
Management Report

IFRS



1H
23



Banco do Brasil S.A. – Management Report – 1H23

Dear reader,

In the first half of 2023, we achieved a net profit of R\$16.4 billion. This result reflects Banco always do Brasil's relevance in the lives of clients. We seek excellence in the relationship, in an innovative and efficient way, bringing hyperpersonalized solutions, to see Brazilians thriving more and more.

We reached R\$38.6 billion in value added, through the payment of dividends, taxes, and other components. In addition, we adopt actions that generate positive social and environmental impacts through our initiatives, partnerships and the performance of the Banco do Brasil Foundation. We are inducers of sustainable best practices and support our clients to migrate to greener and more inclusive business models.

In June, we closed the 2022/2023 Crop Plan (Plano Safra), the largest in our history, with R\$190 billion disbursed. In July, we announced the new 2023/2024 Crop Plan (Plano Safra) with a disbursement forecast of R\$240 billion, 26.3% higher than the disbursement in the previous crop, with R\$48 billion for family farmers and medium producers.

We invest in the training of the producer, with the technical performance of our specialists and the intensive use of technology. We bring financial and agricultural guidance to the small producer with lectures on property management and agricultural techniques that provide a more efficient production in their activities. In the previous crop, more than 11 thousand family farmers were trained, surpassing 293 events held in more than a thousand municipalities. For the next crop, 1,000 events are planned in four thousand municipalities, training 20,000 farmers.

Our performance in credit to the Public Sector also deserves to be highlighted. We reinforce our partnership with public entities that enable public policies and improve the lives of citizens, disbursing more than R\$5.5 billion to States and Municipalities in 1H23. We believe that the development of the public sector is fundamental to the transformation of society.

In addition, in July/2023, we joined Desenrola Brasil Banda 2, an Emergency Program for the Renegotiation

of Debts of Delinquent Individuals, whose objective is to renegotiate bank debts of individuals, with monthly income equal to or less than R\$20,000 and who had negative debts on 12/31/2022.

To achieve our purpose, to be always relevant in people's lives, we believe that having qualified and engaged employees is a key piece. We are advancing in the cultural transformation of our company, becoming a more agile, modern, and diverse Bank.

This transformation also occurs due to the digital acceleration, which positively influences the way we work, with the use of agile methods daily and seeking the reskilling and upskilling of our teams. In addition, the latest competitions, held in 2021 and 2022, oxygenate our staff with the arrival of new professionals, including directly to the areas of technology and cybersecurity.

We also advance, in a transversal way, in the theme of diversity, reaching senior management, employees, suppliers and business partners because we understand that by sharing the diversity of people, experiences and ideas we will be able to innovate even more, improve our business and deliver sustainable results.

To sustain the necessary and important transformations, in March, we announced the revision of the Executive Committee on People and Organizational Culture, subordinated to the Board of Directors, which has been renamed the Executive Committee on People, Equity and Diversity. We also created the Advisory Council on Diversity, Equity and Inclusion, whose role is to discuss necessary advances in management, analyze trends and best practices, and propose initiatives associated with the themes.

We invite you to know a little more about Banco do Brasil's deliveries in the following pages, while reinforcing the commitment to generating value for all our stakeholders.

Happy reading!

Consolidated Financial Statements Result

Key components and performance indicators in the first six months of 2023, compared to the same period in 2022.

Net income of R\$16.4 billion in 1H23 was a reflection of good commercial performance in several business lines, notably in the disbursement with credit quality, exploring value chains and an adequate risk-return mix. This performance is bolstered by growth in service revenues, while administrative expenses remained under control. The proper management of liquidity and revenues of the group companies are added to the result. BIS reached 15.7% and the CET1 ended June at 12.2%.

In addition to the result, we reached R\$38.6 billion in value added, through the payment of dividends, taxes and other components, a growth of 18.2% over the same period of the previous year.

To learn more details about the income and equity items for the period, read the Notes to the Financial Statements for the year and in the Management Discussion and Analysis (MD&A) report.

Net Income

R\$16.4 billion

Growth of 18.5%
compared to 1H22

Value Added

R\$38.6 billion

Growth of 18.2%
compared to 1H22

Earnings (R\$ million)	1H23	1H22
Net Income	16,383	13,823
Net Interest Income	43,388	33,368
Net Revenue from Fees and Commissions	12,404	11,667
Administrative and Personnel Expenses	(17,770)	(16,279)
Equity (R\$ million)	Jun/23	Dec/22
Assets	2,075,763	2,008,169
Customer Resources	768,531	753,263
Shareholders Equity	167,171	163,518

Shareholders and Holders of Debt Instruments

We have a base of more than one million shareholders, 98.5% of whom are individuals and 1.3% are legal entities. At the end of June, our shareholding composition was distributed among 50% of shares held by the Federal Government, 49.6% outstanding (free float) and 0.4% held in treasury. Local investors held 73.8% of the outstanding shares, and foreigners 26.2%. Our shares (BBAS3) represented 3.314% of the Ibovespa in the last quarter.

Compensation to Shareholders

The Shareholder Compensation Policy seeks to ensure the proper valuation of the shareholder, combined with the continuity and financial sustainability of the Bank in the short, medium and long term, based on the premise of flexibility and financial solidity that ensure the sustainability of the business.

For the 2023 fiscal year, the distribution of dividends and/or Interest on Own Capital (JCP) corresponding to 40% of net income was approved, adjusted as provided for in letters "a" and "b" of item I of article 202 of Law 6,404/76, based on the Bank's results, financial condition, cash requirements, the Capital Plan and its goals and respective projections, the Risk Appetite and Tolerance Statement, prospects for present and potential markets, existing investment opportunities and the maintenance and expansion of operating capacity.

The total allocated to shareholders in 1H23 was R\$6.5 billion. The amount per share allocated to shareholders was R\$2.266.



Corporate Strategy

Our Corporate Strategy has a time horizon of five years and is reviewed every year, according to a structured, participatory process based on consolidated methodologies. After the review, it is approved by the Board of Directors, which directs the Company's decisions for the following years.

Our purpose is "To be close and relevant in people's lives at all times", and that's why we exist to always be together, support and maintain close relationships with people, regardless of the channel. We are relevant because our greatest aspiration is to generate value and be indispensable in the lives of the people with whom we relate. We want this purpose to be always present in our relationships, as we offer complete solutions so that our customers can count on us during all phases of their personal and professional life.

In line with our purpose and reinforcing the Company's organizational identity, our values are Proximity, Innovation, Integrity, Efficiency and Commitment to Society. These values form the basis of our culture and are experienced by all employees.

The Strategic Map and the Master Plan outline the strategic objectives and indicators for the next five years, distributed in five perspectives: Clients, Financial, Sustainability, Processes and People. The clients is at the center of our actions and decisions at all organizational levels, offering complete solutions and an appropriate experience.

We are a competitive, profitable, efficient, innovative bank, reference in sustainability and ESG business, the result of excellence in optimized capital allocation, high operational efficiency, a rational organizational structure, new business development and diversified revenue sources.



We accelerate digital transformation and innovation, using analytical intelligence and keeping the focus on improving models, processes, products and channels, with the aim of making them simpler, agile and responsive, thus creating a bank for each client.

We seek to continue the transformation of our organizational culture, relying on the engaged performance of our professionals, maintaining our focus on innovation, meritocracy, and sustainable results.

Clients

A bank for every customer

We look at our customers broadly, breaking down traditional barriers to segmentation and knowing their interests, consumption habits, lifestyle, values, and affinities. With the extensive use of data, we know and value what is important to each client, promoting a close relationship that goes beyond the banking core.

The applied analytical intelligence allows us the greatest personalization of the relationship, generating good experiences and relevance, so that clients have access to a highly specialized Bank, with products, services and advice appropriate to their needs.

Seeking to deliver a unique experience, integrated and aligned with the goals and moment of life of customers, we are enhancing our CRM that was developed in a proprietary way for a market-leading cloud solution. Allied to this transformation, we are also investing in a new Contact Center tooling.

We are advancing in the migration of the service structure to lighter, more efficient, and specialized models, which results in an integral experience in the channels and expands our capillarity, ensuring the best convenience for customers. BB has enabled business and innovations to be always close and available to customers, whether they are in the branches, in the App, in social networks or in the metaverse.

Our initiatives to improve the customer experience have shown positive results in terms of satisfaction. The Net Promoter Score (NPS) has been showing constant evolutions, closing the quarter with an increase of approximately 13 points compared to 2Q22. In addition, we reached the single-digit complaint rate for the fourth time in a row. With this, we remain in the best position among the large financial conglomerates and 12th in the expanded list, with the fifteen banking and payment institutions.

Active listening and understanding of our customers' needs are at the heart of our actions. After each service performed, we forward an evaluation survey to the client and the grade received is linked to the evaluation of the semiannual performance of the employees, to ensure that the quality of service and customer satisfaction are a common goal for all. The consequence of the constant monitoring of customer needs and satisfaction reflects in the reduction of SAC complaints, in the BB Ombudsman and in the better positioning in the Central Bank ranking.

For micro and small business customers, we launched, in partnership with the Brazilian Trade and Investment Promotion Agency (ApexBrasil) the First Export Program, the program aims to encourage companies to go for the sales of products in the international market. The target audience is composed of 20 thousand customers of the segment that have high potential to export. The program fosters the first export of companies, through a complete journey that includes digital training, advice and portfolio of solutions. By June, more than 1,200 companies were registered, with 170 advisory services provided.

NPS: improvement of
13 points
in a year

Digital Transformation

Our technology areas work in tune with the business areas and customers, with the objective of accelerating the digital transformation, without losing sight of the quality and effectiveness in the face-to-face service to our customers.

The analytical application to each cycle already contributes and becomes responsible for an important part of the generation of results and value, either by the improvement and expansion of existing products and services or by the development of new businesses or in new formats.

Among the main uses of analytical intelligence, it is worth mentioning the hyperpersonalization to clients, advisory models and indication of the best channel and moment of contact with the client, modernization and innovation of credit models, performance for Desenrola Brasil, management and prediction of distinct and personalized cash for each branch, dynamic indication of rate in the negotiation of private securities and natural language in the monitoring and specific treatment of the calls of our customers across multiple channels.

We have one of the largest technology parks in Latin America, with peaks that exceed the realization of 16 billion transactions per day, and one of the best rated Apps in the financial market (rating of 4.6 on Google Play, rated by more than 5.98 million users, and 4.7 on the App Store (Apple), with 2.85 million reviews), on a scale with a maximum score of five stars), as well as a comprehensive physical network, which provides convenience in serving customers, when and where they want to deliver omni-channel experience.

We also have a robust Analytical Platform, which has a wide menu of solutions and tools such as laboratories, no-code tools and AutoML (Automated Machine Learning), which have contributed to expand the maturity and analytical capacity in all areas and all organizational levels. The analytical models run on it impact more than 200 million customers, enabling and driving new business and a better customer experience. About 10% of our staff already uses in some way at least one solution by the Platform.

As of June 2023, we had 28.0 million active customers on digital platforms. Transactions in these channels accounted for 93.1% of our clients' transactions, an increase of 1.9 percentage points compared to 2Q22 (91.2%). All interactions in these channels are monitored by the WebAnalytics tool allowing the optimization of journeys, reduction of friction and hyper-personalized offers. It is noteworthy that in the last semester the availability of data from this monitoring is six times faster, occurring practically in real time.

We reached the record number of 22.4 million users on the App. The client not only makes inquiries, but also buys, invests, and makes his financial transactions through the BB application. Digital platforms accounted for 32.8% of the disbursement in personal credit and 14.6% of the disbursement of payroll loans. In 2Q23 alone, 26.7% of service operations (such as investment, card application, account opening and capitalization, insurance and consortium deals) were carried out through a digital solution.

For companies, we launched the new PJ App in June/23, enhancing the digital experience of customers in this segment. In addition, we have integrated into the PJ Panel, our digital platform, the reconciliation of sales by card and the digital financial assistant of analytical insights, or Business Coach. The reconciliation allows the control of sales by card, in a simplified and intelligent way, with a unified view of multiple companies of machines, flags and types of sale (credit and debit).

We are the only Bank to offer this innovative solution. Combined with Open Finance, the client has the global vision of his enterprise, regardless of where he has an account, card banking addresses and machines. The Business Coach, in turn, is a system developed by analytical intelligence that provides messaging with alerts and management tips, elaborated from the data of cash flow, sales and clientele, to support companies in the management of their business, through personalized and useful information for the day to day.

We continue to stand out as one of the most relevant Open Finance institutions in Brazil and abroad. The data now has an analysis for quality assessment through analytical models that identify and structure errors for treatment and correction, making reliable data available to the business. In the last quarter, at least 164,000 loan operations were identified with information shared with quality problems.

With new use cases of the data shared with Banco do Brasil, the adhesion of new clients to Open Finance continued at a strong pace. At the end of the second half, BB had about two million unique customers sharing data and more than 3 million consents. Since June, the BB client can already simulate and contract its credit portability via App, using Open Finance data. This solution reinforces the "figital" strategy, by offering the customer the same product and contracting conditions in the channel they prefer. The solution brings convenience and a fluid experience, with less friction, by using data directly from the other institution to perform the simulation and compare operations.

Launched in November 2021, Loja BB became Shopping BB in April 2023, reflecting the continuous

improvement of our bank-as-a-platform strategy. In June, it had more than 120 e-commerces, 28 brands of gift cards, gamer area and mobile recharges. During 1H23, Shopping BB presented a GMV of more than R\$565 million, reaching approximately 3.8 million customers, expanding our operations beyond the banking core and paving new avenues generating business. In June, the analytical model with machine learning techniques was delivered to customize the gift card offer for each client.

We use Artificial Intelligence in addition to improving the user experience with our virtual assistants and develop models applied to safety and operational

efficiency, such as the AI Model Validation Engine (MAIA), an unprecedented solution in the Brazilian market for automated analysis of AI models.

When we talk about credit operations by analytical intelligence, we totaled in this semester about R\$2.9 billion of disbursement with this methodology.

We continue to advance in the aspects of data governance, with specific and well-defined strategy and modernization of its tools, consistently allowing an organization effectively oriented and promoted with the use of data.



Agenda ESG

(Environmental, Social and Governance)

We adopt the best Environmental, Social and Governance practices that establish actions to identify and manage risks and opportunities. Our ESG assumptions are materialized in the Sustainability Plan - BB Agenda 30, which since 2005 has been our main instrument for fostering socio-environmental practices, aligned with the Sustainable Development Goals (SDGs) of the United Nations (UN) and the Paris Agreement. The Plan includes 40 actions and 110 indicators for the period 2021-2023.



The commitment to develop business solutions with social, environmental and climate aspects is guided and declared in our Social, Environmental and Climate Responsibility Policy (PRSAC). It is also supported by the BB Credit Sustainability Guidelines, which are in synergy with the international commitments assumed by the Federal Government, including those related to mitigation and adaptation to the effects of climate change. With national prominence in the development of financial solutions and business models that promote the transition to a sustainable and inclusive economy, we consider climate change in planning and take advantage of business opportunities for a low carbon economy.

Compliance with sustainability indicators and targets are reflected in the remuneration of the entire staff, including senior management, which ensures alignment between business, people and social, environmental and climate issues.

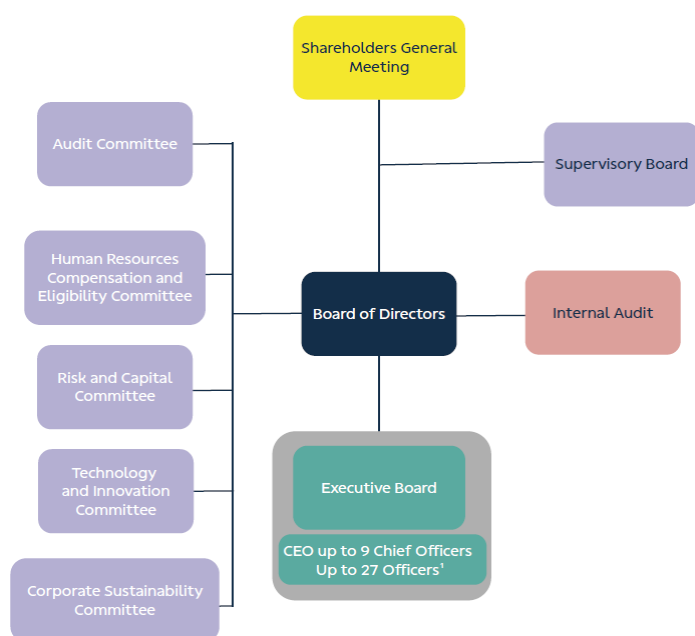


Corporate Governance

We adopt the best corporate governance practices, maintaining our commitment to the principles of transparency, accountability, equity and corporate responsibility. Since 2006, we have been the only bank listed on B3's Novo Mercado, a segment with the highest standard of corporate governance.

