

# **Financial Statements**

## **Instituto WCF - Brasil**

December 31, 2020 and 2019  
with Independent Auditor's Report

# Instituto WCF - Brasil

## Financial statements

December 31, 2020 and 2019

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**A free translation from Portuguese into English of Independent auditor's report on financial statements prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil applicable to nonprofit organizations (ITG 2002 (R1))**

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## **Independent auditor's report on financial statements**

To the Directors and Officers of  
**Instituto WCF - Brasil**  
São Paulo – SP

### **Opinion**

We have audited the financial statements of WCF - Brasil (the "Institute"), which comprise the statement of financial position as at December 31, 2020 and the statements of profit or loss, of changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Instituto WCF - Brasil as at December 31, 2020, its financial performance and its cash flows for the year then ended, in accordance with the accounting practices adopted in Brazil, applicable to nonprofit organizations (ITG 2002 (R1)).

### **Basis for opinion**

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Institute in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants, the professional standards issued by Brazil's National Association of State Boards of Accountancy (CFC) and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting practices adopted in Brazil, applicable to nonprofit organizations (ITG 2002 (R1)), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



Those charged with governance are responsible for overseeing the Institute's financial reporting process.

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

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

- Identified and assessed risks of material misstatements of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the corresponding transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



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

São Paulo, May 14, 2021.

ERNST & YOUNG  
Auditores Independentes S.S.  
CRC-2SP034519/O-6

A handwritten signature in blue ink, appearing to read 'Cezar Augusto Ansoain de Freitas', is written over the printed name and title.

Cezar Augusto Ansoain de Freitas  
Accountant CRC-1SP246234/O-0

**A free translation from Portuguese into English of financial statements prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil applicable to nonprofit organizations (ITG 2002 (R1))**

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## **Instituto WCF - Brasil**

Statement of financial position  
December 31, 2020 and 2019  
(In thousands of reais – R\$)

	<b>Note</b>	<b>2020</b>	<b>2019</b>
Assets			
Current assets			
Cash and cash equivalents	3	<b>635,232</b>	2,014,407
Marketable securities	4	<b>6,017,476</b>	4,374,096
Accounts receivable		<b>57,155</b>	115,000
Other assets		<b>163,198</b>	49,124
Total current assets		<b>6,873,062</b>	6,552,627
Noncurrent assets			
Property and equipment		<b>37,131</b>	38,967
Total noncurrent assets		<b>37,131</b>	38,967
Total assets		<b>6,910,193</b>	6,591,594

	<b>Note</b>	<b>2020</b>	<b>2019</b>
Liabilities and net worth			
Current liabilities			
Trade accounts payable		<b>222,476</b>	170,340
Payroll and related charges		<b>192,797</b>	103,659
Taxes and contributions payable		<b>47,572</b>	100,847
Advanced funds	5	<b>664,844</b>	787,251
Other obligations		-	7,128
Total current liabilities		<b>1,127,689</b>	1,169,225
Provision for contingencies	9	<b>1,187,672</b>	945,247
Total noncurrent liabilities		<b>1,187,672</b>	945,247
Equity			
Net worth		<b>4,594,832</b>	4,477,122
Total liabilities and equity		<b>6,910,193</b>	6,591,594

See accompanying notes.

## Instituto WCF - Brasil

Statement of profit or loss - (surplus or (deficit))  
 Years ended December 31, 2020 and 2019  
 (In thousands of reais – R\$)

	Note	2020	2019
Revenues			
Donations – <i>Na Mão Certa</i> Program (PNMC)		2,101,653	1,748,223
Donations – Partnership with Atlantica Hotels International		102,770	283,627
Sundry donations and other projects		3,255,795	1,497,557
Other revenues – services provided		590,696	499,155
Other revenues – volunteer services (gratuities)		217,262	185,077
Total revenues	6	<u>6,268,176</u>	<u>4,213,639</u>
Operating costs and expenses			
Project expenses		(2,981,160)	(3,792,567)
Expenses with resource mobilization		(695,754)	(434,425)
Volunteer services (gratuities)		(217,262)	(185,077)
Operating expenses		(413,391)	(186,389)
Administrative expenses		(1,214,546)	(776,477)
Communication expenses		(693,383)	(588,575)
Total operating costs and expenses	7	<u>(6,215,496)</u>	<u>(5,963,510)</u>
Surplus (deficit) before finance income (expenses)		<u>52,679</u>	<u>(1,749,871)</u>
Finance income (expenses)			
Finance income		145,254	307,341
Finance expenses		(80,224)	(2,553)
		<u>65,030</u>	<u>304,788</u>
Surplus (deficit) for the year		<u>117,709</u>	<u>(1,445,083)</u>

See accompanying notes.



## Instituto WCF - Brasil

Statement of changes in equity  
Years ended December 31, 2020 and 2019  
(In thousands of reais – R\$)

	<b>Net assets</b>	<b>Accumulated surplus (deficit)</b>	<b>Total</b>
Balances at December 31, 2018	5,747,699	174,506	5,922,205
Deficit for the year		(1,445,083)	(1,445,083)
Incorporation of the deficit into net worth	<u>(1,445,083)</u>	<u>1,445,083</u>	<u>-</u>
Balances at December 31, 2019	4,477,122	-	4,477,122
Surplus for the year		<b>117,709</b>	<b>117,709</b>
Incorporation of the surplus into net worth	<u>117,709</u>	<u>(117,709)</u>	<u>-</u>
Balances at December 31, 2020	<u><b>4,594,831</b></u>	<u>-</u>	<u><b>4,594,831</b></u>

See accompanying notes.

## Instituto WCF - Brasil

Statement of cash flows – indirect method  
 Years ended December 31, 2020 and 2019  
 (In thousands of reais – R\$)

	<b>2020</b>	<b>2019</b>
Cash flows from operating activities		
Surplus (deficit) for the year	<b>117,709</b>	(1,445,083)
Adjustments to reconcile surplus (deficit) for the year		
Depreciation and amortization (Note 7)	<b>9,346</b>	15,833
Provision for labor contingencies (Note 7)	<b>242,425</b>	220,837
Changes in assets and liabilities		
Accounts receivable	<b>57,845</b>	(94,027)
Other assets	<b>(114,074)</b>	121,857
Trade accounts payable	<b>52,136</b>	(18,989)
Payroll and related charges	<b>89,138</b>	(12,120)
Taxes and contributions payable	<b>(53,275)</b>	(3,894)
Advanced funds	<b>(122,407)</b>	581,891
Other obligations	<b>(7,128)</b>	(151)
Net cash flows from (used in) operating activities	<b>271,715</b>	(633,846)
Cash flows from investing activities		
Acquisition of property and equipment	<b>(7,510)</b>	(25,130)
Marketable securities, net	<b>(1,643,380)</b>	(443,904)
Net cash flows used in investing activities	<b>(1,650,891)</b>	(469,034)
Cash flows from financing activities	-	-
Increase in cash and cash equivalents for the year	<b>(1,379,175)</b>	(1,102,880)
Cash and cash equivalents at beginning of year	<b>2,014,407</b>	3,117,287
Cash and cash equivalents at end of year	<b>635,232</b>	2,014,407

See accompanying notes.

