1,546)	(1,116)
Depreciation and amortization	(682)	(706)
General expenses	(398)	(306)
Maintenance and preservation of assets	(122)	(73)
Rent, water, electricity	(334)	(414)
Promotion and marketing	(276)	(117)
Communications expenses	(72)	(86)
	<b>3,430</b>	<b>(2,819)</b>

### 13.4 Net financial income (loss)

	<b>2021</b>	<b>2020</b>
Yields from investments	1,103	818
Foreign exchange gain (i)	207	327
Discounts obtained	29	54
	<b>1,339</b>	<b>1,199</b>
<b>Total financial revenues</b>		
Foreign exchange costs (i)	(159)	(1,068)
IOF – Tax on financial operations	(253)	(188)
Interest and fines	-	(35)
	<b>(412)</b>	<b>(1,291)</b>
<b>Total finance costs</b>		
	<b>927</b>	<b>(92)</b>

- (i) In 2020, the GMI loan agreement suffered a major impact from changes in foreign-exchange rates, causing a negative financial result in the period. In 2021, currency fluctuation was smaller, reducing the impact.

## 14 Other information

- (a) **Derivatives** - The Entity does not have derivative transactions.
- (b) **insurance** – The Entity’s Management takes out insurance to cover operational risks (fire), fleet vehicle insurance, general civil liability, and multi-risk insurance. At December 31, 2021, the Entity has the following policies and coverage in force:

Type	Insurer	Secured amount
Property Insurance – Brasilia Office	Allianz Empresarial	4,800
Property Insurance – São Paulo Office	Porto Seguro	800
Automobile insurance	Bradesco Seguros	125
Civil liability insurance	Fator Seguradora S/A	10,000

**(c) Allowance for civil and labor risks**

The changes in these allowances in the year were as follows:

<b>Balance at January 1, 2020</b>	-
Formation of provision	65
<b>Balance at December 31, 2020</b>	<b>65</b>
Formation of provision	167
<b>Balance at December 31, 2021</b>	<b>232</b>

WWF-Brasil is the defendant in a labor claim that we have been monitoring since 2018, and which was in the final stage of judgment with a possible prognosis (up to that time) of a win for WWF-Brasil. In 2020, the case returned to trial in the lower court (first instance) for nullity alleged by the claimant. There was a new discovery hearing in 2021 and, after the aforementioned hearing, the lower Court understood by the partial recognition of the claimant’s request, and WWF-Brasil filed an Ordinary Appeal with the Labor Court - 10<sup>th</sup> Region (TRT10), which failed to bring about a reversal of the lower court’s decision; we are awaiting the entry into the sentencing stage, changing the scenario of “remote possibility”. As a result, an allowance for loss was set up, based on calculations made after conviction in the judgment.

<b>Proceeding</b>	<b>Amount</b>
Number: 0000299-13.2018.5.10.0011	232

**Likelihood of possible loss**

There are no ongoing lawsuits, in which WWF-Brasil is on the defendant side, assessed as a possible loss.

**(d) Net assets**

The Entity's corporate assets are composed, pursuant to the corporate by-laws of tangible and intangible assets owned by it. In conformity with article 46 of the By-laws, in the event of the dissolution of WWF Brasil and after the payment of any debt, its remaining equity will be set aside for not-for-profit entities that preferably have the same business purpose as WWF-Brasil, to be pertinently designated by resolution of the members.

**(e) Payables to WWF network**

WWF-Brasil annually pays the amount referring to participation in the WWF Network, contributing to WWF-International and to the development of the WWF Network, called Network Services, calculated restricted and unrestricted funds raised directly by WWF-Brasil. This allowance is made in the short and long term, and the payment is made annually.

<b>Fiscal Year (*)</b>	<b>Total contribution</b>		<b>Status</b>
	<b>R\$</b>	<b>Balance payable</b>	
FY19	366	-	25% paid in 2020 and 75% in 2021
FY20	292	-	Paid in 2021
FY21	292		Paid in 2021
FY21	285	285	Pymt Allowance 2022
FY22	<u>440</u>	<u>440</u>	Pymt Allowance 2023
 Total		 <u>725</u>	
		<b>2021</b>	<b>2020</b>
Current liabilities		285	658
Non-current liabilities		<u>440</u>	<u>291</u>
 Total		 <u>725</u>	 <u>950</u>

(\*) Fiscal years follow the WWF network standard (July to June).

(\*\*) Starting in 2019, there was a change in the legislation, with IRRF (withholding tax) being levied on remittances of participation in the Network located abroad. The amount of the allowance already includes IRRF.

**(f) Related parties**

- The Entity does not remunerate its associates and advisors holding positions in the Deliberative, Advisory and Tax Councils. In compliance with civil and tax legislation for non-profit entities, WWF-Brasil does not distribute among its partners or associates, directors, officers, employees, donors or third parties, any earnings, leftover funds, operating surpluses, gross or net, or portions of its assets, earned through the exercise of its activities. The measurement of the voluntary work of the associates and director is disclosed in Note 14.g.