Decisions are taken collegially at all levels. Thus, the management has a structure of committees, subcommittees and strategic commissions that guarantee agility, quality and safety to decision making.

Our governance structure is composed of the General Meeting of Shareholders; by the Board of Directors (CA) and its advisory committees – Audit Committee (Coaud); People, Compensation and Eligibility Committee (Corem); Risk and Capital Committee (Coris), Technology and Innovation Committee (Cotei) and Corporate Sustainability Committee (Cosem); the Executive Board, composed of the Board of Directors (President and Vice Presidents) and other Executive Officers; and the Fiscal Council.



The Board of Directors, an independent body of collegiate decision-making, has, as provided for in the Law and in the Bylaws, strategic, guiding, elective and supervisory attributions. At least 30% of the members are independent, as defined in the legislation and in the Novo Mercado Regulation of B3. In this sense, in April/2023, we held a General Meeting of Shareholders to elect the directors for the 2023/2025 term, at which time the nominees of the controlling shareholder and the minority shareholders were elected.

We published the Annual Letter of Public Policies and Corporate Governance in May/2023. It discloses, among other information, BB's commitments in the achievement of public policies, as well as the corporate

governance practices adopted. The document is available on our [Investor Relations](#) website.

In that year, the BB Annual Letter included information on the contribution generated by the Bank to society, evidenced by an accounting report called the Statement of Value Added, the Bank's performance in the Federal Government's popular housing program and reference to products and services with social and environmental attributes that are associated with public policies.

Social, Environmental and Climate Risks and Opportunities

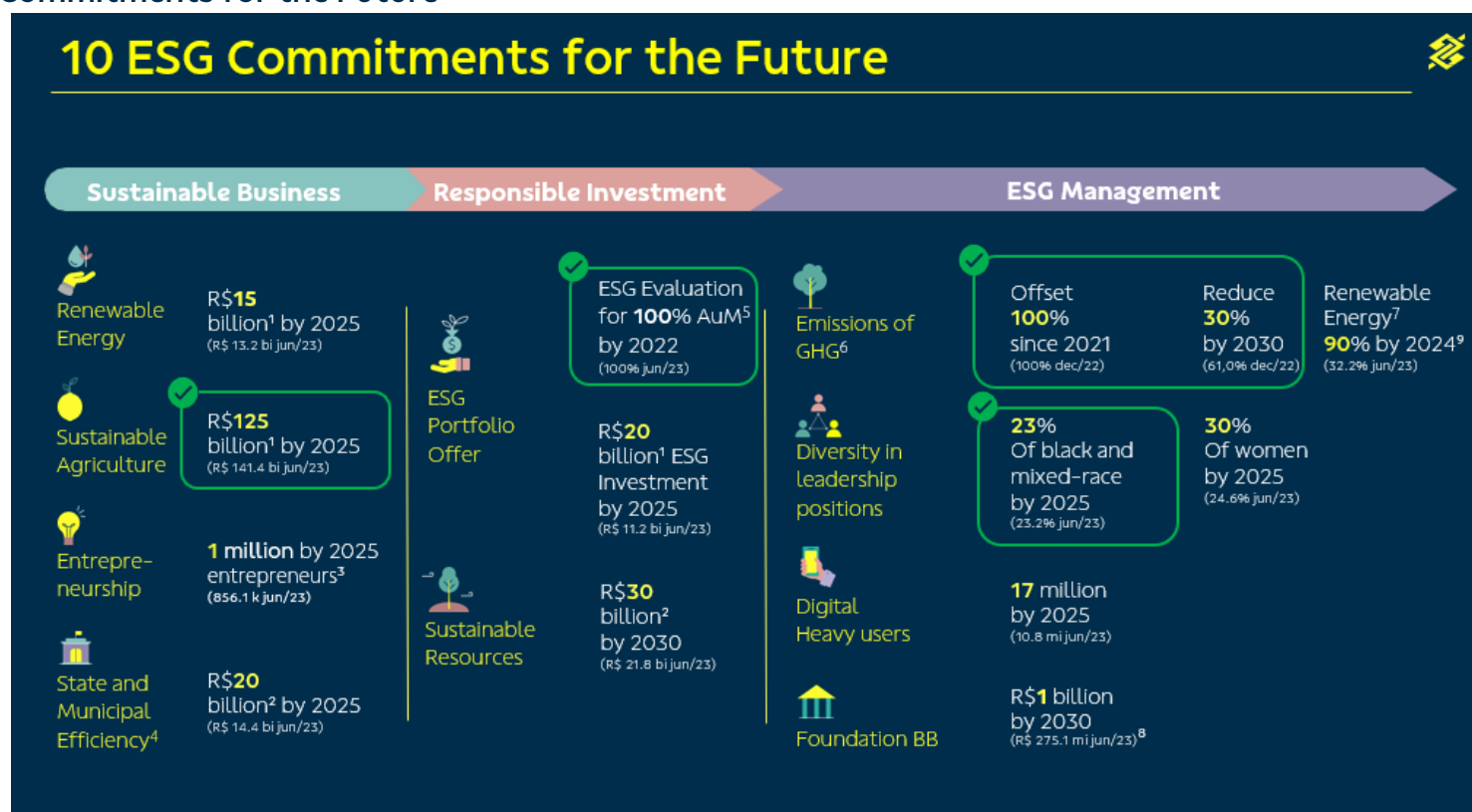
In June we published the first report on Social, Environmental and Climate Risks and Opportunities (GRSAC), available on our [Investor Relations](#) website.

The GRSAC report is in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), a global initiative aimed at improving transparency in the disclosure of climate-related financial information, to which the Bank joined in May 2021. This is an important milestone in the sustainability agenda for the financial sector, as it raises the quality of financial information related to social, environmental and climate issues, and reinforces the agenda of ESG commitments and targets.

Global carbon market

We have strengthened our performance in the voluntary carbon market, supporting our clients in the preparation of credit-generating projects and in the commercialization of credits and offering the possibility of offsetting emissions through the acquisition of carbon credits generated from projects with relevant environmental additionality. We also offer specific lines to foster projects that contribute to decarbonization. At the end of the first semester, there are more than 500,000 acres preserved in carbon projects, in the avoided deforestation methodology - REDD+. These are projects that combine environmental preservation and income generation for the owners of the areas with improvements for the communities located in them.

Commitments for the Future



(1) In balance; (2) In disbursements; (3) Entrepreneurs; (4) Agriculture, culture, civil defense, education, energy efficiency and public lighting, sports and leisure, road infrastructure, public cleaning, environment, urban mobility, health, safety and sanitary surveillance; (5) AuM applicable; (6) Scopes 1 and 2. Scope 2 was reduced by 100% based on purchase choice (purchase of i-Recs); (7) Renewable energy purchased on the free market (FTA) and own production at the end of the period; (8) According to the Budget Execution Summary.

Sustainable Credit Portfolio

In line with our long-term commitments and with the objective of assisting our clients in the transition to a more sustainable economy, at the end of June 2023 we reached R\$321.6 billion in sustainable credit operations, a growth of 10% in 12 months. This amount was contracted in credit lines with a strong environmental and/or social focus or to finance activities and/or segments that bring positive socio-environmental impacts such as the renewable energy, energy efficiency, construction, sustainable transport and tourism, water, fishing, forestry, sustainable agriculture, waste management, education, health and local and regional development sectors, in order to reinforce our transformative role in the country's development and construction of an increasingly sustainable future for society.

Our Sustainable Credit Portfolio is submitted to an independent assessment, which considers the main national and international ESG taxonomies in the classification of customers and credit lines that comprise it. The methodology is continuously revised, with the incorporation of the intensive use of data and analytical intelligence to reference best practices and drive pioneering policies to encourage the transition to a low-carbon economy and add new products with ESG attributes.

Eco-efficiency

We invest in renewable sources to have 90% of our energy decarbonized by 2024. We migrated 62 administrative buildings to the Free Contracting Environment (ACL), ensuring the consumption of clean energy and obtaining a cumulative savings of R\$48.2 million from 2018 to the first half of 2023, with a forecast of R\$120.4 million by 2025. In the first half of this year we expanded the ACL project to 3 consumer units and we have the forecast of 9 more, this means clean energy for 12 dependencies by the end of 2023. We are studying the expansion of another 1,600 units to be migrated to the ACL. This year, we have already inaugurated five solar plants – the twelfth since 2020. All mills have a social counterpart.

Since 2020, BB's solar plants have generated about 40 GWh, failing to emit more than 13,000 tons of CO₂ into the atmosphere, equivalent to planting a small forest of 2,000 trees. In addition to the environmental gains, we saved R\$15.4 million, a saving of 26% in relation to the captive market, to achieve an expected reduction of R\$436 million in 15 years.

Diversity, Equity and Inclusion



Over the last decades, Banco do Brasil has been a protagonist in diversity, equity and inclusion (DEI) actions. We were the first Brazilian bank to adhere to the Standards of Conduct for Business, developed by the UN, which aims to promote equal rights and fair treatment for the LGBTQIAPN+ community. We are the first of the country's leading financial institutions to standardize the social name of trans employees.

At the beginning of 2023, we had the inauguration of the first woman to hold the position of CEO of BB, Tarciana Medeiros, who appointed three women to the vice-presidencies of Retail, Digital and Corporate Business. For the first time in history, Banco do Brasil has 44.4% women, 22.2% black people and two self-declared members of the LGBTQIAPN+ group on the Board of Directors.

To sustain the necessary and important transformations, on March 8 we announced the revision of the composition of governance bodies. The Executive Committee of People and Organizational Culture,

subordinated to the Board of Directors, was renamed the Executive Committee of People, Equity and Diversity with the inclusion of specific attributions related to DEI, as well as monitoring the evolution and dissemination of diversity at BB. We created the Diversity, Equity and Inclusion Advisory Council, whose role is to discuss necessary advances in management, analyze trends and best practices, and propose initiatives associated with the themes.

For the first time we supported the São Paulo LGBTQ+ Pride Parade, which this year celebrated its twenty-seventh edition. In addition, we sponsored the 22nd Diversity Cultural Fair, an event that opens the celebrations of LGBTQ+ Pride month.

We had the first experimentation of the Regional Diversity Forums that had 648 participants (215 in the classroom and 433 in the remote) totaling 38 meetings that addressed themes on gender, generations, LGBTQIAPN+, people with disabilities, ethnicities and neurodiversity in all regions of Brazil.

We also held the first Advisory Council on Diversity, Equity and Inclusion, which was attended by members of BB's executive board and representatives of civil society, market experts and references in the subject. The day chosen for the meeting was symbolic, on the day of the 24th Pride Parade of Brasília.

Being one of the largest financial institutions in the country, we are aware that our social responsibility requires commitment to all stakeholders.

To accelerate the transformations, we bring together in a matrix team employee from different areas of activity who work exclusively to integrate and address solutions, developing policies, action plans, metrics and indicators that should guide our performance in fostering Diversity, Equity and Inclusion for the internal and external public and in the relations with our suppliers to influence and create positive impacts throughout society.

Sport and Culture

We've supported sports for more than three decades. Among the sponsored modalities are court and beach volleyball, surfing, skateboarding, street running, eSports, as well as individual athletes sponsored in different sports.

Sponsoring the sport is also part of our strategy to rejuvenate the brand and associates Banco do Brasil with an activity whose attributes are quality of life, sustainability, and preservation of the environment.

During the semester, we began supporting two new professional surfers, Filipe Toledo from São Paulo and Ítalo Ferreira from Espírito Santo, who joined surfers Tatiana Weston-Webb, Silvana Lima and Juliana dos Santos. Our support for sports is part of our brand positioning and territories. We believe that sport teaches, entertains, makes dreams come true, encourages unity and maximizes achievements. The purpose of the incentive is to keep moving, surprising, projecting new idols and making pride.

In relation to Culture, a territory with our performance consecrated for more than 30 years, we believe that when culture generates connection it inspires, sensitizes and creates repertoire, promotes critical thinking and has the power to impact lives. Therefore, we expand the connection with culture so that it is present in people's lives and is always a reason for interest. From this idea, we promote access to national and international cultural productions, through a simple and inclusive approach that provokes identification and representativeness.



We are present in four major Brazilian capitals – Rio de Janeiro, São Paulo, Brasília and Belo Horizonte – where we have already received more than 100 million visitors, with the realization of more than 4,500 projects in the areas of performing arts, music, exhibitions, cinema, ideas and educational programs, which has consolidated us as one of the main cultural centers in the Brazilian and international scenario.

The highlight at the beginning of 2023 is the launch of the Cultural Sponsorship Notice to compose the programming of the Banco do Brasil Cultural Centers (CCBB) in the period 2023-2025. More than R\$150 million will be allocated in three years, with more than 6,600 projects registered - with emphasis on the North and Northeast regions that had record registrations.

Awards and Recognitions

January

We were recognized, for the tenth consecutive time, with the Top Employers certification, an award granted by the Dutch independent research foundation Top Employers Institute. We are the only Brazilian company certified in all editions and we have been recognized as an employer that develops talents at all levels of the organization and that strives to continuously implement and optimize people management policies and practices.

We were listed in the annual global 500 ranking, which recognizes the 500 most valuable brands in the world. The assessment is from the British consultancy Brand Finance and the result was released during the Economic Forum in Davos, Switzerland.

We are ranked, for the fourth time, as the most sustainable bank on the planet by the ranking of the 100 Most Sustainable Corporations in the World 2023 – Global 100, by Corporate Knights. In 2023, in addition to the leading position among banks, BB is the only Brazilian company ranked, ranking 15th among companies in general.

The Private segment was listed in the 2023 Ranking of the Leaders League, in the category Wealth Management – Private Bank Brazil, which recognizes the best strategies in Brazil in wealth and wealth management for Private clients.

February

We received international recognition in the Platinum and Gold categories of the 2023 AVA Digital Awards, which takes place in the United States. Awards from around the world are evaluated by professionals working in the U.S. communications and marketing market.

We were recognized in the Lusophone Creativity Award, seven of our initiatives won 13 trophies in various categories.

March

Abrarec – Brazilian Association of Client Company Relations announced the winners of the Ombudsman Brazil Award and we won the best innovation case at Ouidorias Brasil for the 10th time.

He won the bronze trophy at the 17th Steve Awards for his comprehensive accessible care for people who are deaf and speech-impaired. The event that took place in the USA recognized the service in Libras in the category of Innovation in Customer Service in the Financial Services Industry.

Our Private segment was recognized for the second year in a row as the best Private Bank in Brazil in 2023 by the World Business Outlook, a communication

vehicle specialized in the coverage and analysis of finance, international business and the global economy. In this same award, 2023 edition, we were also recognized in the categories Best Private Bank for Women, Best Private Bank for Succession Planning and Most Sustainable Private Bank in Brazil.

Private was also recognized for the second year in a row as the best Private institution in Brazil in the International Business Magazine 2023 awards, organized by the communication vehicle specialized in the financial market and of international scope. In this same edition of the awards, we were also recognized in the categories: Fast Growing in Private Bank, Best Financial Advisory for Women, Best Wealth Management and Best Financial Advisory for Agribusiness in Brazil.

April

Our president, Tarciana Medeiros, leads Forbes Brazil's reputation ranking, is the CEO with the best reputation on LinkedIn according to Forbes Brazil magazine. The ranking scores were calculated using the Digital Maturity Matrix, a methodology that analyzes the presence and strategy of leaders qualitatively and quantitatively. The Matrix considers more than 30 criteria and parameters in the dimensions presence, strategy, social capital and reputation of executives, delivering a holistic view to the analysis and bringing an effective evaluation to the strategy of leaders and brands on LinkedIn.

We were recognized in the Private segment as the Best Institution in Brazil in Innovation focused on Wealth Management in The Global Economics Awards 2023, organized by the communication vehicle specialized in the financial market and of international scope.