## Instituto WCF - Brasil

Notes to the financial statements  
December 31, 2020  
(Amounts expressed in reais - R\$)

### 1. Operations

Instituto WCF - Brasil (the "Institute"), founded on November 24, 1999, is a nonprofit organization with main offices at Rua Funchal, nº 513, Conjunto 62, Vila Olímpia, São Paulo - SP, primarily engaged in: (a) strengthening the development of children and young adults deprived of their basic rights; and (b) providing services to satisfy the basic needs of these children and young adults, as well as offering opportunities for these individuals to fully develop their potential and become competent citizens.

The Institute meets the requirements of item VI, subitem "c", article 150, of the 1988 Brazilian Federal Constitution, and Law No. 9790/99, also known as "Third Sector Law", regulated by Decree No. 3100/99, and qualifies, in accordance with the Ministry of Justice, as a Public Interest Non-governmental Organization (OSCIP).

#### Impacts of COVID-19 on the Institute's operations

With the beginning of the COVID-19 pandemic, the Institute implemented a Risk Committee comprising the director, managers and the financial coordinator, responsible for the monitoring and analysis of events related to the pandemic. Accordingly, several sanitary measures for the prevention and mitigation of COVID-19 have been adopted and are still in effect, in compliance with the rules and policies established by national and international health authorities on the safety of people, society and the Institute's operations.

Several preventive and incidence measures were implemented, such as: protocol for suspicious cases and incidence, review of cleaning measures and procedures, cancellation of internal and external events to avoid crowding people, closing of lounges and shared spaces, implementation of remote work and meetings, among other measures.

Additionally, management analyzed any impacts on its estimates, judgments and assumptions that could affect the measurement of provisions presented in the financial statements, in addition to the realization of financial assets currently held in prime banks. It also analyzed the relationship with suppliers and partners, and no significant effects were identified that should be reflected or even disclosed in the financial statements for the year ended December 31, 2020.

## Instituto WCF - Brasil

Notes to the financial statements (Continued)  
December 31, 2020  
(Amounts expressed in reais - R\$)

### 2. Presentation of financial statements and summary of significant accounting policies

Significant accounting policies used to prepare these financial statements are described below. These policies have been consistently adopted in all the years presented.

#### 2.1. Basis of presentation and preparation of financial statements

##### Statement of compliance

The financial statements were prepared and are presented in accordance with the accounting practices adopted in Brazil applicable to nonprofit organizations (ITG 2002 (R1)) and disclose all relevant information specific to the financial statements, which is consistent with that used by management.

##### Basis of preparation

The financial statements of the Institute were prepared under the historical cost convention, unless otherwise stated.

##### Functional and presentation currency

Items included in the financial statements of the Institute are measured using the currency of the main economic environment in which the Institute operates ("functional currency"). The financial statements are presented in Brazilian Reais (R\$), which is both the functional and the presentation currency of the Institute.

##### Use of estimates and judgments

Preparation of the financial statements in accordance with the accounting practices adopted in Brazil applicable to nonprofit organizations (ITG 2002 (R1)) requires that management make judgments and estimates and adopt assumptions that affect the application of accounting policies and amounts disclosed referring to assets and liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Reviews of accounting estimates are recorded in the period in which such estimates are reviewed and in any future periods affected.

## Instituto WCF - Brasil

Notes to the financial statements (Continued)  
December 31, 2020  
(Amounts expressed in reais - R\$)

### 2. Presentation of financial statements and summary of significant accounting policies (Continued)

#### 2.2. Significant accounting practices adopted

Summary of significant accounting policies adopted by the Institute is as follows:

a) Assets and liabilities

Amounts receivable and payable in the course of the subsequent year are classified as current assets and liabilities, respectively.

b) Donations and contributions

Donations and contributions received that aim at sponsoring specific programs and projects are recorded in P&L and accrued based on the realization of the expenses on each assistance program. Donations received for unrealized projects remain recorded under "Advanced funds".

Donations and contribution received that have no specific destination are recorded under "Sundry donations and other projects" when effectively received.

c) Cash and cash equivalents

These comprise cash, demand accounts and short-term investments maturing within 90 days, or subject to repurchase agreements, readily convertible into cash and posing low risk of change in value.

d) Marketable securities

These are stated at cost, plus agreed-upon remuneration, recorded proportionally until reporting date or at market value, if this value is lower.

e) Property and equipment

These are stated at acquisition cost, less accumulated depreciation and/or impairment losses, as the case may be. The Institute uses the straight-line depreciation method defined based on the estimated useful life of each asset or asset component. The amount subject to depreciation, useful life of the assets and depreciation method are reviewed at the financial statement closing date and adjusted on a prospective basis, if required.

## Instituto WCF - Brasil

Notes to the financial statements (Continued)  
December 31, 2020  
(Amounts expressed in reais - R\$)

### 2. Presentation of financial statements and summary of significant accounting policies (Continued)

#### 2.2. Significant accounting practices adopted (Continued)

f) Accrued vacation payable and related charges

These are computed based on employee compensation and rights vested at the financial statement closing date, including one-third vacation bonus legally imposed and related charges.

g) Expenses

These are recorded as incurred, on an accrual basis.

h) Use of estimates

Preparation of the financial statements in accordance with the accounting practices adopted in Brazil applicable to nonprofit organizations (ITG 2002 (R1)) requires that management use estimates for recording certain transactions that affect the assets, liabilities, revenues and expenses of the Institute, as well as disclosure of financial statement information. The results of these transactions and information, upon their effective realization in subsequent periods, may differ from these estimates. Major estimates relating to the financial statements refer to calculation of provision for contingencies and useful life of property and equipment items.

i) Provisions

Provisions are recorded when the Institute has a present (legal or constructive) obligation arising from past events, the settlement of which is expected to result in an outflow of economic benefits, in an amount that can be reliably estimated.

In the event of a series of similar obligations, the likelihood of settling such obligations is calculated taking into consideration the class of obligations as a whole. A provision is recorded even if the likelihood of settlement relating to any individual item included in the same class of obligations is small.