In accordance with the updated legislation for civil society organizations, the CEO is remunerated for effectively acting in executive management and in accordance with the requirements set out in the applicable legislation. The compensation and benefits of the operational legal representatives (CEO, officers and managers) of WWF-Brasil totaled R\$ 2,333 at December 31, 2021 (R\$ 2,199 in 2020).

**(g) Income and expenses from volunteer work**

Starting in 2019, WWF-Brasil began to measure the volunteer work applied in the projects developed and in managing the Institution. Volunteer work is recognized at the fair value of the service provided, as if the financial disbursement had occurred. Thus, the Entity surveyed the performance of the corporate bodies of its Governance that fall under voluntary work: General Meeting, Deliberative Council, Advisory Council, Tax Council and Committees. Measurement of the respective value took into account the highest per-hour value of the consulting work that the Entity uses in its hiring, and the duration of each meeting held, resulting in the recording of the amounts shown below:

Meetings/Events	2021	2020
General Meeting	20	7
Deliberative Council	83	74
Fiscal Council	-	1
Conservation committee	8	17
Engagement committee	35	29
Finance committee	18	10
Governance committee	16	12
Appointments committee	-	2
Advisory committee	-	3
Other/Extras	21	16
	<b>200</b>	<b>171</b>

**15 Financial instruments and risk management**

**a. Classification by category of financial instruments**

Due to the short-term cycle, it is assumed that the fair value of cash and cash equivalent balances, project-linked funds, receivables from third parties and suppliers are close to their book values.

	Classification	2021	2020
Cash and cash equivalents	Amortized cost	15,475	10,602
Project-linked funds	Amortized cost	24,048	29,167
Loans receivable from third parties	Amortized cost	1,495	1,690
Other receivables	Amortized cost	1,152	729
<b>Total financial assets</b>		<b>42,170</b>	<b>42,188</b>
Suppliers	Amortized cost	957	593
Labor obligations	Amortized cost	3,953	3,423
Obligation to WWF head office – Network Service	Amortized cost	289	658
Other trade payables	Amortized cost	505	447
Obligation to WWF head office – Network Service-LP	Amortized cost	440	292
Provision for civil and labor risks - ST	Amortized cost	232	65
Obligations – GMI-LP	Amortized cost	2,982	3,009
<b>Total financial liabilities</b>		<b>9,358</b>	<b>8,487</b>

**b. Financial risk management**

Due to its financial investments, the Entity is potentially exposed to the risk of interest rate

fluctuations. In this fiscal year, there was no substantial change in the exposure to risks of the Entity's financial instruments, its goals, policies and processes for managing these risks, or in the methods used to measure them, as from previous fiscal years.

***Credit risk:***

WWF-Brasil maintains its funds at renowned financial institutions and investment accounts in CDBs. Thus, the Entity has a low credit risk.

***Liquidity risks:***

We monitor cash flows to meet operational demands and we have a schedule with our donors to ensure that funds are received in advance. The only debt we have with the WWF network is marked-to-market, and is therefore included in our cash flow. Aside from the debt with the network (GMI), we do not have any other type of loans or financing. Therefore, our liquidity risk is considered low.

***Interest rate risk:***

The Entity's short-term investments are substantially indexed to fixed rates and pegged to changes in the CDI rate.

Scenarios for the exposure of financial instruments (interest earning bank deposits) indexed at interest rate were outlined based on curves determined as of December 31, 2021, by calculating the impact on financial revenues for CDI, TJLP variable risk in one-year period, considering an increase and/or decrease of 25% and 50% in risk variables.

Below are the assumptions for the sensitivity analysis and possible impacts thereof:

	Book balance at 12/31/2021	Projected scenarios		
		Probable scenario	25% change	50% change
<b>Interest earning bank deposits</b>				
<b>Risk of CDI decr.</b>				
Value of principal	39,523	39,523	39,523	39,523
Average rate of 93% CDI		9.15%	6.86%	4.58%
Indexed amount of the investment		43,139	42,235	41,331
<b>Impact on interest earning bank deposits</b>		<b>3,616</b>	<b>2,712</b>	<b>1,808</b>
<b>Risk of CDI incr.</b>				
Value of principal	39,523	39,523	39,523	39,523
Average rate of 93% CDI		9.15%	11.44%	13.73%
Indexed amount of the investment		43,139	44,043	44,947
<b>Impact on interest earning bank deposits</b>		<b>3,616</b>	<b>4,520</b>	<b>5,24</b>

Maurício de Almeida Voivodic  
Executive Director

Alessandra Utiyama Yamamoto  
CFO

Rosana Monteiro dos Santos  
Accountant CRC/DF 008448/O-1  
(Liber Assessoria Contábil SS LTDA)