May

BACEN awarded the institutions that obtained the best performance in the Annual Ranking of projections of the 2022 Focus Bulletin. We won the 1st place in the classification for the Selic Tax. BB Asset was recognized by the 1st place in the projection of the IPCA – Managed Prices Medium Term.

We won the fourth championship in one of the categories of the Global CCU Awards, which is an award that recognizes the best corporate universities on a global scale, which create strategic value for people, business, society, and the planet. The gold came in the Impact Technologies category, with the Academia de Educadores project as the best Private Bank in Brazil in the 2023 edition of the World Business Outlook Awards, organized by the communication vehicle specialized in the coverage and analysis of finance, international business, and the global economy.

June

Our president, Tarciana Medeiros, received the Personality of the Year award, offered by the Brazilian Chamber of Commerce in the United Kingdom in recognition of the achievements of companies and their leaders who have contributed to strengthen the commercial ties between Brazil and the United Kingdom.

We won the 11th edition of the Global Finance Award – The Innovators 2023, in the category "Top Innovations in Finance 2023 – Marketing" with the case "Metaverse BraBlox", whose proposal is to connect the young public to the company's brand, so that in the future they can become customers of the Bank.

We won the 2nd edition of the FIDinsiders Award 2023 – Digital Finance for Society in the category "Innovation in Offering Financial Solutions for Small and Medium Rural Producers". The FIDInsiders Award aims to recognize and disseminate innovative solutions that contribute to improving the democratization of finance in Brazil.

We also had a better score in the ESG rating by Sustainalytics, reaching the "Low Risk" rating and a score of 19.3 (in 2022 we scored 20.6 – Medium Risk). The evaluation reflects BB's performance on issues such as data privacy and security, governance, business ethics, risk management, socio-environmental performance, among others.

For the eighth consecutive year, we have been listed on the FTSE4 Good Index Series – the London Stock Exchange's sustainability index. This year, we had an

evolution in the evaluation of the index, reaching a score of 4.1 out of 5 possible points. BB was evaluated in the environmental, social and governance dimensions, with emphasis on the maximum score in the environmental perspective.

We won the Latam Award 2023, offered by the Alianza Latinoamericana de Organizaciones para la Interacción con Clientes (Aloic), the award recognizes the best practices in customer relations on the continent.

We were recognized, with the gold trophy, for the best performance in South America in innovation for customer service in the 21st edition of CMS Financial Innovation.

July

We were nominated again for the ReclameAqui award, in the Banks category, demonstrating the good reputation in the opinion of consumers. To be nominated to participate in the awards, companies must have status: Good, Great or be RA 1000 (seal of maximum reputation provided by the site). The ReclameAqui Award is in its 13th edition, and this is the 5th consecutive time that BB is nominated for this category.

We have been listed for the eighth consecutive year on the FTSE4Good Index Series, the London Stock Exchange's index that assesses and ranks companies with best environmental, social, and corporate governance practices. 2. BB obtained an overall score of 4.1 in 2023, compared to 3.6 in 2022, and achieved a maximum score (5.0) in the environmental dimension.



People Management

In line with the purpose of "being close and relevant in people's lives at all times", we applied, between May and June, the engagement survey in partnership with Gallup, which allowed us to compare BB's results with those of hundreds of companies in Brazil and worldwide. In this edition, all employees were invited to participate and the survey had 58.57% adherence, representing an increase of 5.95% in our engagement index compared to the 2H22.

In the movement to strengthen proximity to employees, we approved the Employee Value Proposition (EVP): "A life of opportunities". This proposal, which translates BB's purpose and values into practice, demonstrates the company's positioning and commitment to the staff, using consistent and continuous actions that generate greater engagement and consequently greater productivity. It is related to the construction and maintenance of a career and represents everything that BB provides in terms of benefits and incentives.



In order to improve the employee experience, we have expanded remote work, which already reaches more than 15,000 employees. This initiative aims to provide a better quality of life to employees and is aligned with the objectives of the Corporate Strategy - ECBB by contributing to digital transformation and innovation, as well as reducing expenses with the rental of physical spaces.

Among the initiatives that contribute to the quality of life of employees, we highlight that we provide online and free therapy and have more than 22 thousand employees registered on partner platforms with 117,780 sessions held. In addition, we continue with the CollectiveMente Agenda, which are virtual meetings to exchange experiences and learn about topics related to well-being at work and mental health.

With a focus on career enhancement and management, we had the appointment of employees for succession under the Ascension Executives and Managers Abroad Program. In the first stage of the Program, 999 employees expressed interest, of which 465 employees were nominated to be evaluated by the Strategic Unit Committees. After all stages, 60 employees were appointed, 43% men and 57% women.

We have prepared the Commitment to Protection of the Whistleblower and Non-Retaliation, through which we declare repudiation of acts motivated by revenge and / or persecution against the employee who makes a complaint in the Internal Ombudsman or in the Complaints Channel, as well as the witnesses and / or deponents who collaborate in the elucidation of the facts.

We act, via People LaBB, on several fronts to foster the "Culture of Innovation" such as participation in the definition of corporate strategy in the aspects of innovation in People, monitoring and dissemination of trends, coordination of the innovation network, representation of BB in innovation events and encouragement of training in related themes and methodologies. We also highlight the People Innovation Program, which brings BB closer to the open innovation ecosystem in the market.

We have released the result of the external selection launched in December 2022 and with tests held on April 23. All candidates classified within the number of vacancies (2,149 for commercial agents and 2,150 for technology agents) may be called during the term of the notice. There are opportunities foreseen in all Brazilian states and the Federal District, with IT opportunities specifically for Brasília and São Paulo. More than 85% of those classified to compose the staff of Banco do Brasil are up to 35 years of age, and 40% declared themselves black or brown. Among the new colleagues, 84.2% are male and 15.8% female. Of the total number of vacancies, 10.28% were won by people with disabilities.

Risk Management

In the first half of 2023, our key innovations in risk management relate to social, environmental and climate risk (RSAC) processes, enhancements to client risk analysis models and credit risk parameters; the revision of the risk taxonomy; the review and updating of governance related to liquidity risk manuals and models; and the operational risk management process, where internal instruments and processes were improved, as well as several actions developed and implemented to mitigate the risk and its categories.

As already explained in the section "ESG Agenda", we published this semester the first report of Social, Environmental and Climate Risks and Opportunities (GRASC). This is an important milestone in the sustainability agenda for the financial sector, since it raises the quality of financial information related to social, environmental and climate issues, and reinforces the agenda of commitments and goals related to the theme.

From the perspective of credit risk management, we reviewed the loss due to non-compliance (LGD) models for individuals, legal entities, retail and agribusiness clients. The entire process was built in BB's analytical environment, which allows greater agility in the management and implementation of risk models, focusing on digital transformation and the Bank's data-driven culture.

As directed by the Risk Relevance Identification and Definition Model, we reviewed the taxonomy of reputational risk, in the context of the Risk Impact Dictionary, and the relationship of social, environmental and climate risk (RSAC) to the Dictionary of Risk Factors. It is worth mentioning the review of the 70 Risk Factors, with the participation of Specific Managers and Risk Takers.

In July, we held an internal RSAC conference with the objective of disseminating to employees how sustainable principles are internalized in the social, environmental and climate risk management processes, highlighting practices that contribute to BB's recognition as the most sustainable Bank on the planet. Lectures were held with experts and topics such as Sustainability and the role of BB, Social Risk Management, Carbon and the new events of risks and opportunities, Greenwashing, RSAC and the vision of the regulator (Central Bank of Brazil) were addressed.

Liquidity risk management promoted a review and updating of governance related to manuals and models, among which we highlight the revision of the



reserve and liquidity cushion models, the revision of the Free Resources Availability (DRL) indicator model, as well as the revisions of the prospective models related to the regulatory indicators, LCR and NSFR.

We have improved the instruments and internal processes, as well as developed and implemented several actions to mitigate the operational risk and its categories, improving the preventive action, thus reflecting in the generation of effective results for the management of operational losses. In the context of the risk of contagion, it is worth noting the creation of the quantitative measurement model that will allow the calculation of the exposure represented by the equity interests for the BB conglomerate.

Further information on BB's risk management can be found in the Risk Management Report (Pillar III), the Reference Form and the Risk and Capital Management Policy available on the Investor Relations website (bb.com.br/ir).

Independent Audit

In the contracting of services not related to external audit, and to avoid conflicts of interest, loss of independence or objectivity of independent auditors, we adopt procedures based on applicable laws and standards and on the best internationally accepted principles related to the subject. These principles are as follows: (i) the auditor should not audit his or her own work, (ii) the auditor should not perform managerial functions on his client, and (iii) the auditor should not promote the interests of the client. In addition, at Banco do Brasil, the contracting of services related to external auditing must be preceded by an opinion of the Audit Committee.

We inform you that Deloitte Touche Tohmatsu Auditores Independentes Ltda. has not provided services that could affect its independence, ratified through the adherence of its professionals to the relevant ethical and independence standards, so that they comply with or exceed the standards established by the International Federation of Accountants (IFAC), the Federal Accounting Council (CFC), the Brazilian Securities and Exchange Commission (CVM), Central Bank of Brazil (Bacen), Superintendence of Private Insurance (Susep), National Superintendence of Complementary Pension (Previc) and other regulatory agencies. These policies and procedures covering areas such as personal independence, post-employment relationships, professional rotation, as well as the approval of audit services and other services, are subject to constant monitoring.

Additional Clarifications

We publish annually the investments made because of the exercise of public policies in our Annual Letter of Public Policies and Corporate Governance, available on our website (ri.bb.com.br).

Banco do Brasil, its shareholders, managers and the members of the Fiscal Council undertake to resolve any and all disputes or controversies related to the Novo Mercado Listing Regulations through the B3 Market Arbitration Chamber, in accordance with the arbitration clause contained in Banco do Brasil's Bylaws.

For more information, the Reference Form, the Management Discussion and Analysis (MD&A) report, and the Institutional Presentation are available on the Investor Relations (ri.bb.com.br) website.



Condensed Consolidated Interim Financial Statements IFRS

1st half/2023



In thousands of Reais, unless otherwise stated

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(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT AUDITOR'S REPORT ON THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the Board of Directors, Management and Shareholders of
Banco do Brasil S.A.

Opinion

We have audited the accompanying condensed consolidated interim financial statements of Banco do Brasil S.A. ("Banco do Brasil"), which comprise the condensed consolidated balance sheet as at June 30, 2023 and the related condensed consolidated statements of income, of comprehensive income, of changes in shareholders' equity and of cash flows for the six-month period then ended, including notes to the financial statements.

In our opinion, the condensed consolidated interim financial statements referred to above, were prepared in all material respects, in accordance with international accounting standard IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board - IASB.

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing and with CT nº 04/2022 (R1), issued by Ibracon – *Instituto de Auditoria Independente do Brasil*. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the condensed consolidated interim financial statements" section of our report. We are independent of Banco do Brasil and its subsidiaries in accordance with the relevant ethical requirements in the Code of Ethics for Professional Accountants and the professional standards issued by the Brazilian Federal Accounting Council ("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 audit opinion.

Key audit matters

Key audit matters - KAMs are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the condensed consolidated interim financial statements as a whole in forming our opinion thereon, and, therefore, we do not provide a separate opinion on these matters.

1. Allowance for loan losses

The recognition of the allowance for expected loan losses involves judgment and the use of estimates by Banco do Brasil's Management. As disclosed in the note 14 to the condensed consolidated interim financial statements, Banco do Brasil has designed internal models for estimating the allowance for expected loan losses, in accordance with requirements of IFRS 9, aiming at generating expected loan losses over a given time horizon, comprising the assessment of the PD (Probability of Default), LGD (Loss Given Default) and EAD (Exposure at Default). Accordingly, Banco do Brasil uses internal models to consider all available data history and weights possible loss scenarios, considering forward-looking estimates, and involving Management's assumptions and judgments, as well as an individual assessment of specific customers, in order to represent its best estimate of the expected loss risk of its loan portfolio.

The allowance for expected loan losses was considered a KAM due to the relevance in the context of the condensed consolidated interim financial statements, the use of estimates and judgment by Management in determining the allowances recognized.

How was the matter addressed in our audit?

Our audit procedures included, but were not limited to: (a) understanding the provisioning criteria adopted by Banco do Brasil for loan transactions and other credits with loan characteristics, with the involvement of our specialists, to assess the compliance with IFRS 9 requirements; (b) understanding and testing the design, implementation and effectiveness of the relevant internal controls over the process for measuring the estimated allowance for expected loan losses; (c) reviewing and challenging the models and data base used by Management to measure expected losses, including the allocation of the loan portfolio at the stages required by IFRS 9, on a sampling basis, with the involvement of senior members of our team and our specialists; (d) reviewing and challenging the reasonableness of the assumptions used by Management when individually assessing the expected loss of specific customers, on a sampling basis; (e) analyzing the level of the allowance for loan losses; and (f) assessing the disclosures in the condensed consolidated interim financial statements.

We consider that the criteria and assumptions adopted by Management to estimate the allowance for expected loan losses are acceptable in the context of the condensed consolidated interim financial statements as a whole.

2. Provision for tax, civil, and labor claims

As disclosed in the note 19 to the condensed consolidated interim financial statements, Banco do Brasil recognizes a provision for tax, civil and labor claims, arising from past events, based on Management's assessment, supported by its legal counsel's opinion by measuring the amounts to be provisioned using the "Collective" and "Individualized" methods, depending on the type and amounts of the lawsuits. The "Collective" method is used for lawsuits considered to be similar and usual, whose individual amount is not relevant and which were developed internally by Management according to statistical parameters. The "Individualized" method is assessed periodically by the legal counsel in relation to the likelihood of loss and amounts to be provisioned.

Due to the relevance in the context of the condensed consolidated interim financial statements, the use of estimates and judgment by Management, we considered as a key audit matter.

How was the matter addressed in our audit?

Our audit procedures included, among others: (a) assessing the design and implementation of the relevant internal controls involving the control of tax, civil and labor claims and the measurement of the amounts provisioned; (b) involving our specialists for understanding the statistical parameters used in the Collective method; (c) confirming the claims with the in-house and outside legal counsel; (d) analyzing on a sampling basis to inspect the documentation of the selected lawsuits provisioned under the individualized method; and (e) analyzing the appropriateness of the disclosures in the condensed consolidated interim financial statements in accordance with applicable accounting pronouncements.

We considered that the criteria and assumptions adopted by Management to estimate the provision for tax, civil and labor claims are acceptable in the context of the condensed consolidated interim financial statements as a whole.

3. Employee benefit plans

Banco do Brasil is the sponsor of private pension entities and supplementary healthcare plans, which ensure the supplementation of retirement and healthcare benefits to its employees. As disclosed in the note 24 to the condensed consolidated interim financial statements, post-employment benefits sponsored by Banco do Brasil related to supplementary pension and healthcare are assessed in accordance with the criteria established in IAS 19 - Employee Benefits.

The estimated defined benefit plan obligations involve relevant actuarial assumptions, including discount rates, among others, which are sensitive and/or involve Management's judgment, and may cause material effects on the condensed consolidated interim financial statements. Therefore, we considered as a key audit matter.

How was the matter addressed in our audit?

Our audit procedures included, among others: (a) assessing the design and implementation of the relevant internal controls involving the measurement of actuarial liabilities; (b) involving our actuarial specialists for understanding the databases utilized and challenging the main actuarial assumptions used by external actuaries engaged by Management in the calculation of actuarial liabilities; (c) analyzing on a sampling basis the reasonableness of databases and involving our actuarial specialists for recalculating the actuarial obligations; and (d) analyzing the appropriateness of the disclosures in the condensed consolidated interim financial statements in accordance with the applicable accounting pronouncements.

We considered that the calculation methodology, databases and the main actuarial assumptions adopted by Management, together with its external actuaries, to estimate the employee benefit plan obligations are acceptable in the context of the condensed consolidated interim financial statements taken as a whole.

4. Information Technology - IT environment

The transactions of Banco do Brasil depend on an IT and infrastructure environment capable of supporting a high volume of transactions processed daily in its legacy information systems that provide input to its accounting records. The IT-related processes, associated with its controls, may pose risks in the processing and generation of critical information, including those used in financial reporting, justifying our consideration as a key audit matter due to the relevance in the context of the condensed consolidated interim financial statements.