## Instituto WCF - Brasil

Notes to the financial statements (Continued)  
December 31, 2020  
(Amounts expressed in reais - R\$)

### 2. Presentation of financial statements and summary of significant accounting policies (Continued)

#### 2.2. Significant accounting practices adopted (Continued)

i) Provisions (Continued)

Provisions are measured at present value of the expenses that are likely to be required to settle the obligation, using a pre-tax rate that reflects current market valuations of the time value of money and the specific risks of the obligation. The increase in the obligation due to the passage of time is recorded as finance expenses.

j) Trade accounts payable

Trade accounts payable are liabilities payable for goods acquired or services received from suppliers in the ordinary course of activities, classified under current liabilities if their payment is due within one year. Accounts payable are otherwise stated as noncurrent liabilities. They are usually recognized at the amount of the corresponding invoice.

k) Calculation of surplus (deficit)

Surplus (deficit) is recognized on an accrual basis. Surplus for the year will be included in net assets in accordance with legal and statutory requirements, since surplus will be fully applied in the Brazilian territory, for maintaining and developing the institutional objectives of the Institute and in accordance with Resolution No. 1409/12, which approved ITG 2002 (R1).

l) New standards, amendments and interpretations

There were no significant amendments to standards and interpretations applicable to nonprofit organizations in the year, considering the accounting practices currently used by the Institute.

## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 3. Cash and cash equivalents

Cash and cash equivalents are as follows:

	<u>2020</u>	<u>2019</u>
Cash and banks (a)	<b>3,192</b>	253,435
Banks - amounts for specific projects (b)	<b>569,579</b>	787,251
Short-term investments (c)	<b>62,461</b>	973,721
<b>Total</b>	<b><u>635,232</u></b>	<b><u>2,014,407</u></b>

- (a) Petty cash and balances in current accounts in the national banking system (Bradesco and Itaú) for the payment of fixed, administrative and surplus cash expenses for projects already carried out, without the commitment to return them to the donating counterparties.
- (b) Funds for projects financed by partnerships between the Institute and independent donors. These balances are fully classified as "Advanced funds" in current liabilities and their respective recipients are duly identified in Note 5.
- (c) Short-term investments are readily convertible into a known cash amount, subject to low risk of change in value and refer to Bank Deposit Certificates and repurchase operations remunerated at rates ranging from 90% to 98% of the Interbank Deposit Certificates (CDI) (75% to 95% of CDI at December 31, 2020).

### 4. Marketable securities

These are represented by investment fund shares with an average yield of 94.4% of CDI in 2019. In 2020, the Institute transferred its investments to CDB-DI.

Marketable securities are as follows:

	<u>2020</u>	<u>2019</u>
Marketable securities (a)	<b>6,017,476</b>	4,374,096
<b>Total</b>	<b><u>6,017,476</u></b>	<b><u>4,374,096</u></b>

- (a) Part of the total in 2020, in the amount of R\$95,265, refers to funds allocated to projects financed by partnerships between Instituto WCF and independent recipients, classified as "Advanced funds" in current liabilities and their respective recipients are duly identified in Note 5.



## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 5. Advanced funds

These are related to funds from donations for projects in the process of being carried out and, thus, not recognized in profit or loss (surplus (deficit) for the year).

In 2019, Management obtained consent from the Carlson Family Foundation to use the surplus from the Olympics Project in other projects, as follows: Carlson *Escuta Especializada* (Clinical Interviewing); Carlson PNMC and Carlson *Comunicação* (Communication), the surplus was appropriated for the absorption of administrative expenses that comprise P&L for 2019.

In 2020, the funds corresponding to Clinical Interviewing and Communication (*Escuta Especializada* and *Comunicação*) were invested, with the balance allocated to PNMC and held as advanced funds to be realized in 2021.

Breakdown of advanced funds is as follows:

	2020	2019
<b>Donators and projects</b>		
ABIHPEC - <i>Investimento em Mídias – Comunicação</i> (Investment in media – communication)	-	43,508
Aldeias Infantis SOS Brasil (j)	<b>33,552</b>	8,002
BID Invest (f)	<b>6,212</b>	-
Carlson - <i>Projeto Escuta Especializada</i> (e)	-	11,336
Carlson - PNMC Campaign - <i>Viagem Segura</i> program (e)	<b>38,751</b>	38,751
Carlson - <i>Plano de Comunicação</i> (Communication Plan) (e)	-	48,442
Facebook – “ <i>Que Internet é essa?</i> ” project	-	97,000
Itaú Social - <i>Projeto de suporte Institucional 2020</i> (2020 Institutional Support Project)	-	200,000
LD Celulose S.A. - <i>Programa Grandes Obras</i> (Major Infrastructure Program) (a)	<b>54,818</b>	6,735
PNMC 2020 (k)	-	304,480
PNMC 2021 (k)	<b>181,090</b>	-
Portocel Terminal Esp. de Barra do Riacho S/A (a)	<b>62,603</b>	13,076
SWISS Philanthropy	<b>133,734</b>	-
UNICEF - End Violence Against Children	<b>146,081</b>	-
UNICEF - <i>Escuta Especializada</i>	<b>8,003</b>	-
Veracel Celulose S/A (b)	-	15,921
<b>Total</b>	<b>664,844</b>	<b>787,251</b>

## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 6. Revenues from donations and services provided

	2020	2019
<b>Donations – Na Mão Certa Program: (k)</b>		
Aeroportos Brasil Viracopos S/A	26,400	-
Aerosoft Cargas Aéreas Ltda	5,280	4,800
Agricopel Com de Derivados de Petróleo Ltda	5,280	-
Akzo Nobel Pulp and Performance Quím. Bahia Ltda	-	6,052
Amaggi Exportação e Importação Ltda.	73,360	58,038
Ambipar Logistics Ltda	6,600	-
Andrade Transportes Rodoviários Ltda	8,800	8,000
Antonio Luiz Pereira & Cia Ltda	4,224	3,840
Aranão Transportes Rodoviários	6,600	6,000
Arthur Lundgren Tecidos S/A - Casas Pernambucanas SP	8,800	8,000
Ativa Distribuição e Logística Ltda.	4,800	5,600
Axon Transportes S.A.	5,280	5,200
BBM Logística S.A.	8,800	8,000
Bendini Logística Ltda	4,224	-
Braskem S.A.	39,600	24,000
Bravo Serviços Logísticos Ltda	5,280	4,800
BRF S.A.	-	36,000
BRLOG Logística Ltda	5,610	4,800
Budel Transportes Ltda	5,280	6,149
Bull Log Transp. Nacionais e Internacionais Ltda	3,762	1,440
Buonny Projetos e Serviços de Riscos Securitários Ltda	5,280	4,800
CA Rezende Transportes Ltda	3,168	3,840
CAED Logística e Transporte Ltda	7,066	6,957
Cargas e Transportes Alto Horizonte	2,376	2,880
Cargill Agrícola S.A.	14,308	12,650
Cargo Modal Transportes Serviços e Locação Ltda	5,280	3,840
Cargo Polo Com Log e Transportes	3,168	2,880
Carsten Serviços e Transportes EIRELI	3,168	-
Carvalima Transportes Ltda.	-	2,880
Centrais Elétricas Brasileiras S.A. Eletrobras	39,600	-
Centrais Elétricas de Santa Catarina S.A.	13,200	17,000
Cesari Logística Ltda	6,600	6,000
Champion Log Transportes Ltda-ME	4,224	2,880
Cia Ultragas S.A.	26,400	12,000
CNS 2010 Transportes Rodoviários de Cargas	-	2,880
Companhia Vale	132,000	-
Cofco Internacional Transportes Ltda	8,800	1,550
Comando Logística e Transportes Ltda	4,224	3,680
Comercial Pivato Ltda	4,418	1,920
Comtrasil Comércio e Transportes Ltda	5,280	5,200
Concessionária Ayrton Senna Carvalho Pinto	3,960	4,000
Concessionária de Rodovias Minas Gerais Goiás S.A.	3,960	6,000
Concessionária Ecovia Caminho do Mar S.A.	3,960	4,000
Concessionária Ecovias dos Imigrantes S.A.	3,960	4,000
Concessionária Ponte Rio Niterói S.A.	3,960	4,000
Concessionária Rota do Atlântico S.A.	-	6,000
Concórdia Transportes Rodoviários Ltda.	5,280	3,840
Cooperativa de Transp. de Cargas do Est. de Santa Catarina (COOPERCARGA)	2,710	-

## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 6. Revenues from donations and services provided (Continued)

	2020	2019
<b>Donations – Na Mão Certa Program: (k)</b>		
Cooperativa dos Transportadores Autônomos de Cargas e Passageiros da Região Metropolitana de BH (Coopmetro)	8,448	-
Cooperativa de Transporte e Logística do Alto Tietê	5,412	3,840
Cooperativa de Transp. de Cargas Químicas e Corrosivas de Mauá (COOPERTRANS)	2,376	2,160
Cooperativa dos Transportes de APIAI	1,056	3,280
Copagaz Distribuidora de Gás S.A.	6,633	6,030
Cordioli Transportes Ltda	5,280	5,200
Costa Teixeira Transportes Ltda	5,280	6,071
Cotralti Cooperativa Transporte	-	1,440
CRH Sudeste Indústria de Cimento S/A	6,600	6,000
D'Granel Transportes e Comércio Ltda	6,600	6,000
Dourado Logística Transportes e Serviços Ltda	3,380	-
Dow Brasil Ind. Comércio de Prod. Químicos Ltda.	-	8,000
Duratex S.A. (Advanced funds - 2017)	26,400	24,000
DUX Trucking Ltda	1,584	1,440
Ebmac Transportes e Logística Ltda.	4,224	1,440
Eco 101 Concessionária de Rodovias S/A	3,960	4,000
Eco 135 Concessionária de Rodovias S/A	3,960	4,000
Ecoporto Santos S.A.	3,960	4,000
Empresa Concessionária de Rodovias do Sul S/A	3,960	4,000
Expresso Gonçalves Transportes Ltda.	4,787	2,880
Expresso Hércules Transportes e Comércio Ltda.	5,280	4,800
Expresso São Paulo Minas Ltda	2,816	2,880
F&M Transportes e Logística Ltda	4,224	2,640
Fedex Brasil Logística e Transporte S.A.	19,800	18,000
Fippam Transportes e Logística Ltda	-	2,880
FL Brasil Holding, Logística e Transporte Ltda	6,600	6,000
Flex Soluções Integradas Ltda-ME	3,168	1,840
Fortunate S. M. Produções Artísticas EIRELI	8,000	-
Fosnor-Fosfatados do Norte-Nordeste S/A	8,800	5,600
Furnas Centrais Elétricas S.A.	19,800	18,000
G.H. Neves e Cia Ltda	7,111	4,800
G7 Log Transportes Ltda.	5,280	4,800
Gafor S.A.	6,600	6,000
Galdino Cabral e Galdino Ltda	1,584	2,160
Gelog Com. Log. Locações Serviços e Transportes Ltda	8,800	8,000
Ghelere Transportes Ltda	5,280	4,800
Glencore Importadora e Exportadora S.A.	120,000	120,000
Global Transportes Comércio e Representação Ltda	-	4,240
GMLOG Transportes Ltda	3,378	-
Golden Cargo Transportes e Logística Ltda.	-	3,840
Graneleiro Transportes Rodoviários Ltda.	6,600	6,000
Guerra Logística EIRELI	1,584	-
Guta Serviços de Transportes EIRELI	1,584	-
Hexion Química do Brasil Ltda	8,800	8,000
Hidroviás do Brasil	40,145	36,000
HNK BR Indústria de Bebidas Ltda	6,600	6,000
IC Transportes Ltda	5,280	4,800

## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 6. Revenues from donations and services provided (Continued)