How was the matter addressed in our audit?

Upon the involvement of our IT specialists, we identified the relevant systems that support the key business activities of Banco do Brasil, and assessed the design and implementation of the general IT controls and tested the operating effectiveness of these controls, including, when necessary, the tests of compensating controls, related to information security, the development and maintenance of the relevant systems and the operation of information technology environment related to the infrastructure that supports Banco do Brasil's business.

Considering the information technology environment's processes and controls, associated with the tests previously mentioned, we concluded that they reasonably allowed us to consider the information obtained from certain systems to define the nature, timing and extent of our audit procedures in the context of the condensed consolidated interim financial statements taken as a whole.

Other matters

Consolidated interim financial information related to income and comprehensive income for the quarter ended June 30, 2023

The consolidated interim financial information related to income and comprehensive income for the quarter ended June 30, 2023, were reviewed by us, in accordance with Brazilian and international standards for reviewing interim information (NBC TR 2410 - Review of Interim Information Executed by the Auditor of the Entity and ISRE 2410 – "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", respectively), and our unmodified review report issued on August 8, 2023, . However, the scope of a review is significantly less than that of an audit conducted in accordance with auditing standards and, accordingly, does not provide a basis for expressing an audit opinion.

Statement of value added

The condensed consolidated statement of value added ("DVA") for the six-month period ended June 30, 2023, prepared under the responsibility of Banco do Brasil's Management, whose presentation is not required by the international accounting standard IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board - IASB, was subject to audit procedures performed together with the audit of the condensed consolidated interim financial statements of Banco do Brasil. In forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set out in technical pronouncement CPC 09 - Statement of Value Added. In our opinion, these statements of value added were appropriately prepared, in all material respects, in accordance with the criteria set out in such technical pronouncement and are consistent in relation to the condensed consolidated interim financial statements taken as a whole.

Other information accompanying the condensed consolidated interim financial statements and the independent auditor's report

The Management of Banco do Brasil is responsible for the other information that comprises the Management Report.

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

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

Responsibilities of Management and those charged with governance for the condensed consolidated interim financial statements

Management is responsible for the preparation and fair presentation of the condensed consolidated interim financial statements in accordance with international accounting standard IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board - IASB, 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 condensed consolidated interim financial statements, Management is responsible for assessing Banco do Brasil's and its subsidiaries' 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 Banco do Brasil and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Banco do Brasil's and its subsidiaries' financial reporting process of the for the condensed consolidated interim financial statements.

Auditor's responsibilities for the audit of the condensed consolidated interim financial statements

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

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

- Identify and assess the risks of material misstatement of the condensed consolidated interim financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Banco do Brasil and its subsidiaries.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Banco do Brasil and its subsidiaries 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Banco do Brasil and its subsidiaries to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the condensed consolidated interim 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 possibly identify during our audit.

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

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

The accompanying condensed consolidated interim financial statements have been translated into English for the convenience of readers outside Brazil.

Brasília, August 8, 2023

DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.

Luiz Carlos Oseliero Filho
Engagement Partner



In thousands of Reais, unless otherwise stated

Condensed consolidated statements of income

	Note	1st half/2023	1st half/2022	2nd quarter/2023	2nd quarter/2022
Interest income		132,806,214	105,960,005	66,896,468	57,469,566
Interest expense		(89,417,882)	(72,591,815)	(44,723,970)	(39,496,720)
Net interest income	[5]	43,388,332	33,368,190	22,172,498	17,972,846
Net (constitution)/reversal of expected credit losses with:		(11,470,949)	(7,013,918)	(5,137,779)	(1,359,403)
Loans to financial institutions		41,613	10,734	50,366	118
Loans to customers	[14]	(9,147,429)	(7,535,303)	(5,472,869)	(2,696,069)
Other financial instruments		(2,365,133)	510,651	284,724	1,336,548
Net interest income after allowance for losses		31,917,383	26,354,272	17,034,719	16,613,443
Non-interest income		21,253,297	19,537,582	11,050,549	9,726,613
Net commissions and fee income	[6]	12,404,400	11,666,742	6,290,868	5,951,206
Net gains/(losses) from financial instruments:		(873,863)	(2,122,345)	(533,576)	581,605
Fair value through profit or loss		(235,206)	(1,760,866)	(555,859)	988,602
Fair value through other comprehensive income		(638,657)	(361,479)	22,283	(406,997)
Net gains from equity method investments	[15]	3,319,373	2,508,677	1,758,805	1,489,758
Net income on foreign exchange and translation of foreign currency transactions		733,722	1,690,339	862,429	(1,030,983)
Other operating income	[7]	5,669,665	5,794,169	2,672,023	2,735,027
Non-interest expenses		(32,310,687)	(29,162,629)	(16,307,754)	(14,610,305)
Personnel expenses	[8]	(13,442,979)	(12,341,788)	(6,799,078)	(6,343,621)
Other administrative expenses	[9]	(4,326,836)	(3,936,893)	(2,240,362)	(2,025,277)
Contributions, fees and other taxes		(3,931,124)	(3,278,497)	(2,067,525)	(1,610,363)
Amortization of intangible assets		(1,164,880)	(570,385)	(588,227)	(286,480)
Labor, tax and civil lawsuits	[19]	(3,726,596)	(3,591,795)	(1,699,561)	(1,751,591)
Depreciation		(1,394,849)	(1,305,768)	(706,471)	(648,282)
Other operating expenses	[7]	(4,323,423)	(4,137,503)	(2,206,530)	(1,944,691)
Income before taxes		20,859,993	16,729,225	11,777,514	11,729,751
Income taxes	[20]	(4,476,497)	(2,905,943)	(2,685,000)	(2,911,219)
Current		(2,705,777)	(3,697,071)	(1,672,127)	(2,481,324)
Deferred		(1,770,720)	791,128	(1,012,873)	(429,895)
Net income		16,383,496	13,823,282	9,092,514	8,818,532
Attributable to shareholders of the Bank		15,054,105	12,854,707	8,362,908	8,266,825
Attributable to non-controlling interests		1,329,391	968,575	729,606	551,707
Earnings per share					
Earnings per share (R\$) – basic and diluted		5.27	4.50	2.93	2.90
Weighted average shares outstanding – basic		2,853,992,740	2,853,771,411	2,854,196,131	2,853,992,740
Weighted average shares outstanding – diluted		2,853,687,430	2,853,510,658	2,853,776,040	2,853,586,645

The accompanying notes are an integral part of the condensed consolidated interim financial statements.



In thousands of Reais, unless otherwise stated

Condensed consolidated statements of comprehensive income

	1st half/2023	1st half/2022	2nd quarter/2023	2nd quarter/2022
Net income	16,383,496	13,823,282	9,092,514	8,818,532
Items that are or may be subsequently reclassified to profit or loss				
Financial assets at fair value through other comprehensive income	926,355	(1,531,610)	267,420	(1,800,267)
Unrealized gains/(losses) on financial assets at fair value through other comprehensive income	532,552	(1,186,897)	563,256	(2,331,865)
Realized (gains)/losses on financial assets at fair value through other comprehensive income – reclassified to profit or loss	638,657	361,479	(22,283)	406,997
Tax effect	(244,854)	(706,192)	(273,553)	124,601
Share in other comprehensive income of associates and joint ventures	397,536	(177,443)	430,599	(235,920)
Unrealized gains/(losses) on financial assets at fair value through other comprehensive income	318,839	(352,652)	449,265	(606,516)
Unrealized gains/(losses) on cash flow hedge	(136,442)	(189,860)	(51,437)	(65,213)
Unrealized gains/(losses) on other comprehensive income	298,294	111,919	139,817	118,019
Tax effect	(83,155)	253,150	(107,046)	317,790
Hedge of net investment in a foreign operation	38,065	12,946	24,784	(16,425)
Unrealized gains/(losses) on hedge of net investment in a foreign operation	72,583	24,686	47,260	(31,320)
Tax effect	(34,518)	(11,740)	(22,476)	14,895
Foreign currency translation differences	(1,465,773)	(986,220)	(776,434)	34,639
Items that will not be subsequently reclassified to profit or loss				
Defined benefit pension plans	(6,228,159)	3,941,076	(6,228,159)	43,805
Gains/(losses) remeasurement related to defined benefit pension plans	(11,843,190)	7,451,647	(11,843,190)	37,055
Tax effect	5,615,031	(3,510,571)	5,615,031	6,750
Total other comprehensive income net of tax effects	(6,331,976)	1,258,749	(6,281,790)	(1,974,168)
Total comprehensive income	10,051,520	15,082,031	2,810,724	6,844,364
Attributable to shareholders of the Bank	8,917,101	14,304,326	2,160,333	6,288,381
Attributable to non-controlling interests	1,134,419	777,705	650,391	555,983

The accompanying notes are an integral part of the condensed consolidated interim financial statements.



In thousands of Reais, unless otherwise stated

Condensed consolidated balance sheets

	Note	Jun 30, 2023	Dec 31, 2022
Assets			
Cash and bank deposits	[10]	22,541,168	18,310,546
Compulsory deposits with Brazilian Central Bank		97,135,227	95,119,085
Financial assets at amortized cost, net		1,406,401,853	1,352,904,935
Loans to financial institutions	[11]	443,080,021	423,228,428
Loans to customers	[13],[14]	860,426,278	832,938,557
Securities	[12]	52,945,477	47,996,424
Other financial assets		49,950,077	48,741,526
Financial assets at fair value through profit or loss	[12]	16,631,734	12,078,012
Debt and equity instruments		11,752,639	10,439,943
Derivatives		4,879,095	1,638,069
Financial assets at fair value through other comprehensive income	[12]	376,666,791	369,770,754
Non current assets held for sale		168,883	203,473
Investments in associates and joint ventures	[15]	21,315,380	20,214,061
Property and equipment		14,110,721	13,200,128
Use		9,950,423	9,194,568
Right of use		4,160,298	4,005,560
Intangible assets		10,959,648	11,030,985
Tax assets		67,988,056	67,241,980
Current		9,427,386	9,914,030
Deferred	[20]	58,560,670	57,327,950
Other assets		41,843,069	48,094,647
Total assets		2,075,762,530	2,008,168,606
Liabilities			
Financial liabilities at amortized cost		1,815,553,394	1,753,201,995
Customers resources	[16]	768,530,726	753,263,047
Financial institutions resources	[17]	662,304,759	652,922,721
Funds from issuance of securities	[18]	262,012,557	229,745,964
Other financial liabilities		122,705,352	117,270,263
Financial liabilities at fair value through profit or loss	[12]	5,114,902	2,764,797
Provisions for labor, tax and civil lawsuits	[19]	18,968,259	18,372,705
Expected losses for guarantees provided and loan commitments		3,151,755	3,584,878
Tax liabilities		14,468,246	18,192,089
Current		2,866,366	4,625,471
Deferred	[20]	11,601,880	13,566,618
Other liabilities		51,334,646	48,534,390
Total liabilities		1,908,591,202	1,844,650,854
Shareholders' equity	[21]		
Share capital		120,000,000	90,000,023
Instruments qualifying as common equity tier 1 capital		7,100,000	7,100,000
Treasury shares		(268,255)	(272,570)
Capital reserves		6,634,358	6,630,709
Profit reserves		50,541,777	70,142,173
Accumulated other comprehensive income		(13,826,984)	(7,689,980)
Unallocated retained earnings		(7,574,846)	(6,661,605)
Shareholders' equity attributable to shareholders of the Bank		162,606,050	159,248,750
Shareholders' equity attributable to non-controlling interests		4,565,278	4,269,002
Total		167,171,328	163,517,752
Total liabilities and shareholders' equity		2,075,762,530	2,008,168,606

The accompanying notes are an integral part of the condensed consolidated interim financial statements.



In thousands of Reais, unless otherwise stated

Condensed consolidated statements of changes in shareholders' equity

	Attributable to shareholders of the Bank												
						Other comprehensive income							
						Financial assets at fair value through other comprehensive income	Defined benefit plans remeasurement	Foreign currency translation	Gains/(losses) on hedge/ others				
	Share capital	Instruments qualifying as common equity tier 1 capital	Treasury shares	Capital reserves	Profit reserves					Unallocated retained earnings	Shareholders' equity attributable to shareholders of the Bank	Shareholders' equity attributable to non-controlling interests	Total shareholders' equity
Balance at December 31, 2021	90,000,023	8,100,000	(276,913)	6,627,633	51,180,290	(1,664,736)	(4,699,652)	(1,873,586)	175,983	(4,817,560)	142,751,482	3,358,751	146,110,233
Transition to IFRS 17	--	--	--	--	--	--	--	--	(196,920)	321,003	124,083	62,902	186,985
Balance at January 01, 2022	90,000,023	8,100,000	(276,913)	6,627,633	51,180,290	(1,664,736)	(4,699,652)	(1,873,586)	(20,937)	(4,496,557)	142,875,565	3,421,653	146,297,218
Net income	--	--	--	--	--	--	--	--	--	12,854,707	12,854,707	968,575	13,823,282
Other comprehensive income	--	--	--	--	--	(1,697,124)	3,941,074	(777,125)	(17,206)	--	1,449,619	(190,870)	1,258,749
Total comprehensive income	--	--	--	--	--	(1,697,124)	3,941,074	(777,125)	(17,206)	12,854,707	14,304,326	777,705	15,082,031
Share-based payments	--	--	4,343	3,076	--	--	--	--	--	--	7,419	--	7,419
Other	--	--	--	--	--	--	--	--	--	5,979	5,979	31,550	37,529
Constitution of profit reserve	--	--	--	--	12,813,985	--	--	--	--	(12,813,985)	--	--	--
Interest on instruments qualifying as common equity (Note 21.c)	--	--	--	--	--	--	--	--	--	(343,794)	(343,794)	--	(343,794)
Distribution of interest on own capital and dividends	--	--	--	--	(4,091,179)	--	--	--	--	(1,344,443)	(5,435,622)	(695,938)	(6,131,560)
Change in non-controlling interest	--	--	--	--	--	--	--	--	--	--	--	236,847	236,847
Hyperinflation adjustments in Argentina	--	--	--	--	--	--	--	--	--	733,210	733,210	294,191	1,027,401
Balance at June 30, 2022	90,000,023	8,100,000	(272,570)	6,630,709	59,903,096	(3,361,860)	(758,578)	(2,650,711)	(38,143)	(5,404,883)	152,147,083	4,066,008	156,213,091
Balance at December 31, 2022	90,000,023	7,100,000	(272,570)	6,630,709	70,142,173	(2,632,077)	(1,845,703)	(3,193,840)	111,003	(7,083,363)	158,956,355	4,120,768	163,077,123
Application to IFRS 17	--	--	--	--	--	--	--	--	(129,363)	421,758	292,395	148,234	440,629
Balance at January 01, 2023	90,000,023	7,100,000	(272,570)	6,630,709	70,142,173	(2,632,077)	(1,845,703)	(3,193,840)	(18,360)	(6,661,605)	159,248,750	4,269,002	163,517,752
Net income	--	--	--	--	--	--	--	--	--	15,054,105	15,054,105	1,329,391	16,383,496
Other comprehensive income	--	--	--	--	--	1,060,819	(6,228,159)	(1,124,616)	154,952	--	(6,137,004)	(194,972)	(6,331,976)
Total comprehensive income	--	--	--	--	--	1,060,819	(6,228,159)	(1,124,616)	154,952	15,054,105	8,917,101	1,134,419	10,051,520
Capital increase - capitalization of reserves	29,999,977	--	--	--	(29,999,977)	--	--	--	--	--	--	--	--
Share-based payments	--	--	4,315	3,649	--	--	--	--	--	--	7,964	274	8,238
Other	--	--	--	--	--	--	--	--	--	5,422	5,422	50,659	56,081
Constitution of profit reserve	--	--	--	--	15,523,047	--	--	--	--	(15,523,047)	--	--	--
Interest on instruments qualifying as common equity (Note 21.c)	--	--	--	--	--	--	--	--	--	(120,529)	(120,529)	--	(120,529)
Distribution of interest on own capital and dividends	--	--	--	--	(5,123,466)	--	--	--	--	(1,344,473)	(6,467,939)	(1,133,186)	(7,601,125)
Change in non-controlling interest	--	--	--	--	--	--	--	--	--	--	--	(3,562)	(3,562)
Hyperinflation adjustments in Argentina	--	--	--	--	--	--	--	--	--	1,015,281	1,015,281	247,672	1,262,953
Balance at June 30, 2023	120,000,000	7,100,000	(268,255)	6,634,358	50,541,777	(1,571,258)	(8,073,862)	(4,318,456)	136,592	(7,574,846)	162,606,050	4,565,278	167,171,328

The accompanying notes are an integral part of the condensed consolidated interim financial statements.