	2020	2019
<b>Donations – Na Mão Certa Program: (k)</b>		
Instituto BRF	-	400
Instituto C&A de Desenvolvimento Social	75,000	60,000
Instituto Gerdau	26,400	24,117
Instituto Intercement	26,400	24,000
Instituto Lojas Renner e Lojas Renner S.A.	66,000	60,000
Instituto Sócio Cultural TPI	26,400	24,000
INTEC - Integr. Nacional de Transp. de Encom. e Cargas	3,300	3,400
Ipiranga Produtos de Petróleo S/A	26,679	24,757
Itaipu Binacional	26,400	24,000
Itaobi Transportes Ltda	6,160	-
Jacobina Mineração e Comércio	-	12,000
Jaloto Transportes Ltda.	5,280	4,800
Jomini Logística EIRELI	3,380.00	-
José Herculano da Cruz Filhos S/A	5,573	4,800
JSL S.A	8,800	8,000
Karnec Transportes Ltda EPP	1,584	1,440
Klabin S/A	26,400	36,400
Leão Alimentos e Bebidas Ltda.	-	6,960
Line Transportes Serviços e Embalagens Ltda.	-	2,880
Liran Transportes e Logística Ltda.	5,280	4,800
Localfrio S/A Armazéns Gerais e Frigoríficos	4,224	3,840
Lógica Transportes Especiais Ltda	3,168	2,880
Lognet Logística e Transporte S.A.	2,310	2,880
Logquim Transportes e Logística Ltda.	634	3,280
Luizinho Transportes e Logística	4,224	3,840
Mahnich Operadora Logística Ltda	4,224	4,800
Man Latin America Indústria e Comércio de Veículos Ltda	36,000	36,000
Manfrim Industrial e Comercial Ltda	26,400	24,000
Marshipping Transporte e Logística	1,584	1,440
Martins Comércio e Serviços de Distribuição S.A.	6,600	6,000
Martins Despachos e Assessoria em Logística Ltda.	3,168	2,880
Martins Medeiros Logística Ltda	3,612	1,440
MCP Transportes Rodoviários Ltda	-	3,840
Mendes e Koch Ltda	5,280	3,840
Mercedes-Benz do Brasil Ltda.	-	30,000
Mercotrans Transportes e Logística Ltda.	3,168	2,880
Mineração Maracá Indústria e Comércio S.A.	8,800	12,000
Mira OTM Transportes Ltda	5,280	-
Motus Serviços Ltda.	6,600	6,000
MS Port Solutions Logística Ltda	3,168	2,160
Mundial Risk Gerenciadora de Risco Ltda	-	2,160
MVC Transporte e Logística Ltda.	5,280	4,800
Nasul Cargo Logística Ltda.	6,600	8,000
Navegações Unidas Tapajós S/A	39,600	-
Nelcar Transportes Rodoviários Ltda.	3,168	3,280
O Boticário Franchising Ltda	8,800	8,000
Open Tech Sistemas Gerenciamento de Riscos S/A	2,816	3,840
OTD Brasil Logística S/A	8,800	8,000
Patrus Transportes Ltda.	26,400	24,000

## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 6. Revenues from donations and services provided (Continued)

	2020	2019
<b>Donations – Na Mão Certa Program: (k)</b>		
Pedroni Logística Ltda	4,224	-
Phenix Com. Loc. Log. Serv. e Transportes EIRELI	6,820	6,200
Politec Assessoria e Transportes Ltda EPP	3,168	2,880
Polivias S/A Transportes e Serviços	5,280	-
Petrobras Distribuidora	8,800	-
Pozzer Transportes Rodoviários de Cargas Ltda	4,224	3,280
Quimilog Transportes e Logística Ltda.	-	2,160
Quimisa S.A.	6,600	3,840
Racslog Logística e Transportes Ltda	3,168	2,880
Rafer Transporte Rodoviário de Cargas Ltda.	4,224	2,880
Raizen Energia S/A	39,600	24,000
Raupp Transportes Rodoviários EIRELI	4,224	4,640
Repom S.A.	6,600	6,000
Rigon Transportes Ltda	3,168	-
Risel Combustíveis Ltda	6,930	6,000
Ritmo Logística S/A	5,280	5,200
Rodoagro Transportes e Logística Ltda.	-	2,208
Rodoghel Transportes Ltda	-	720
Rodo Drive Transportes e Logística Ltda	3,168	-
Rodogranel Logística e Serviços Ltda.	6,600	6,000
Rodonaves Transportes e Encomendas Ltda	4,224	-
Rodovia das Cataratas S.A. (Ecocataratas)	3,960	4,000
Rodoviário Matsuda Ltda.	-	4,800
Rodovitor Transportes e Locação de Veículos	-	1,920
Rodstar Transportes Rodoviários Ltda.	-	2,880
Rudlog Transportes e Logística Ltda	3,168	3,280
Rumo Malhas Sul S/A	26,400	-
Sabará Químicos e Ingredientes S.A.	6,600	6,000
Sancargo Logística de Cargas Ltda	3,168	2,980
Santos Brasil Participações S.A.	8,800	-
Sascar Tecnologia e Segurança Automotiva S.A	6,620	6,000
Scania Latin America Ltda.	-	18,000
Scapini Transportes e Logística Ltda	5,280	5,200
Sequoia Logística e Transportes S/A	5,280	4,800
Sigma Transportes e Logística	5,280	-
Sistema Transportes S/A	4,224	3,840
SLT Transportes	792	504
Solucion Logística e Transporte Ltda	8,800	3,280
STE Transportes Ltda	5,280	-
Suzano S/A	21,000	-
Techtrans Transportes Especializados Ltda	1,584	1,440
Tegma Gestão Logística S.A.	8,800	8,000
Telefonica Brasil S/A	-	18,000
Tenda Atacado Ltda	6,600	6,000
Terejorgis Transportes Mov. de Cargas Ltda ME	3,168	2,160
Termaco Terminais Marítimos de Containers	6,600	6,000
Terminal Fronteira Norte-Logística S.A.	-	36,000
Terminal Químico de Aratu S/A	8,800	8,800
Terra SJ Transporte Rodoviário Ltda	5,280	4,240

## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 6. Revenues from donations and services provided (Continued)

	2020	2019
<b>Donations – Na Mão Certa Program: (k)</b>		
Tetra Pak Ltda	26,400	24,000
Tic Transportes Ltda.	5,610	4,800
TNT Mercúrio Cargas e Encomendas Expressas S.A.	-	4,800
Tora Transportes Industriais Ltda	5,280	4,800
Trans Kothe Transportes Rodoviários S.A.	9,240	-
Trans MRA Lima Transp. de Produtos Químicos Ltda	4,224	1,440
Transgil Transportes de Carga	5,280	-
Transchemical Transportes e Logística Ltda	6,600	8,000
Transfuturo Transportes Ltda.	5,280	4,800
Transjordano Ltda	6,600	6,800
Transkompa Ltda.	5,280	4,800
Translecchi Agrícola Ltda	6,600	-
Translos Ltda	-	2,880
Transpar Transportes Armazéns Ltda	7,157	-
Transpizzato Transportadora de Cargas Rodoviárias Ltda	5,280	3,840
Transportadora Astra Ltda EPP	1,584	-
Transportadora Delefratti Ltda.	-	720
Transportadora Giomila Ltda	-	2,880
Transportadora Gobor Ltda	5,280	4,800
Transportadora Gorgonho Ltda.	2,933	8,000
Transportadora Moscato Transporte Rodoviário Ltda	5,280	3,840
Transportadora Rodomeu Ltda	5,280	-
Transportadora Savo Ltda	1,408	4,240
Transportadora STL Logística e Armazenagem Ltda	3,168	1,840
Transportadora Trans Varzea Ltda.	-	3,840
Transporte Della Volpe S.A.	6,600	7,070
Transporte Lida Ltda.	3,168	2,880
Transporte Rodoviário de Cargas Dinamo	4,224	3,840
Transportes Borelli Ltda.	6,600	6,000
Transportes Buturi S.A.	7,950	5,600
Transportes Cavalinho Ltda.	5,280	6,000
Transportes Dalçoquio Ltda.	5,280	4,800
Transportes de Gás Bessega e Marson Ltda	4,224	3,840
Transportes Framento Ltda	5,280	3,360
Transportes Gabardo Ltda	3,168	-
Transportes Imediato Ltda.	6,600	6,000
Transportes Luft Ltda	3,300	3,000
Transportes Poloni Ltda	8,800	-
Transportes Toniato Ltda.	6,600	6,000
Transrio Transportes e Logística Ltda. ME	5,280	4,800
TRELSA-Log Transp.Espec.de Líquidos e Logística Ltda	6,600	6,000
Tropical Transportes Ipiranga Ltda.	6,600	6,000
TSA Transportes Scremim e Armazenagens Ltda.	4,224	3,840
Unilever Brasil Ltda.	-	4,800
Unilog Universo Logística Ltda.	5,280	-
Union Sistemas e Energia Ltda	-	6,000
Unius Transportes Ltda	4,224	-
Univar Brasil Ltda	8,800	8,000
Valpasa Indústria de Papel Ltda.	-	6,000

## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 6. Revenues from donations and services provided (Continued)

	2020	2019
<b>Donations – Na Mão Certa Program: (k)</b>		
Via Barcelona Transportes Ltda	1,584	2,450
Via Dupla Transportes Rodoviários Ltda.	2,376	2,160
Via Varejo S/A	-	24,000
Vieira Transportes Rodoviários Ltda.	5,280	4,800
Vieira Logística e Transportes Ltda	3,168	2,880
Vobeto Transportes Ltda.	4,224	2,880
Volvo do Brasil Ltda.	13,200	12,000
Vopak Brasil S.A.	8,800	8,000
White Martins Gases Industriais Ltda	13,200	12,000
Zeus Transportes e Organização Logística Ltda	1,901	-
<b>Total donations – Na Mão Certa Program</b>	<b>2,101,653</b>	<b>1,748,223</b>
	<b>2020</b>	<b>2019</b>
<b>Donations – Partnership with Atlantica Hotels Internacional</b>		
Hotels that belong to the Atlantica network (l)	102,770	283,627
<b>Total donations – partnership with Atlantica Hotels Internacional</b>	<b>102,770</b>	<b>283,627</b>
	<b>2020</b>	<b>2019</b>
<b>Sundry donations and other projects</b>		
<b>Cause-related marketing actions</b>		
A. C. Khouri ME (c)	58,804	-
Airport Run	7,000	-
Ara Vartanian EIRELI - ME	15,000	-
DoTerra - Hope	104,346	-
Terracycle do Brasil Administradora	43	-
Printing - Trio Comércio de Roupas EIRELI	33,262	-
Event held by Isabella Suplicy (guest donations)	-	20,504
Embassy of Sweden Event – Sankta Lucia	-	4,394
Kalyda Comércio de Produtos	-	12,628
Tiffany Brasil Ltda (o)	85,546	43,367
Total amounts - cause-related marketing actions	304,002	80,893
<b>Investment in communication</b>		
ABIHPEC	78,508	60,000
Total investments in communication	78,508	60,000
<b>Tourism Program investment</b>		
Aldan Assessoria e Participações Ltda. - Partnership (d)	17,567	31,501
Total investments in the Tourism Program	17,567	31,501

## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 6. Revenues from donations and services provided (Continued)

	<u>2020</u>	<u>2019</u>
<b>Donations from individuals</b>		
<i>Donations from Board members (g)</i>		
Arthur José de Abreu Pereira	35,000	71,208
Carlos Alberto Mansur	36,000	-
Eduardo Alfredo Levy Júnior	5,000	
José Ermírio de Moraes	60,000	20,000
Kelly Cage	36,401	-
Luis Norberto Pascoal	7,000	-
Luiz de Alencar Lara	7,000	-
Olga Stankevicius Colpo	15,000	9,100
Paulo Agnelo Malzoni	95,000	-
Paulo Setúbal Neto	34,000	-
Rosana Camargo de Aruda Botelho	35,000	-
<i>Donations – Birthday Fundraisers (n)</i>		
Leona Von der Lancken - Sweden	1,565	-
Antonio Beltran	-	29,100
Elisa Camargo de Arruda Botelho	-	35,011
Rolf Gustavo Roberto Baumgart	33,000	-
Rosana Camargo de Arruda Botelho	372,283	-
<i>Donations at Events, Bazaars and Sundry activities</i>		
Ana Eliza Antum Salg Setubal	-	3,600
Daniela Seve Duvivier	-	4,520
Sundry donations - website	10,942	5,579
Edinardo Figueiredo Jr.	-	25,000
Elisa Camargo de Arruda Botelho - Evento Patricia Carparelli	3,000	-
Flavia Palaia Salies - Evento Patricia Carparelli	3,000	-
Joanna Conrad Lowndes Furtado - Evento Patricia Carparelli	3,000	-
Luciana Brito Caravello	2,930	-
Renata de Camargo Nascimento	50,000	-
Sophia Ross Hegg Moura Moda Hayp	-	1,697
Walter Gebara	-	2,000
<b>Total donations from individuals</b>	<b><u>845,121</u></b>	<b><u>206,815</u></b>



## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 6. Revenues from donations and services provided (Continued)

	<u>2020</u>	<u>2019</u>
<b>Donations from legal entities</b>		
<i>Projects and Actions</i>		
Aldeias Infantis SOS Brasil (j)	<b>8,003</b>	-
Associação Assistencial Empório Última Oportunidade (p)	-	500,000
BID Invest (f)	<b>71,279</b>	-
Carlson - <i>Projeto Escuta Especializada (Clinical Interviewing Project)</i> (e)	<b>22,500</b>	-
Carlson - <i>Plano de Comunicação (Communication Plan)</i> (e)	<b>48,442</b>	-
Carlson Family Foundation (e)	<b>345,382</b>	233,348
Curtis L. Carlson Family Foundation (e)	<b>45,328</b>	-
Duratex S/A	-	5,000
Instituto C&A	-	5,000
Instituto Gerdau	-	15,000
Instituto Intercement	-	5,000
Itaú Social - Projeto de suporte Institucional 2020 (2020 Institutional Support Project) (q)	<b>200,000</b>	-
Klabin S/A	-	5,000
Stiftelsen World Childhood (u)	<b>55,573</b>	-
Swiss Philanthropy (v)	<b>142,581</b>	-
The Taïama Foundation	<b>23,219</b>	-
UNICEF - Escuta Especializada (s)	<b>128,897</b>	-
UNICEF - End Violence Against Children (t)	<b>62,972</b>	-
Veracel (Advanced funds - 2019) (b)	<b>15,921</b>	-
Votorantim Industrial S.A. (i)	-	350,000
<i>"Que Internet é essa?" project</i> (h)		
Facebook Serviços Online do Brasil	<b>100,000</b>	-
Google Brasil Internet Ltda	<b>100,000</b>	-
Carlson Family Foundation	<b>356,700</b>	-
<i>Donations at Events, Bazaars and Sundry activities</i> (r)		
Events and Christmas Bazaars	<b>7,668</b>	-
Kogan Amaro Galeria de Arte Ltda - Patricia Carparelli Event	<b>6,000</b>	-
Auctions – Art, Contemporary Art and Rare wines	<b>270,134</b>	-
<b>Total donations from legal entities</b>	<b><u>2,010,597</u></b>	<b><u>1,118,348</u></b>

## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 6. Revenues from donations and services provided (Continued)

	<u>2020</u>	<u>2019</u>
<b>Other revenues – services provided:</b>		
Aldeias Infantis SOS Brasil (j)	<b>75,561</b>	72,333
Bahia Tribunal de Justiça	-	28,113
COFCO International Transportes Ltda	-	8,000
Facebook - Projeto “Que Internet é essa” (h)	<b>97,000</b>	-
Fundo ESP de Reaparel & Moderniz do Poder Judiciário	-	15,397
Iguatemi Empresa de Shopping Centers S/A	-	14,550
LD Celulose S.A.(a)	<b>265,669</b>	60,331
Public Prosecutor’s Office of the state of Bahia	-	10,552
Portocel Term Esp de Barra do Riacho S.A. (a)	<b>152,466</b>	146,182
Siemens Fundação Brasil	-	16,109
Tetra Pak Ltda	-	3,339
Veracel Celulose S.A. (b)	-	124,249
<b>Total other revenues – services provided</b>	<b>590,696</b>	499,155
<b>Other revenues – volunteer services (gratuities) (m)</b>	<b>217,262</b>	185,077
<b>Total revenues</b>	<b>6,268,176</b>	4,213,639

(\*) As established in Interpretation ITG 2002 (R1) – Nonprofit Organizations, the Institute values revenues from voluntary work, including from members of management bodies, which are measured at their fair value taking into account the amounts that the Institute would have to pay had it contracted these services in a similar market. Revenue from voluntary work is recognized in P&L for the year against operating costs and expenses, also in P&L for the year.

Additional information on revenues earned:

- (a) Issue of Service Invoices – Partnerships with Portocel in Aracruz and LD Celulose in Indianópolis and Araguari with indirect influence on Estrela do Sul for the development of *Projeto Grandes Empreendimentos* (Major Infrastructure Project), in which WCF trains employees to be facilitators and provide clarifications and information on how to prevent violence against and sexual exploitation of children and adolescents.
- (b) Partnership with Veracel Celulose for the development of *Laços de Proteção* Project. Its general purpose is to contribute to the continued training of the company’s direct and indirect employees and to strengthen policies to prevent violence, especially sexual violence against children and adolescents in the city of Belmonte, through the development of actions that are part of the *Sistema de Garantia de Direitos*.
- (c) This refers to the partnership between Instituto WCF - Brasil and renowned jewelry designer A.C. Khouri ME. The amount donated in 2020 corresponds to the sales portion that was transferred to projects and programs of the Institute.

## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 6. Revenues from donations and services provided (Continued)

- (d) Partnership between Instituto WCF Brasil and Aldan Assessoria e Participações Ltda. aimed at disseminating best practices for protecting children and adolescents against sexual exploitation in tourism and raising funds for the programs and projects through campaigns conducted in ventures of Aldan Group.
- (e) In 2019, with the authorization of the Carlson Family Foundation, the funds in excess from the Olympics Project were redistributed to new projects, namely: *Na Mão Certa* Program - Solutions and Tools Project / Safe Travel Campaign (*Viagem Segura*); Technical Support for the Implementation of Municipal Programs and Flows for Integrated Assistance to Children and Adolescents who were Victims of or Witnessed Sexual Violence; and application in Institutional Communication actions. In 2020, the funds donated by Carlson and Curtis supported the "*Que Internet é Essa?*" project and the excess amount was allocated to Institutional and Operational support. Only the funds allocated to the *Na Mão Certa* Program - Solutions and Tools Project / Safe Travel Campaign remain recorded in Advanced funds for 2021.
- (f) Partnership, in 2020, with IDB Investment to systematize the methodology of the program to fight sexual exploitation of vulnerable groups in large ventures.
- (g) Donation by Board members in 2020 as an institutional action.
- (h) Funds raised from Google, Facebook and the Carlson Family for the development of project "*Que Internet é Essa?*" through a technical cooperation agreement with the Roberto Marinho Foundation for the production of an audiovisual series and educational kits on the topic of online violence.
- (i) This refers to the donation made by Votorantim Industrial S.A. to the Institute's programs and projects.
- (j) Partnership with Aldeias Infantis SOS Brasil to provide technical assistance for the development of a protection network in the municipality of João Pessoa in Paraíba.
- (k) Brazil's *Na Mão Certa* Program - mobilizes governments, companies and third-sector organizations for preventing and fighting sexual exploitation of children and adolescents in Brazilian highways. Partnerships of the *Na Mão Certa* Program - 2019 to 2020: Companhia Vale S/A 2020 and 2021 (R\$240,000); Rumo Malhas Sul S.A. (R\$26,400); Expresso Hercules Transportes e Comércio Ltda (R\$5,280); and Petrobras Distribuidora (R\$8,800). Partnerships of the *Na Mão Certa* Program - 2020 to 2021: Companhia Vale S/A 2019 and 2021 (R\$132,000.00); Expresso Hercules Transportes e Comércio Ltda (R\$5,490.00); Mercedes-Benz do Brasil Ltda (R\$27,500); Tropical Transportes Ipiranga Ltda (R\$6,900) and Petrobras Distribuidora (R\$9,200).
- (l) This refers to the partnership between Instituto WCF - Brasil and Atlantica Hotels International, aimed at disseminating best practices for protecting children and adolescents against sexual exploitation in tourism and raising funds for the Institute's programs and projects through campaigns conducted in ventures of Atlantica Group.

## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 6. Revenues from donations and services provided (Continued)

- (m) As determined by ITG 2002 (R1), for the purpose of complying with the resolution applicable to nonprofit organizations, the Institute identified and measured the voluntary work received by it in 2020 and 2019. The fair value of this measurement was attributed considering the amount per hour of salary adopted in the market according to the respective positions of each Director in 2019, multiplied by the number of hours devoted to the Institute in meetings of the Decision-Making Board, Executive Board, and efforts to obtain and present the programs and projects carried out and to be prospected. None of the amounts above had the corresponding cash disbursement, recognized, in 2020 and 2019, as operating income and expenses in statement of surplus (deficit), in equal amounts, without impacting surplus (deficit) for the year.
- (n) Donation of resources through birthday fundraisers.
- (o) Partnership established between Instituto WCF - Brasil and Tiffany & CO. The amounts donated in 2019 and 2020 correspond to a percentage of sales made at an event held in December 2019 and 2020 at the Tiffany's stores in São Paulo, with the objective of raising funds to support the continuity of the Institute's projects and programs.
- (p) Partnership established between Instituto WCF - Brasil and Bazar Última Oportunidade, which made two special sales in 2019 in the following periods: 1<sup>st</sup> edition on May 30 and 31, and 2<sup>nd</sup> edition on October 21, 22 and 23. The amount donated in 2019 corresponds to 50% of the total amount collected. The other half was donated to another Institution.
- (q) Donation received from Fundação Itaú Social with the objective of developing actions for institutional strengthening, such as strategic planning, CRM implementation and financial advisory to improve processes, policies and practices.
- (r) Donations at Events, Bazaars and Sundry Activities - Actions carried out mainly at the end of 2020 and during the year - Villa Antica Espaço Arte Ltda.
- (s) Donation through a small-scale financing agreement with UNICEF for the development of the project for the protection of children and adolescents on the Internet in times of pandemic - Clinical Interviewing (*Escuta Especializada*) in accordance with Law No. 13431/17.
- (t) Fund received from UNICEF for the development of activities of the Brazilian Coalition of "End Violence Against Children".
- (u) Institutional funds from Stiftelsen World Childhood.
- (v) Cooperative agreement with the Swiss Philanthropy for the development of the project for the protection of children and adolescents on the Internet in times of pandemic.

## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 7. Information on the nature of costs and expenses in the statement of profit of loss – (surplus or (deficit))

The Institute presented its statement of surplus (deficit) using the classification of expenses based on the function thereof. Information on the nature of these expenses recognized in the statement of surplus (deficit) is as follows:

	<u>2020</u>	<u>2019</u>
Services provided by legal entities	<b>(3,549,787)</b>	(2,651,063)
Funds donated to projects (Note 8)	-	(565)
Personnel expenses	<b>(1,872,875)</b>	(2,035,711)
Travel expenses	<b>(5,792)</b>	(135,042)
Advertising and promotion	<b>(14,203)</b>	(72,284)
Rentals and condo fees	<b>(92,903)</b>	(115,083)
Charges and contributions	<b>(27,613)</b>	(36,762)
Services provided by individuals	<b>(27,820)</b>	(15,597)
Depreciation and amortization	<b>(9,346)</b>	(15,833)
Provisions for labor contingencies (Note 9)	<b>(242,425)</b>	(220,837)
Volunteering	<b>(217,262)</b>	(185,077)
Other	<b>(155,471)</b>	(479,656)
Total	<b><u>(6,215,497)</u></b>	<b><u>(5,963,510)</u></b>

### 8. Funds donated to projects

	<u>2020</u>	<u>2019</u>
<b>Beneficiaries</b>		
Sundry (Donations through event subscriptions)	-	(565)
Total	<b><u>-</u></b>	<b><u>(565)</u></b>

### 9. Provision for contingencies

The Institute is subject to contingencies of a civil, tax and labor nature, among others. Management periodically reviews the known risks, assesses the likelihood of probable losses and adjusts the provisions, taking into consideration the opinion of the Institute's legal advisors and other data available at year-end. At December 31, 2016, a provision was set up for labor contingencies (social security), which has been adjusted on an annual basis. The adjustment of this provision in 2020 represented an increase of R\$242,425 in administrative expenses.

## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

(Amounts expressed in reais - R\$)

### 10. Tax immunity

As at December 31, 2020, the Institute is in compliance with the requirements of article 14 of the Brazilian Tax Code (CTN), which sets forth that institutions that do not distribute profits and apply their funds in Brazilian territory are tax immune.

The Institute also falls under OSCIP Law No. 9790/99, regulated by Decree No. 3100/99, which allows payment of compensation at market value to Institute managing officers that effectively act in executive management.

### 11. Financial risk management

#### General considerations and policies

The risk management policy adopted by the Institute provides guidance on transactions and requires diversification of transactions and trade-offs. Under the terms of this policy, the nature and general position of the risks is regularly monitored and managed in order to evaluate results and financial impact on cash flow.

Management examines and reviews the information relating to risk management, including significant policies, procedures and practices applied.

#### Financial risk factors

The Institute's activities are exposed to various financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The risk management program adopted by the Institute focuses on the unpredictability of financial markets, while aiming at minimizing potential adverse effects on the Institute's financial performance.

The Institute has financial instruments, all recorded in asset and liability accounts, intended to meet its needs and reduce exposure to interest rate risk.

#### Interest rate risk

Interest rate risk relating to short-term investments are mostly pegged to CDI variation. These positions are as follows:

	<u>2020</u>	<u>2019</u>
Assets - CDI	6,649,517	6,135,068

## Instituto WCF - Brasil

Notes to the financial statements (Continued)

December 31, 2020

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### 11. Financial risk management (Continued)

#### Interest rate risk (Continued)

The Institute has the following financial instruments classified into:

	<u>2020</u>	<u>2019</u>
Financial assets		
Loans and receivables		
Cash and cash equivalents (Level 2)	<b>635,232</b>	2,014,407
Marketable securities (Level 2)	<b>6,017,476</b>	4,374,096
Accounts receivable (Level 2)	<b>57,155</b>	115,000
Financial liabilities		
Other liabilities		
Trade accounts payable (Level 2)	<b>222,476</b>	170,340

The measurement of financial instruments is grouped in levels 1 to 3, based on the degree to which their fair value is priced:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, whether directly or indirectly.
- Level 3: techniques that use data having significant effect on the recorded fair value that are not based on observable market data.

Management is of the opinion that the Institute's financial instruments, which are recorded in the financial statements at book value, do not present significant variations as compared with respective market values.

#### Liquidity risk

The Institute relies on donations and grants to continue as a going concern and perform its social duties, and is of the understanding that it will continue receiving the donations and grants required for its operation.

## **Instituto WCF - Brasil**

Notes to the financial statements (Continued)  
December 31, 2020  
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### **12. Employee benefits**

The Institute grants employee benefits such as medical assistance, food voucher and transportation voucher. In 2020, these benefits amount to R\$182,299 (R\$162,408 in 2019), recorded in P&L under "Personnel expenses".

### **13. Authorization to complete the financial statements**

At the Board of Directors' Meeting held on May 04, 2021, issuance and disclosure of these financial statements were approved.