In thousands of Reais, unless otherwise stated

Condensed consolidated statements of cash flows

	1st half/2023	1st half/2022
Operating activities		
Net income	16,383,496	13,823,282
Adjustments for:	23,925,625	17,450,640
Net expected loss on loans to customers	12,376,562	10,879,089
Effect of exchange rate changes on cash and cash equivalents	5,956,499	3,925,022
Income taxes	4,476,497	2,905,943
Provision for labor, tax and civil lawsuits	3,726,596	3,591,795
Depreciation	1,394,849	1,305,768
Amortization of intangible assets	1,164,880	570,385
Net (gains)/losses from financial assets at fair value through other comprehensive income	638,657	361,479
Net losses of capital in other assets	25,674	23,871
Impairment of other assets	22,581	14,824
Net expected loss/(reversal) on loans to financial institutions	(41,613)	(10,734)
Net gains from disposal of property	(107,804)	(127,488)
Net (gains)/losses on foreign exchange and translation of foreign currency transactions	(733,722)	(1,690,339)
Adjustment of actuarial assets/liabilities and surplus allocation funds	(1,668,698)	(1,323,901)
Net gains from equity method investments	(3,319,373)	(2,508,677)
Other	14,040	(466,397)
Adjustments for net change in operating assets and liabilities	(42,690,997)	21,798,294
Compulsory deposits with central banks	(2,016,142)	(18,352,439)
Loans to financial institutions	(27,606,518)	(13,203,204)
Financial assets at fair value through profit or loss	(4,553,722)	325,850
Loans to customers	(39,777,758)	(40,408,901)
Non-current assets held for sale	66,649	174,027
Other assets	(31,749,967)	(25,458,936)
Customers resources	15,267,679	47,190,942
Financial liabilities at fair value through profit or loss	2,350,105	533,455
Financial institutions resources	(53,113,010)	45,732,172
Funds from issuance of securities	149,505,687	33,218,190
Other liabilities	(46,265,314)	(4,069,686)
Income taxes paid	(4,798,686)	(3,883,176)
Net cash provided by (used in) operating activities	(2,381,876)	53,072,216



In thousands of Reais, unless otherwise stated

Continued	1st half/2023	1st half/2022
Investing activities		
Acquisition of financial assets at fair value through other comprehensive income	(74,242,327)	(132,511,664)
Disposal of financial assets at fair value through other comprehensive income	102,974,570	117,603,739
Acquisition of securities at amortized cost	(1,061,226)	(2,845,564)
Redemption of securities at amortized cost	368,580	1,394,823
Acquisition of property and equipment	(1,604,969)	(599,701)
Disposal of property and equipment	1,162	1,885
Acquisition of intangible assets	(1,096,336)	(415,561)
Dividends and interest on own capital received	2,610,730	1,286,443
Capital investment – Broto S.A.	(31,200)	--
Disposal of interest in Banco Digio S.A.	--	645,060
Net cash provided by (used in) investing activities	27,918,984	(15,440,540)
Financing activities		
Settlement of long-term liabilities	(14,600,132)	(13,304,554)
Interest paid on additional equity instrument	(258,197)	(215,471)
Repayments and extinguishments of lease liabilities	(515,797)	(518,383)
Dividends and interest on own capital paid to Bank's shareholders	(6,498,168)	(5,547,218)
Dividends and interest on own capital paid to non-controlling interests	(1,274,231)	(624,715)
Net cash used in financing activities	(23,146,525)	(20,210,341)
Net increase or decrease in cash and cash equivalents	2,390,583	17,421,335
Cash and cash equivalents at the beginning of the year	68,826,279	54,494,681
Effect of exchange rate changes on cash and cash equivalents	(5,956,499)	(3,925,022)
Cash and cash equivalents at the end of the year	65,260,363	67,990,994
Increase/(decrease) in cash and cash equivalents	2,390,583	17,421,335
Complementary information about cash flow	34,517,231	28,261,139
Interest paid	(85,842,212)	(61,740,617)
Interest received	120,359,443	90,001,756
Accounting changes not involving cash and cash equivalents		
Assets reclassified as non-current assets held for sale	32,059	24,849
Unpaid dividends	2,278,388	2,199,738

The accompanying notes are an integral part of the consolidated interim financial statements.



In thousands of Reais, unless otherwise stated

Condensed consolidated statements of value added

	Note	1st half/2023	1st half/2022
Income		139,269,189	115,974,992
Financial intermediation		132,666,073	105,527,999
Service rendering		18,074,065	17,460,911
Net (constitution)/reversal of expected credit losses with:		(11,470,949)	(7,013,918)
Loans to customers		(9,147,429)	(7,535,303)
Loans to financial institutions		41,532	10,734
Other financial instruments		(2,365,052)	510,651
Financial intermediation expenses		(89,417,882)	(72,591,815)
Purchased inputs from third parties		(12,011,830)	(11,368,999)
Supplies, energy, and others	[9]	(3,359,576)	(3,044,505)
Outsourced services	[9]	(602,235)	(595,196)
Other		(8,050,019)	(7,729,298)
Adjustment of actuarial liabilities	[7]	(631,858)	(594,323)
Performance bonus paid to customers for loyalty	[7]	(633,013)	(906,768)
Inflation adjustments of tax obligations under legal discussion	[7]	--	(414,302)
Operating losses	[7]	(134,623)	(125,403)
Liabilities for operations linked to assignments	[7]	(8,722)	(9,559)
Other		(6,641,803)	(5,678,943)
Gross Value Added		37,839,477	32,014,178
Depreciation, depletion, and amortization		(2,559,729)	(1,876,153)
Net Value Added produced by the entity		35,279,748	30,138,025
Value Added received in transference		3,319,373	2,508,677
Net income/(loss) from equity method investments		3,319,373	2,508,677
Total Value Added created		38,599,121	32,646,702
Distribution of Value Added created		38,599,121	32,646,702
Personnel	[8]	13,735,950	12,620,827
Wages and salaries		9,137,697	8,375,679
Benefits		2,367,366	2,158,863
Social security cost - FGTS		424,457	401,050
Other charges		1,806,430	1,685,235
Taxes, fees, and contributions		8,407,621	6,184,440
Federal		7,078,411	5,183,510
State		589	490
Municipal		1,328,621	1,000,440
Borrowed capital repayment		72,053	18,153
Rental and operating leases	[9]	72,053	18,153
Own capital repayment		16,383,497	13,823,282
Interest on own capital - Brazilian Government	[21.h]	2,853,377	2,210,535
Interest on own capital - others	[21.h]	2,853,376	2,210,534
Dividends - Brazilian Government	[21.h]	380,593	507,277
Dividends - others	[21.h]	380,593	507,276
Non-controlling interest's dividends		1,133,186	695,938
Interest on instrument qualifying as common equity tier 1 capital		120,529	343,794
Profit retained/loss		8,465,638	7,075,291
Non-controlling interest on retained profit		196,205	272,637

The accompanying notes are an integral part of the condensed consolidated interim financial statements.



1– The bank and its operations

Banco do Brasil S.A. (“Banco do Brasil”, the “Bank” or the “Group”) is a publicly-traded company subject to the rules of Brazilian Corporate Law. The Brazilian Federal Government controls the Bank. Its headquarters are located at Setor de Autarquias Norte, Quadra 5, Lote B, Edifício Banco do Brasil, Brasília, Federal District, Brazil.

The Bank has its shares traded in the segment known as Novo Mercado of B3 S.A. – Brasil, Bolsa, Balcão (B3), under the ticker “BBAS3” and its ADRs (American Depositary Receipts) on the over-the-counter market in the United States under the ticker “BDORY”. The Bank’s shareholders, managers and members of the Fiscal Council are subject to the provisions of B3’s Novo Mercado Regulation. The provisions of Novo Mercado will prevail over the statutory provisions, in case of prejudice to the rights of the recipients of the public offers provided for in the Bylaws.

The Group’s business activities include the following:

- all active, passive and ancillary banking operations;
- banking and financial services, including foreign exchange transactions and other services such as insurance, pension plans, capitalization bonds, securities brokerage, credit/debit card management, consortium management, investment funds and managed portfolios; and
- all other types of transactions available to banks within Brazil’s National Financial System.

As an agent for execution of the Brazilian Federal Government’s credit and financial policies, Brazilian Law requires the Bank to perform the following functions under the supervision of the National Monetary Council (CMN):

- (i) act as financial agent for the National Treasury;
- (ii) provide banking services on behalf of the Federal Government and other governmental agencies;
- (iii) provide clearing services for checks and other documents;
- (iv) buy and sell foreign currencies as determined by the CMN for the Bank’s own account and for the account of the Brazilian Central Bank (Bacen);
- (v) provide receipt and payment services for Bacen, in addition to other services;
- (vi) finance the purchase and development of small and medium-sized farms; and
- (vii) disseminate and provide credit.

The Bank finances the production and commercialization of agricultural products; fosters rural investments such as storage, processing, industrialization of agricultural products and the modernization of machinery and implements; and finances improvements in rural properties to comply with the environmental law. Accordingly, the Bank supports the Brazilian agribusiness in all stages of the production chain.

The Bank offers to micro and small companies: working capital, financings for investments, and foreign trade solutions, in addition to several other products related to cash flows, social security, pension plans, and services. The Bank provides financing alternatives and business models that promote the transition to an inclusive economy to many companies, including Individual Microentrepreneurs (Microempreendedores Individuais – MEI).

In its financing of foreign trade, the Bank puts into effect government policy instruments to stimulate productive development, entrepreneurship, social and financial inclusion, including the Income Generation Program (Programa de Geração e Renda – Proger) and the Export Financing Program (Programa de Financiamento às Exportações – Proex).

Internal policy statements outline the corporate structure governance. These policies provide a decision-making framework for the Bank’s businesses and activities. They also outline procedures for complying with legal and regulatory requirements established by the Bank’s regulators.

The Bank has a self-regulatory system for controlling trading in securities issued by the Bank and its subsidiaries, as well as in quotas of exclusive funds referenced in such securities. The system limits the amount of people who



In thousands of Reais, unless otherwise stated

have information about relevant acts or facts prior to the disclosure of the information to the market. Parties subject to the self-regulatory system include:

- the controlling shareholder;
- the Bank's officers and directors;
- the Bank's Head of Audit and the Bank's Chief Ombudsman; and
- anyone with a business or professional relationship with the Bank, or in a relationship of trust, who has knowledge of accounting or strategic matters or other relevant acts or facts with respect to the Bank's business.

The Bank's public disclosures are designed to meet the needs of external users and to comply with the requirements from relevant authorities and regulatory agencies. The Bank follows the highest standards of corporate governance, providing information that is transparent, accurate, complete, consistent, fair and timely.

The Chief Financial Officer (CFO) is responsible for the disclosure of relevant acts, facts, and other information to investors. Joint and several liability extends to the Bank's other officers and directors in cases of non-compliance with the information disclosure requirements.

More information about the subsidiaries is included in Note 2, while Note 4 contains a description of the Bank's business segments.

2– Presentation of consolidated interim financial statements

a) Statement of compliance

These consolidated interim financial statements for the three and six-month periods ended Jun 30, 2023 have been prepared in accordance with the requirements of IAS 34 – Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

In accordance with IAS 34, the interim financial report aims to provide an update on the most recent annual consolidated financial statements, concentrating on new activities, events and circumstances that occurred during the period, instead of duplicating information previously reported.

For this reason, these consolidated interim financial statements do not include all the information required when preparing annual consolidated financial statements. Thus, they must be read jointly with the annual consolidated financial statements of the Bank for the year ended Dec 31, 2022, prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB.

The Bank's Board of Directors approved these consolidated interim financial statements and authorized for issuance on Aug 8, 2023.

b) Functional and presentation currency

The consolidated interim financial statements are presented in Brazilian Reais, which is the Bank's functional and presentation currency. The functional currency is the currency of the main economic environment in which an entity operates. For all the Group entities, the functional currency is the Real (except from Banco do Brasil Americas and Banco Patagonia). Financial information is presented in thousands of Brazilian Reais (R\$ thousand), unless otherwise indicated.



c) Going concern

Management believes that the Bank has sufficient funds to continue its business in the future. Management is not aware of any material uncertainty that may generate significant doubts about the capacity to continue operating. Accordingly, these consolidated interim financial statements have been prepared based on a going concern basis.

d) Significant judgments and accounting estimates

The preparation of consolidated interim financial statements in accordance with IFRS requires the Bank's Management to make judgments and use estimates that change the recognized amount of assets, liabilities, income and expenses. These estimates and assumptions are reviewed on an ongoing basis. Changes in estimates are recognized prospectively in the period in which the estimates are revised. Actual results may differ from these estimates.

The judgments and accounting estimates considered significant applied in these consolidated interim financial statements are related to:

- (i) definition of fair value of financial instruments;
- (ii) expected credit losses of financial assets;
- (iii) impairment of non-financial assets;
- (iv) income taxes;
- (v) recognizing and assessment of deferred taxes;
- (vi) pension plans and other employee benefits; and
- (vii) provisions, contingent assets and contingent liabilities.

These judgments and accounting estimates are described in the consolidated financial statements of the Bank for the year ended Dec 31, 2022.

e) Changes in accounting policies

These consolidated interim financial statements were prepared using the same policies and accounting methods used to prepare the consolidated financial statements for the year ended Dec 31, 2022, except by the adoption of these standards:

IFRS 17 – Insurance Contracts – In May 2017, the IASB published a new standard to replace the IFRS 4. The new standard establishes recognizing, measuring, and disclosure principles to insurance contracts, which aims to assure that the entity issues material information that faithfully represents these contracts.

In addition, the new standard tries to resolve some inadequacies in the existing wide variety of accounting practices in the insurance market, which impaired the comparability of the insurers accounting information.

BB Seguridade's investees that transact insurance contracts within the scope of this standard prepared their financial statements in the new standard for the purpose of meeting the requirements of IFRS 17.

The consequences of the adoption of the standard by these companies were recognized in the financial statements of BB Seguridade and the Bank by equity method, with non-relevant effects on investments in equity interests and shareholders' equity.

As IFRS 17 requires, the Bank performed the retrospective application of the standard, taking in account the initial adoption as of January 1, 2023, and the transition date as January 1, 2021, the beginning of the annual reporting period immediately preceding the date of initial adoption. The impacts were reflected in the Bank's financial statements, with effects on investments in equity and shareholders' equity.



In thousands of Reais, unless otherwise stated

For comparison purposes, the following adjustments were also made to the Condensed consolidated balance sheet and Condensed consolidated statement of income:

- (i) extinction of the grouping of “Securities purchased under resale agreements”, with balances reclassified to the grouping of “Loans to financial institutions”;
- (ii) extinction of the “Amounts payable to financial institutions” grouping, with balances reclassified to the “Financial institution resources” grouping;
- (iii) reclassification of “On-lending” from the group “Funds from issuance of securities” to the group “Resources from financial institutions”;
- (iv) reclassification of “Financial and development funds” from the group “Funds from issuance of securities” to the group “Other financial liabilities”; and
- (v) reclassification of the expected loss on repurchase agreements from the grouping “Net (constitution)/reversal of expected credit losses with Other financial instruments” to the grouping of “Net (constitution)/reversal of expected credit losses with Loans to financial institutions”.

We show below the effects of the adjustments in the Balance Sheet and Income Statement. Consequently, the comparative balances of the Statement of Comprehensive Income, the Statement of Changes in Shareholders' Equity, the Statement of Cash Flows and the Statement of Added Value were adjusted, as well as the respective notes.

Condensed consolidated balance sheets

Dec 31, 2022	Original report	Adjustments	Restated balances
Assets			
Loans to financial institutions	62,607,954	360,620,474	423,228,428
Securities purchased under resale agreements	360,620,474	(360,620,474)	--
Investments in associates and joint ventures	19,773,432	440,629	20,214,061
Total	2,007,727,977	440,629	2,008,168,606
Liabilities			
Amount payable to financial institutions	24,082,857	(24,082,857)	--
Financial institutions resources	564,453,599	88,469,122	652,922,721
Funds from issuance of securities	328,608,124	(98,862,160)	229,745,964
Other financial liabilities	82,794,368	34,475,895	117,270,263
Shareholders' equity			
Accumulated other comprehensive income	(7,560,617)	(129,363)	(7,689,980)
Unallocated retained earnings	(7,083,363)	421,758	(6,661,605)
Shareholders' equity attributable to shareholders of the Bank	158,956,355	292,395	159,248,750
Shareholders' equity attributable to non-controlling interests	4,120,768	148,234	4,269,002
Total	163,077,123	440,629	163,517,752
Total liabilities and shareholders' equity	2,007,727,977	440,629	2,008,168,606



In thousands of Reais, unless otherwise stated

Condensed consolidated statements of income

1st half/2022	Original report	Adjustments	Restated balances
Net (constitution)/reversal of expected credit losses with:	(7,013,918)	--	(7,013,918)
Loans to financial institutions	10,701	33	10,734
Loans to customers	(7,535,303)	--	(7,535,303)
Other financial assets	510,684	(33)	510,651
Non-interest income	19,410,140	127,442	19,537,582
Net gains from equity method investments	2,381,235	127,442	2,508,677
Income before taxes	16,601,783	127,442	16,729,225
Net income	13,695,840	127,442	13,823,282
Attributable to shareholders of the Bank	12,770,136	84,571	12,854,707
Attributable to non-controlling interests	925,704	42,871	968,575

2nd quarter/2022	Original report	Adjustments	Restated balances
Net (constitution)/reversal of expected credit losses with:	(1,359,403)	--	(1,359,403)
Loans to financial institutions	125	(7)	118
Loans to customers	(2,696,069)	--	(2,696,069)
Other financial assets	1,336,541	7	1,336,548
Non-interest income	9,629,257	97,356	9,726,613
Net gains from equity method investments	1,392,402	97,356	1,489,758
Income before taxes	11,632,395	97,356	11,729,751
Net income	8,721,176	97,356	8,818,532
Attributable to shareholders of the Bank	8,202,219	64,606	8,266,825
Attributable to non-controlling interests	518,957	32,750	551,707

Amendment to IAS 1 – Presentation of Financial Statements – In February 2021, the IASB determined that only information about material accounting policies must be disclosed, rather than material accounting policy. The amendment aims to improve accounting policies disclosure so that entities provide more useful information to users of financial statements.

The Bank is evaluating its accounting policies issuing to confirm that it is consistent to the required changes.

Amendment to IAS 8 – Accounting Policies, Changes in Estimates and Errors – In February 2021, the IASB distinguished the differences between amendments in accounting policy and amendments in accounting estimates. While estimate changes are prospectively applicable, policy changes usually are retroactive.

The amendment had no material impact on the financial statements.

Amendment to IAS 12 – Income Taxes – In May 2021, the IASB clarified that the exemption for accounting deferred taxes arising from temporary differences generated on the initial recognition of assets or liabilities does not apply to lease operations.

The Bank began to show that it takes in account the deferred tax effects arising from temporary differences related to right-of-use assets and lease liabilities (Note 20.b).



f) Seasonality of operations

The business of the Bank and its subsidiaries is non-cyclic and non-seasonal. Consequently, there are no specific disclosures in these notes to the consolidated interim financial statements for the three and six-month periods ended Jun 30, 2023.

g) Standards yet to be adopted

A summary of certain amendments, interpretations and standards recently issued by the IASB that will become effective after Jun 30, 2023, are presented below:

Amendments to IFRS 10 – Consolidated Financial Statements and IAS 28 – Investments in Associates and Joint Ventures – In September 2014, the IASB issued amendments to IFRS 10 and to IAS 28 that address an acknowledged inconsistency between the requirements of these two standards, dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The date these amendments will be effective was postponed and it will still be determined and issued by the IASB.

Amendments to IAS 1 – Presentation of financial statements – In October 2022, the IASB determined that the entities which report to classify debt as non-current only if the company can avoid settling the debt in the 12 months after the reporting date. However, a company's ability to do so is often subject to complying with covenants.

Covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements, so that the users could consider the of a possible early settlement.

This change is effective for annual periods beginning on or after January 1, 2024.

Amendment to IFRS 16 – Leases – In September 2022, the IASB issued amendments explaining how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

This change is effective for annual periods beginning on or after January 1, 2024.

Amendment to IAS 12 – Income Taxes – In May 2023, the IASB issued amendments which ones gives to the entities temporary relief for the deferred tax accounting arising from the Organization for Economic Co-operation and Development's (OECD) international tax reform.

This change is effective for annual periods beginning on or after January 1, 2024.

Amendment to IAS 7 – Statement of cash flows and IFRS 7 – Financial instruments: Disclosures – In May 2023, the IASB issued amendments that introduces disclosure requirements from forfait transactions as of terms and conditions, cash flow exposure, and other details including: payment terms; non-cash effects; and possible liquidity risk.

This change is effective for annual periods beginning on or after January 1, 2024.



In thousands of Reais, unless otherwise stated

Other possible impacts from the adoption of these standards have been assessed and will be completed before they become effective.

h) Correlation between the notes to the annual financial statements and the notes to the interim financial statements

The Bank considers that relevant updates relating to its financial position and performance for the three and six-month periods ended Jun 30, 2023 are presented in these interim financial statements. These consolidated interim financial statements (condensed) include the same items and subtotals that were presented in the consolidated financial statements for the year ended on Dec 31, 2022.

Number of notes		Notes to the consolidated financial statements
2022	2nd quarter/2023	
1	1	The Bank and its operations
2, 3, 4 and 5	2	Presentation of consolidated interim financial statements
6	3	Acquisitions, disposals and corporate restructuring
7	4	Operating segments
8	5	Net interest income
9	6	Net commissions and fee income
12	7	Other income / expenses
13	8	Personnel expenses
14	9	Other administrative expenses
16	10	Cash and cash equivalents
18 and 19	11	Loans to financial institutions
20, 21, and 22	12	Financial assets and liabilities
23	13	Loans to customers
24	14	Expected losses on loans to customers
26	15	Investments in associates and joint ventures
31	16	Customer resources
33	17	Financial institutions resources
34	18	Resources from issuance of debt securities
35	19	Provisions, contingent assets and liabilities
36	20	Taxes
37	21	Shareholders' equity
38	22	Fair value of financial instruments
41	23	Risk management
44	24	Employee benefits
45	25	Related-party transactions
46	26	Current and non-current assets and liabilities
47	27	Other information
48	28	Subsequent events
49	29	Reconciliation of shareholders' equity and income



In thousands of Reais, unless otherwise stated

i) Consolidated interim financial statements

The consolidated interim financial statements include the Bank's branches and subsidiaries in Brazil and abroad. Significant account balances and transactions among the consolidated companies are eliminated. The following table demonstrates the Bank's ownership interest in the companies included in the consolidated interim financial statements by business segment.

	Activity	Country	Functional currency	% Total share	
				Jun 30, 2023	Dec 31, 2022
Banking segment					
Banco do Brasil AG	Banking	Austria	Real	100.00%	100.00%
BB Leasing S.A. – Arrendamento Mercantil	Leasing	Brazil	Real	100.00%	100.00%
Banco do Brasil Securities LLC.	Broker	USA	Real	100.00%	100.00%
BB Securities Ltd.	Broker	England	Real	100.00%	100.00%
BB USA Holding Company, Inc.	Broker	USA	Real	100.00%	100.00%
BB Cayman Islands Holding	Holding	Cayman Islands	Real	100.00%	100.00%
Banco do Brasil Americas	Holding	USA	American Dollar	100.00%	100.00%
Banco Patagonia S.A.	Banking	Argentina	Argentinian Peso	80.39%	80.39%
Investment segment					
BB Banco de Investimento S.A.	Investment bank	Brazil	Real	100.00%	100.00%
Segment of fund management					
BB Gestão de Recursos – Distribuidora de Títulos e Valores Mobiliários S.A. – BB Asset	Asset management	Brazil	Real	100.00%	100.00%
Segment of insurance, private pension fund and capitalization					
BB Seguridade Participações S.A. ¹	Holding	Brazil	Real	66.36%	66.36%
BB Corretora de Seguros e Administradora de Bens S.A. ¹	Broker	Brazil	Real	66.36%	66.36%
BB Seguros Participações S.A. ¹	Holding	Brazil	Real	66.36%	66.36%
Segment of payment methods					
BB Administradora de Cartões de Crédito S.A.	Service rendering	Brazil	Real	100.00%	100.00%
BB Elo Cartões Participações S.A.	Holding	Brazil	Real	100.00%	100.00%
Other segments					
Ativos S.A. Securitizadora de Créditos Financeiros	Credits acquisition	Brazil	Real	100.00%	100.00%
Ativos S.A. Gestão de Cobrança e Recuperação de Crédito	Collection management	Brazil	Real	100.00%	100.00%
BB Administradora de Consórcios S.A.	Consortium	Brazil	Real	100.00%	100.00%
BB Tur Viagens e Turismo Ltda.	Tourism	Brazil	Real	100.00%	100.00%
BB Asset Management Ireland Limited ²	Asset management	Ireland	Real	--	100.00%
BB Tecnologia e Serviços ¹	IT	Brazil	Real	99.99%	99.99%
Fundo de Investimento em Direitos Creditórios – Bancos Emissores de Cartão de Crédito V ³	Investment funds	Brazil	Real	83.64%	84.09%
BB Impacto ASG I Fundo em Investimento em Multiestratégia Investimento no Exterior ³	Investment funds	Brazil	Real	100.00%	100.00%
BB Ventures I Fundo de Investimento em Participações Multiestratégia – Investimento no Exterior ³	Investment funds	Brazil	Real	100.00%	100.00%
FIP Agventures II Multiestratégias ³	Investment funds	Brazil	Real	54.42%	54.45%
BB Multi Criptoativos Full IE LP FIC FI ⁴	Investment funds	Brazil	Real	--	63.96%
BB Asset Renda Fixa Plus FICFI ⁴	Investment funds	Brazil	Real	--	52.99%
BB Asset Renda Fixa Crédito Privado Longo Prazo ⁴	Investment funds	Brazil	Real	--	82.06%
BB Ações Seleção Fatorial Funci FI ⁴	Investment funds	Brazil	Real	57.71%	72.10%
BB MM Multiestratégia LP Funci FIC FI ⁴	Investment funds	Brazil	Real	58.40%	54.74%
BB Ações BRL Global Superdividendos Global X Superdividendos ⁴	Investment funds	Brazil	Real	93.96%	100.00%
BB Multigestor Crédito Privado FIC FIM ⁴	Investment funds	Brazil	Real	--	99.78%
BB Fx MM Allspring Climate Transition FI IE ⁴	Investment funds	Brazil	Real	99.99%	100.00%
BB Ações FX Pictet Global Environmental Opportunities ⁴	Investment funds	Brazil	Real	99.94%	100.00%
BB MM Global Select Equity Value IE FIC FI ⁴	Investment funds	Brazil	Real	--	100.00%
BB Multimercado High Alpha LP FIC FI ⁴	Investment funds	Brazil	Real	88.72%	--

1 – Refers to the percentage of the equity interest, considering the acquisition of shares by the invested entity held in treasury.

2 – Asset Manager closed on June 17, 2023.

3 – Investment funds in which the Bank substantially assumes or retains risks and benefits.

4 – Non-exclusive and open funds from the initial application of BB Asset's own resources, destined for sale to external investors, the referred entity does not have the intention to substantially assume or retain risks and benefits in these investment funds, which the Bank consolidates only in the months when most of the shares are still held by BB Asset.



j) Involvement with consolidated structured entities

The securitization vehicles and investment funds controlled by the Bank, directly or indirectly, are classified as consolidated structured entities. The voting or similar rights are not significant in deciding who controls the entity.

The Bank consolidates structured entities when it has power and current ability to direct the relevant activities, i.e. the activities that significantly affect their returns.

SPE Dollar

Organized under the laws of the Cayman Islands, this SPE has the following objectives:

- to issue and sell securities in the international market;
- to use the resources obtained from issuing securities to purchase rights to USD payment orders from the Bank. These payment orders are issued by banking correspondents located in the U.S. and the Bank's New York Branch to one of the Bank's branches in Brazil ("Rights on Consignment"); and
- to pay principal and interest on the outstanding securities and make other payments required by the securities contracts.

The SPE pays the obligations under the securities with USD funds received from the payment orders. The SPE has no material assets or liabilities other than rights and obligations under the securities contracts. The SPE has no subsidiaries or employees.

The SPE's authorized share capital is US\$ 1,000.00, consisting of 1,000 common shares with a par value of US\$ 1.00. All 1,000 common shares were issued to BNP Paribas Private Bank & Trust Cayman Limited in its capacity as the Trustee of Cayman Islands Charitable Trust. BNP Paribas Private Bank & Trust Cayman Limited is the SPE's sole shareholder. The Bank holds the "Rights on Consignment" and is the sole beneficiary of the funds obtained by the SPE. The Bank provides the SPE with additional funds so that it can pay the principal and interest on the outstanding securities.

SPE Loans

Organized under the laws of the Cayman Islands, this SPE has the following objectives:

- to raise funds through the issuance of securities in the international market;
- to enter into repurchase agreements with the Bank's Grand Cayman Branch to repass funds raised in the market; and
- to obtain protection against the risk of default by the Bank through acquisition of a basis swap covering the Bank's obligations under the repurchase agreements.

The amounts, terms, currencies, rates, and cash flows of the repurchase agreements are identical to those of the securities. The rights and income created from the repurchase agreements cover and match the obligations and expenses created by the securities. As a result, the SPE does not generate profit or loss. The SPE does not hold any assets and liabilities other than those from the repurchase agreements, credit default swap and outstanding securities.

The SPE's paid-in capital is US\$ 250.00, consisting of 250 common shares with a par value of US\$ 1.00. All 250 shares were issued to Maples Corporate Services, the initial subscriber. They were then transferred to MaplesFS Limited, an exempt limited liability company incorporated in the Cayman Islands. MaplesFS Limited is an independent provider of specialized fiduciary and fund services and is the SPE's sole shareholder. The Bank's Grand Cayman Branch is the only counterparty to the repurchase agreements.



In thousands of Reais, unless otherwise stated

k) Summarized financial information of the subsidiaries with participation of non-controlling interests (NCI)

Jun 30, 2023	BB Seguridade Participações S.A.	Banco Patagonia S.A.	Other
Current assets	3,309,251	22,355,200	1,714,130
Non-current assets	8,943,611	7,122,689	254,236
Current liabilities	3,221,061	22,581,082	500,531
Non-current liabilities	56	22,263	--
Income	3,696,917	7,331,095	887,956
Net income	3,603,505	536,665	143,949
Comprehensive income	3,554,233	963,038	143,949
Dividends paid to NCI	1,079,905	--	--
Ownership interest held by NCI	33.64%	19.61%	--
Net income attributable to NCI	1,212,219	105,240	11,932
Accumulated shareholder NCI	3,038,279	1,348,098	178,901

Dec 31, 2022	BB Seguridade Participações S.A.	Banco Patagonia S.A.	Other
Current assets	3,768,306	23,547,407	1,674,003
Non-current assets	8,135,179	5,335,397	199,586
Current liabilities	3,686,067	21,955,744	462,661
Non-current liabilities	28	173,450	--
Income	6,091,165	9,103,357	1,460,574
Net income	6,040,886	883,814	157,777
Comprehensive income	6,187,933	1,184,319	157,777
Dividends paid to NCI	1,931,830	--	--
Ownership interest held by NCI	33.64%	19.61%	0.00%
Net income attributable to NCI	2,032,154	173,316	13,458
Accumulated shareholder NCI	2,764,330	1,324,383	180,289

The Bank has also indirect ownership interest in BB Seguros Participações S.A. and BB Corretora de Seguros e Administradora de Bens S.A. These companies are subsidiaries of BB Seguridade Participações S.A., that owns all issued shares. The summarized financial information of these subsidiaries is presented below.

Jun 30, 2023	BB Seguros Participações S.A.	BB Corretora de Seg. e Adm. de Bens S.A.
Current assets	860,987	3,793,672
Non-current assets	9,102,130	2,519,197
Current liabilities	828,597	4,032,961
Non-current liabilities	310,321	2,273,819
Income	2,383,740	2,623,258
Net income	2,316,185	1,414,506
Comprehensive income	2,243,835	1,414,421



In thousands of Reais, unless otherwise stated

Dec 31, 2022	BB Seguros Participações S.A.	BB Corretora de Seg. e Adm. de Bens S.A.
Current assets	2,420,376	5,150,532
Non-current assets	7,780,852	942,498
Current liabilities	2,300,051	4,290,354
Non-current liabilities	310,321	1,796,338
Income	3,501,661	5,205,986
Net income	3,323,443	2,729,477
Comprehensive income	3,199,226	2,729,313

3– Acquisitions, disposals and corporate restructuring

a) Disposal of indirect equity interest

On October 8, 2021, the Board of Directors approved the sale of the entire indirect equity interest held in Banco Digio S.A., by BB Elo Cartão Participações S.A., a wholly owned subsidiary of the Bank. The sale contract of 49.99% interest, for R\$ 645 million, was signed on that date with Bradescard Elo Participações S.A., a company owned by Banco Bradesco S.A.

The transaction was approved by the Administrative Council for Economic Defense on November 24, 2021, and by the Central Bank of Brazil on February 4, 2022, being effective on February 25, 2022, after concluding the corporate movements and the consequent financial settlement of the operation, providing a net result of R\$ 222,981 thousand, as shown below:

	1st half/2022
1) Capital gain of BB Elo Cartões Participações S.A. ¹	337,850
2) Taxes	(114,869)
3) Impact on net income, net of taxes (1+2)	222,981

1 - Recognized in the Statement of Income as Other operating income.

b) Corporate Reorganization of the Interbank Payments Chamber – CIP Associação

On February 25, 2022, according to the Extraordinary General Meeting held on the same date by the members of the Interbank Payments Chamber (CIP Associação), the corporate reorganization ("demutualization") of CIP Associação was approved, through its partial spin-off and merger of the assets spun off by CIP S.A.

CIP Associação is a non-profit civil association that integrates the Brazilian Payments System (SPB) and acts as an infrastructure for the financial market, offering solutions and services that integrate technology, innovation and security to financial transactions carried out in the country. The Bank holds a 12.9062% interest in its capital stock, recognized at the historical cost of R\$ 7,055 thousand.

CIP S.A. is a corporation that did not carry out its own activity and did not have liabilities or obligations of any nature, being a legal entity with a for-profit purpose that will incorporate the portion to be spun off from CIP Associação. The partial spin-off has the purpose of demutualizing CIP Associação, so that its economic activities are no longer carried out through an associative legal structure, being developed by CIP S.A., in the form of a corporation.

The equity of CIP Associação, based on the financial statements of December 31, 2021, was R\$ 1,921,165 thousand, of which R\$ 1,915,544 thousand (99.7073860%) was spun off and transferred to CIP S.A., as appraisal report prepared by a specialized company.



In thousands of Reais, unless otherwise stated

Due to the demutualization, with the spun-off portion being transferred to the entity resulting from the spin-off, the associates received common shares issued by CIP S.A. in proportion to their respective shares in CIP Associação, which in the case of the Bank is 12.9062%.

In this context, the Bank considered CIP S.A. as an associated equity interest, due to the existence of significant influence, characterized by the representation on the Board of Directors of this investee, recognizing the book value of the spun-off assets by equity method, whose effects on the result are shown below:

	1st half/2022
1) Book value of the spun-off assets, proportional to the interest held by the Bank of 12.9062% ¹	247,224
2) Cost value resulting from the spin-off (99.7073860% of the historical cost value recorded at the Bank)	7,035
3) Capital gain (1-2) ²	240,189
4) Taxes	(108,085)
5) Impact on net income, net of taxes (3+4)	132,104

1 - According to the appraisal report prepared by a specialized company, considering the equity value of CIP Associação, calculated based on the financial statements of December 31, 2021.

2 - Recognized in the Statement of Income as Other operating income.

c) Incorporation of Broto

On January 04, 2023, according to the General Shareholders' Meeting, held on the same date by the Bank and the Brasilseg Companhia de Seguros S.A. (Brasilseg), indirect associated company through BB Seguridade Participações S.A., the incorporation of Broto S.A. was approved, after obtaining regulatory authorizations from Bacen, Sest and Cade. Broto began to conduct the business of the Broto Digital Platform (Broto Platform), which operates as a marketplace focused on the agribusiness production chain, previously managed by Brasilseg.

the Bank holds 100% of the preferred shares without voting rights, which are equivalent to 50% of Broto's total capital, and Brasilseg, 100% of the common shares, completing 100% of the capital of that share. Due to the 50% interest in the total capital of the new company, Brasilseg contributed with of a portion in cash and another part through the transfer of assets and rights which were associated to Broto Plataform, previously held by the Insurer, totaling an investment of R\$ 31.2 million. This same amount was paid by the Bank to subscribe the shares corresponding to the other 50% of the total capital of the new company.

The corporate documents provide for the granting, by Brasilseg, of a call option to BB on the totality of the shares held by it in Broto, exercisable upon payment of the entire amount contributed by the Insurer to Broto, adjusted by the CDI accumulated in the period, within a period of up to 12 months from the date of signature of the shareholders' agreement, renewable for an equal period.

From its incorporation, the investment was initially recognized at cost and subsequently measured using the equity method.

4– Operating segments

The segment information was prepared based on internal reports used by the Bank's Executive Board to assess performance and make decisions about the allocation of funds for investment and other purposes. The framework also takes into account the regulatory environment and similarities between goods and services.

The Bank's operations are divided into five segments: banking, investments, fund management, insurance (including insurance, private pension funds and capitalization) and electronic payments. The Bank also engages in other activities, including its consortium business and operational support services (aggregated in "Other").

Management (and the Chief Operating Decision Maker) use accounting information prepared in accordance with the laws, standards, and accounting practices (recognition and measurement) applicable to financial institutions



in Brazil, as determined by Bacen, to evaluate performance and allocate resources. As a result, the Bank presents its segment results in accordance with these standards, which it refers to internally as the 'consolidated managerial' financial information.

The following accounting policies and estimates used to prepare the segment information represent the main differences with IFRS accounting principles:

- the recognition of impairment on loans to customers is based on an expected loss model, which considers regulatory guidelines defined by Bacen. Loans to customers are classified in buckets representing increased risk, ranging from AA (low risk) to H (high risk). The allowance amount is calculated each month based on minimum provisioning percentages defined by Bacen. These percentages range from 0% (AA loans) to 100% (H loans);
- fee and commission income from the origination of customer loans is recognized on a cash basis;
- goodwill and gains from bargain purchase are measured by the difference between the consideration paid and book value of the acquired shares. The amount is amortized when based on expected future profitability; and
- changes in proportion of non-controlling equity interests results in gains or losses upon a disposal of the equity interest of the Bank.

The segment information includes all of the revenue and expenses as well as all assets and liabilities of companies included in the segment, as shown in Note 2 and Note 15. No revenue or expenses are allocated between the segments.

Inter-segment transactions are conducted at the same terms and conditions as those practiced with unrelated parties for similar transactions. These transactions do not involve any unusual payment risks.

None of the Bank's customers individually account for more than 10% of the Bank's interest income.

a) Banking

This segment is responsible for the most significant portion of the Bank's results, primarily from the operations in Brazil. It includes a wide array of products and services, including deposits, loans and other services provided to customers through different distribution channels.

The banking segment's activities include transactions in the retail, wholesale, and public sectors, which are carried out by its network and customer service teams. It also engages in business with micro-entrepreneurs and other activities through its banking correspondents.

b) Investments

This segment engages in the structuring and distribution of debt and equity instruments in Brazil's primary and secondary capital markets, in addition to providing other financial services.

Net interest income in this segment is based on accrued interest on investment securities less expenses from third party funding costs. Non-interest income is derived from economic/financial advisory services from underwriting fixed and variable income securities and the provision of services to associated companies.

c) Fund management

This segment is involved in the purchase, sale and custody of securities, portfolio management and the structuring, organization and management of investment funds and clubs. Income consists mainly of commissions and management fees charged to investors for services provided.



d) Insurance

This segment offers products and services related to life, property and automobile insurance, private pension and capitalization plans.

Income in this segment consists mostly of commissions and fees, insurance premium revenue, contributions to private pension plans and capitalization bonds, and investments in securities. These amounts are offset by selling costs, technical insurance provisions and expenses related to benefits and redemptions.

e) Electronic payments

This segment provides capture, transmission, processing, and financial settlement services for electronic payment transactions (credit and debit cards). Revenue comes from commissions and management fees charged to businesses and financial institutions in exchange for services provided.

f) Other

This segment consists of the operational support services and consortium business, neither of which is individually significant. Revenue is generated mainly from the provision of services not provided by the other segments, including: credit recovery; consortium management; development, manufacturing, sale, rental and integration of digital electronic systems, peripherals, programs, inputs and computing supplies.



In thousands of Reais, unless otherwise stated

g) Financial information by reportable segment reconciled with the consolidated IFRS results

	1st half/2023									
	Banking	Investments	Fund management	Insurance and related	Electronic payments	Other	Intersegment transactions	Consolidated management statement	Adjustments	Consolidated IFRS
Interest income	133,287,608	375,817	165,588	321,011	393,739	718,943	(1,203,524)	134,059,182	(1,252,968)	132,806,214
Interest expense	(90,364,410)	(397,299)	--	--	--	(329,169)	1,203,524	(89,887,354)	469,472	(89,417,882)
Net interest income	42,923,198	(21,482)	165,588	321,011	393,739	389,774	--	44,171,828	(783,496)	43,388,332
Expected losses	(12,030,344)	--	--	--	(630)	--	--	(12,030,974)	560,025	(11,470,949)
Net interest income after expected losses	30,892,854	(21,482)	165,588	321,011	393,109	389,774	--	32,140,854	(223,471)	31,917,383
Non-interest income	12,495,282	409,477	1,639,898	4,704,060	1,048,613	2,265,023	(1,332,417)	21,229,936	23,361	21,253,297
Net commissions and fee income	6,481,844	103,023	1,634,834	2,399,311	24,102	1,987,289	(720,020)	11,910,383	494,017	12,404,400
Net gains/(losses) from financial instruments	(872,278)	277,493	--	--	(2)	(28,871)	--	(623,658)	(250,205)	(873,863)
Net gains/(losses) from equity method investments	279,242	(12,833)	--	2,293,453	927,487	--	--	3,487,349	(167,976)	3,319,373
Other operating income	6,606,474	41,794	5,064	11,296	97,026	306,605	(612,397)	6,455,862	(52,475)	6,403,387
Non-interest expenses	(29,730,052)	(101,904)	(280,086)	(532,506)	(125,863)	(1,440,337)	1,332,417	(30,878,331)	(1,432,356)	(32,310,687)
Personnel expenses	(13,157,321)	(13,301)	(72,721)	(41,453)	(3,172)	(194,566)	3,148	(13,479,386)	36,407	(13,442,979)
Administrative expenses	(5,261,805)	(16,678)	(31,255)	(122,966)	(646)	(438,379)	871,205	(5,000,524)	673,688	(4,326,836)
Contributions, fees and other taxes	(3,232,989)	(24,700)	(117,991)	(295,915)	(38,702)	(285,721)	--	(3,996,018)	64,894	(3,931,124)
Amortization of intangible assets	(1,162,394)	--	--	(415)	--	(2,214)	--	(1,165,023)	143	(1,164,880)
Labor, tax and civil claims	(3,945,433)	18	(14,315)	(11,036)	(118)	(60,294)	--	(4,031,178)	304,582	(3,726,596)
Depreciation	(777,001)	--	--	(10)	--	(18,383)	--	(795,394)	(599,455)	(1,394,849)
Other operating expenses	(2,193,109)	(47,243)	(43,804)	(60,711)	(83,225)	(440,780)	458,064	(2,410,808)	(1,912,615)	(4,323,423)
Income before taxes	13,658,084	286,091	1,525,400	4,492,565	1,315,859	1,214,460	--	22,492,459	(1,632,466)	20,859,993
Income taxes	(2,234,653)	(133,654)	(601,325)	(740,123)	(167,658)	(388,614)	--	(4,266,027)	(210,470)	(4,476,497)
Current	(713,695)	(52,331)	(606,878)	(743,875)	(139,611)	(475,384)	--	(2,731,774)	25,997	(2,705,777)
Deferred	(1,520,958)	(81,323)	5,553	3,752	(28,047)	86,770	--	(1,534,253)	(236,467)	(1,770,720)
Net income	11,423,431	152,437	924,075	3,752,442	1,148,201	825,846	--	18,226,432	(1,842,936)	16,383,496
Attributable to shareholders of the Bank	11,025,608	152,437	924,075	2,496,634	1,148,201	813,914	--	16,560,869	(1,506,764)	15,054,105
Attributable to non-controlling interests	397,823	--	--	1,255,808	--	11,932	--	1,665,563	(336,172)	1,329,391
Total assets	2,100,427,329	6,267,473	3,584,538	16,470,900	10,835,678	15,403,235	(49,836,810)	2,103,152,343	(27,389,813)	2,075,762,530
Total liabilities	1,935,020,122	5,382,554	2,154,185	8,121,013	231,006	11,917,174	(27,353,958)	1,935,472,096	(26,880,894)	1,908,591,202
Total equity	165,407,207	884,919	1,430,353	8,349,887	10,604,672	3,486,061	(22,482,852)	167,680,247	(508,919)	167,171,328



In thousands of Reais, unless otherwise stated

	1st half/2022									
	Banking	Investments	Fund management	Insurance and related	Electronic payments	Other	Intersegment transactions	Consolidated management statement	Adjustments	Consolidated IFRS
Interest income	105,241,446	201,094	125,797	188,036	285,500	594,046	(747,764)	105,888,155	71,850	105,960,005
Interest expense	(71,330,707)	(206,002)	--	--	--	(103,250)	746,937	(70,893,022)	(1,698,793)	(72,591,815)
Net interest income	33,910,739	(4,908)	125,797	188,036	285,500	490,796	(827)	34,995,133	(1,626,943)	33,368,190
Expected losses	(5,649,023)	--	--	--	--	--	--	(5,649,023)	(1,364,895)	(7,013,918)
Net interest income after expected losses	28,261,716	(4,908)	125,797	188,036	285,500	490,796	(827)	29,346,110	(2,991,838)	26,354,272
Non-interest income	10,877,897	313,979	1,639,216	3,661,260	1,132,394	1,537,777	(933,079)	18,229,444	1,308,138	19,537,582
Net commissions and fee income	6,539,808	181,338	1,630,743	2,136,291	24,230	1,515,950	(583,514)	11,444,846	221,896	11,666,742
Net gains/(losses) from financial instruments	(2,021,531)	87,976	--	--	28	(9,369)	--	(1,942,896)	(179,449)	(2,122,345)
Net gains/(losses) from equity method investments	424,541	10,997	--	1,505,175	663,458	--	--	2,604,171	(95,494)	2,508,677
Other operating income	5,935,079	33,668	8,473	19,794	444,678	31,196	(349,565)	6,123,323	1,361,185	7,484,508
Non-interest expenses	(27,232,458)	(72,176)	(223,877)	(502,716)	(40,400)	(1,130,534)	933,906	(28,268,255)	(894,374)	(29,162,629)
Personnel expenses	(12,035,648)	(9,791)	(58,485)	(33,938)	(3,009)	(208,814)	2,379	(12,347,306)	5,518	(12,341,788)
Administrative expenses	(4,750,399)	(15,656)	(30,477)	(143,414)	(1,903)	(381,121)	716,497	(4,606,473)	669,580	(3,936,893)
Contributions, fees and other taxes	(2,643,553)	(19,800)	(114,895)	(253,739)	(27,306)	(222,428)	--	(3,281,721)	3,224	(3,278,497)
Amortization of intangible assets	(567,767)	--	--	(428)	--	(2,213)	--	(570,408)	23	(570,385)
Labor, tax and civil claims	(3,774,165)	751	9,786	43	--	(5,586)	--	(3,769,171)	177,376	(3,591,795)
Depreciation	(708,956)	--	--	(9)	--	(14,574)	--	(723,539)	(582,229)	(1,305,768)
Other operating expenses	(2,751,970)	(27,680)	(29,806)	(71,231)	(8,182)	(295,798)	215,030	(2,969,637)	(1,167,866)	(4,137,503)
Income before taxes	11,907,155	236,895	1,541,136	3,346,580	1,377,494	898,039	--	19,307,299	(2,578,074)	16,729,225
Income taxes	(1,892,311)	(96,838)	(614,952)	(627,619)	(273,264)	(303,789)	--	(3,808,773)	902,830	(2,905,943)
Current	(1,688,497)	(168,269)	(611,001)	(632,738)	(230,383)	(366,227)	--	(3,697,115)	44	(3,697,071)
Deferred	(203,814)	71,431	(3,951)	5,119	(42,881)	62,438	--	(111,658)	902,786	791,128
Net income	10,014,844	140,057	926,184	2,718,961	1,104,230	594,250	--	15,498,526	(1,675,244)	13,823,282
Attributable to shareholders of the Bank	9,800,967	140,057	926,184	1,804,486	1,104,230	593,597	--	14,369,521	(1,514,814)	12,854,707
Attributable to non-controlling interests	213,877	--	--	914,475	--	653	--	1,129,005	(160,430)	968,575
Total assets	2,092,017,734	5,704,417	3,165,674	13,493,767	10,703,022	10,891,452	(43,941,760)	2,092,034,306	(44,220,665)	2,047,813,641
Total liabilities	1,938,013,221	4,840,776	1,819,304	5,932,746	323,552	7,716,469	(23,031,261)	1,935,614,807	(44,014,257)	1,891,600,550
Total equity	154,004,513	863,641	1,346,370	7,561,021	10,379,470	3,174,983	(20,910,499)	156,419,499	(206,408)	156,213,091



In thousands of Reais, unless otherwise stated

h) Geographical information

	Brazil	Other countries			Total
	1st half/2023	Before eliminations	Eliminations	After eliminations	1st half/2023
Assets	1,944,352,029	303,180,331	(171,769,830)	131,410,501	2,075,762,530
Income	144,821,954	15,220,745	(5,983,188)	9,237,557	154,059,511
Expenses (including income tax)	(126,699,495)	(12,313,074)	1,336,554	(10,976,520)	(137,676,015)
Income/(loss) before taxes	24,817,190	689,437	(4,646,634)	(3,957,197)	20,859,993
Net income/(loss)	18,122,459	2,907,671	(4,646,634)	(1,738,963)	16,383,496

	Brazil	Other countries			Total
	1st half/2022	Before eliminations	Eliminations	After eliminations	1st half/2022
Assets	1,926,237,806	306,378,854	(184,803,019)	121,575,835	2,047,813,641
Income	121,027,812	8,214,121	(3,744,346)	4,469,775	125,370,146
Expenses (including income tax)	(105,138,570)	(4,122,439)	(2,413,296)	(6,535,735)	(111,674,305)
Income/(loss) before taxes	23,247,014	(360,147)	(6,157,642)	(6,517,789)	16,729,225
Net income/(loss)	15,889,242	4,091,682	(6,157,642)	(2,065,960)	13,823,282

Income consists of both interest and non-interest income. Expenses consist of interest expense, expected for credit losses, non-interest expense and income taxes.

From the overseas operations, the branches and subsidiaries located in South America provided the majority of the income and most parts of the assets. Assets abroad are mainly monetary and derived from loans to customers and loans to other financial institutions.



In thousands of Reais, unless otherwise stated

i) Non-current assets and investments in associates and joint ventures

	Jun 30, 2023						
	Banking	Investments	Fund management	Insurance and related	Electronic payments	Other	Consolidated IFRS
Investments in associates and joint ventures	6,769,532	229,585	--	8,999,027	5,317,236	--	21,315,380
Non-current assets¹	24,802,664	--	--	3,845	--	263,860	25,070,369
Property and equipment	13,862,817	--	--	37	--	247,867	14,110,721
Intangible	10,939,847	--	--	3,808	--	15,993	10,959,648

	Dec 31, 2022						
	Banking	Investments	Fund management	Insurance and related	Electronic payments	Other	Consolidated IFRS
Investments in associates and joint ventures	6,728,900	221,271	--	8,117,525	5,146,365	--	20,214,061
Non-current assets¹	24,022,602	--	--	4,067	--	204,444	24,231,113
Property and equipment	13,011,819	--	--	46	--	188,263	13,200,128
Intangible	11,010,783	--	--	4,021	--	16,181	11,030,985

1 - Other than financial instruments, deferred tax assets, employee benefit assets and rights arising under insurance contracts.



In thousands of Reais, unless otherwise stated

5– Net interest income

	1st half/2023	1st half/2022	2nd quarter/2023	2nd quarter/2022
Interest income	132,806,214	105,960,005	66,896,468	57,469,566
Loans to customers	64,281,506	48,422,358	32,774,519	25,362,484
Securities purchased under resale agreements	28,482,296	29,244,878	14,202,162	16,390,394
Financial assets at fair value through other comprehensive income	26,276,901	17,814,915	13,114,441	9,707,224
Compulsory deposits with Brazilian Central Bank	3,715,645	2,600,555	1,881,309	1,493,056
Securities at amortized cost	3,324,514	2,385,935	1,716,905	1,584,340
Loans to financial institutions	1,335,580	294,591	582,016	175,247
Financial assets at fair value through profit or loss	633,913	347,160	307,809	198,077
Other interest income ¹	4,755,859	4,849,613	2,317,307	2,558,744
Interest expense	(89,417,882)	(72,591,815)	(44,723,970)	(39,496,720)
Securities sold under repurchase agreements	(40,070,892)	(36,785,461)	(19,490,118)	(20,138,902)
Deposits of clients	(32,290,660)	(23,702,734)	(16,351,962)	(12,826,744)
Liabilities from issuance of securities and other financial liabilities	(15,951,510)	(11,336,387)	(8,261,705)	(6,172,683)
Amount payable to financial institutions	(846,243)	(548,920)	(488,964)	(251,824)
Lease liabilities	(258,577)	(218,313)	(131,221)	(106,567)
Net interest income	43,388,332	33,368,190	22,172,498	17,972,846

¹ It includes interest income with guarantee deposits and with National Treasury bonds and credits.



In thousands of Reais, unless otherwise stated

6– Net commissions and fee income

	1st half/2023	1st half/2022	2nd quarter/2023	2nd quarter/2022
Commissions and fee income	15,272,070	14,446,886	7,671,081	7,372,508
Services rendered to customers	6,236,489	6,048,326	3,155,696	3,120,915
Account fee	2,959,675	2,830,012	1,505,432	1,424,365
Card income	1,261,456	1,142,651	598,191	592,558
Billing	724,958	750,900	356,077	385,114
Collection	507,016	510,567	252,928	257,359
Loans and customer information file	366,841	389,734	220,342	235,408
Capital market income	164,058	212,983	85,036	120,029
Interbank and funds transfer	77,316	74,264	38,921	38,028
Foreign exchange	34,491	47,193	18,863	23,343
Other	140,678	90,022	79,906	44,711
Asset management	5,440,053	5,163,187	2,726,094	2,570,646
Commissions	2,587,489	2,321,168	1,281,375	1,141,691
Insurance distribution	2,208,300	1,964,865	1,088,124	973,612
Capitalization distribution	257,334	233,585	137,556	109,047
Pension plans distribution	121,855	122,718	55,695	59,032
Guarantees provided	61,768	50,831	30,404	25,532
Other services	946,271	863,374	477,512	513,724
Commissions and fee expense	(2,867,670)	(2,780,144)	(1,380,213)	(1,421,302)
Service rendering	(2,582,681)	(2,520,025)	(1,237,866)	(1,289,761)
Commission expense	(1,271)	(800)	(987)	(119)
Other services	(283,718)	(259,319)	(141,360)	(131,422)
Net commissions and fee income	12,404,400	11,666,742	6,290,868	5,951,206

7– Other income/expenses

a) Other operating income

	1st half/2023	1st half/2022	2nd quarter/2023	2nd quarter/2022
Gains from benefit plans – Surplus agreements	1,794,318	1,124,649	897,160	562,325
Receivables income	1,308,273	1,266,213	675,856	679,041
Recovery of charges and expenses	789,483	733,082	380,443	372,813
Gains from defined benefit plans – Plano 1 – Previ	570,660	862,963	225,386	367,493
Clube de Benefícios	192,351	198,925	98,420	98,455
Card transactions	187,753	104,941	46,181	59,550
Gains/(losses) from the disposal of other assets	107,804	127,488	53,038	78,774
Capital gains ¹	74,026	273,291	16,561	17,339
Reversal of provisions for sundry payments	60,731	262,466	24,166	209,740
Gains/(losses) from permanent investments disposal ²	--	337,850	--	--
Other	584,266	502,301	254,812	289,497
Total	5,669,665	5,794,169	2,672,023	2,735,027

1 - Includes the recognition of the amount of R\$ 240,189 thousand of the investment in CIP S.A., in the 1st quarter/2022 (Note 3).

2 - Related to the sale of the equity interest of BB Elo Cartões Participações S.A. at Banco Digio S.A., in the 1st quarter/2022 (Note 3).



In thousands of Reais, unless otherwise stated

b) Other operating expenses

	1st half/2023	1st half/2022	2nd quarter/2023	2nd quarter/2022
Loss on the monetary position ¹	(1,569,196)	(842,782)	(760,227)	(324,625)
Performance bonus paid to customers for loyalty	(633,013)	(906,768)	(300,802)	(451,972)
Adjustment of actuarial liabilities	(631,858)	(594,323)	(315,929)	(297,161)
Compensation for transactions of banking correspondents and business partners	(321,030)	(266,187)	(149,868)	(116,486)
Life insurance premium – consumer credit	(176,434)	(120,915)	(88,386)	(61,242)
Operating losses	(134,623)	(125,403)	(70,386)	(75,479)
Commission for credit recovery	(43,375)	(50,033)	(20,039)	(28,971)
Capital losses	(40,111)	(72,261)	(18,265)	(2,744)
Recognition of impairment for devaluation of other assets	(22,581)	(14,824)	(9,618)	(5,939)
Inflation adjustment of amounts to be paid	(19,553)	(20,141)	(7,653)	(7,394)
Fees for the use of Sisbacen – Brazilian Central Bank System	(17,490)	(17,427)	(8,396)	(7,958)
Liabilities for operations linked to assignments	(8,722)	(9,559)	(4,425)	(4,835)
Inflation adjustments of payables to the National Treasury	(178)	(2,191)	(83)	3
Proagro expenses	(99)	(59)	(38)	(28)
Inflation adjustments of tax obligations under legal discussion	--	(414,302)	--	(225,130)
Other	(705,160)	(680,328)	(452,415)	(334,730)
Total	(4,323,423)	(4,137,503)	(2,206,530)	(1,944,691)

1 – Refers to the inflation adjustments on Banco Patagonia's non-monetary and income items in accordance with IAS 29.

8– Personnel expenses

	1st half/2023	1st half/2022	2nd quarter/2023	2nd quarter/2022
Wages and salaries	(6,692,970)	(6,242,022)	(3,405,022)	(3,206,820)
Social security costs	(2,230,891)	(2,086,285)	(1,108,599)	(1,060,670)
Profit sharing ¹	(2,121,383)	(1,828,031)	(1,071,086)	(975,331)
Benefits	(1,900,945)	(1,717,909)	(956,299)	(858,973)
Private pension plans	(444,493)	(410,573)	(228,263)	(207,829)
Directors' and officers' remuneration	(30,369)	(26,587)	(16,585)	(14,100)
Staff training	(21,928)	(30,381)	(13,224)	(19,898)
Total	(13,442,979)	(12,341,788)	(6,799,078)	(6,343,621)

1 – It includes the amount of R\$ 6,458 thousand in the 1st half/2023 (R\$ 5,469 thousand in the 1st half/2022) related to Share-based payment for the Executive Board (Note 21.I).



In thousands of Reais, unless otherwise stated

9– Other administrative expenses

	1st half/2023	1st half/2022	2nd quarter/2023	2nd quarter/2022
Surveillance and security services	(656,122)	(598,124)	(343,035)	(308,683)
Outsourced services	(602,235)	(595,196)	(292,261)	(305,977)
Data processing	(473,558)	(350,885)	(245,598)	(184,077)
Maintenance and preservation	(430,595)	(373,793)	(209,174)	(188,045)
Transportation	(316,282)	(296,758)	(155,383)	(159,048)
Programa de Desempenho Gratificado - PDG	(292,972)	(279,039)	(142,291)	(139,519)
Specialized technical services	(267,331)	(215,580)	(147,835)	(119,403)
Communication expenses	(247,450)	(216,866)	(119,366)	(110,147)
Water, energy and gas	(245,012)	(281,294)	(123,239)	(137,891)
Marketing expenses	(211,688)	(217,276)	(119,977)	(128,973)
Promotion and public relations	(108,620)	(108,607)	(68,967)	(67,198)
Philanthropic contributions	(83,691)	(80,023)	(81,509)	(1,278)
Rental and operating leases expenses	(72,053)	(18,153)	(29,671)	(16,152)
Travel expenses	(55,186)	(33,886)	(30,847)	(19,963)
Office supplies	(17,143)	(21,889)	(8,852)	(10,151)
Other	(246,898)	(249,524)	(122,357)	(128,772)
Total	(4,326,836)	(3,936,893)	(2,240,362)	(2,025,277)

10– Cash and cash equivalents

	Jun 30, 2023	Dec 31, 2022
Cash and bank deposits	22,541,168	18,310,546
Local currency	10,791,808	8,407,179
Foreign currency	11,749,360	9,903,367
Interbank investments ¹	42,719,195	50,515,733
Securities purchased under resale agreements	2,128,967	4,107,564
Interbank deposits	39,868,240	46,408,169
Foreign currency	721,988	--
Total	65,260,363	68,826,279

¹ - Investments whose original maturity is less than or equal to 90 days and with insignificant risk of change in fair value.



In thousands of Reais, unless otherwise stated

11– Loans to financial institutions

	Jun 30, 2023	Dec 31, 2022
Securities purchased under resale agreements	383,702,632	360,620,474
Reverse repos - own resources	2,276,054	4,564,647
National Treasury bills	194,133	368,662
National Treasury bills	41,444	--
Treasury Financial bills	3,036	13,635
Other securities	2,037,441	4,182,350
Reverse repos - financed position	381,426,578	356,055,827
National Treasury bills	217,575,076	247,312,465
National Treasury bills	82,932,376	107,411,310
Treasury Financial bills	79,838,702	--
Other securities	1,080,536	1,332,246
Expected losses on other securities	(112)	(194)
Interbank deposits	48,807,143	55,199,823
Interbank deposits	48,809,999	55,253,031
Expected credit losses on interbank deposits	(2,856)	(53,208)
Loan portfolios acquired with guarantee from the transferor	10,570,246	7,408,131
Loan portfolios acquired with guarantee from the transferor	10,582,384	7,411,448
Expected credit losses on loan portfolios acquired with guarantee from the transferor	(12,138)	(3,317)
Total	443,080,021	423,228,428

Changes in expected credit losses

	Dec 31, 2022	(Allowance)/ reversal	Jun 30, 2023
Expected losses on other securities	(194)	82	(112)
Expected credit losses on interbank deposits	(53,208)	50,352	(2,856)
Expected credit losses on loan portfolios acquired with guarantee from the transferor	(3,317)	(8,821)	(12,138)
Total	(56,719)	41,613	(15,106)

	Dec 31, 2021	(Allowance)/ reversal	Dec 31, 2022
Expected losses on other securities	(162)	(32)	(194)
Expected credit losses on interbank deposits	(3,806)	(49,402)	(53,208)
Expected credit losses on loan portfolios acquired with guarantee from the transferor	(9,386)	6,069	(3,317)
Total	(13,354)	(43,365)	(56,719)



In thousands of Reais, unless otherwise stated

12– Financial assets and liabilities

a) Financial assets and liabilities at fair value through profit or loss

Financial assets at fair value

Jun 30, 2023	Cost value	Gains/(losses)	Fair value
Debt instruments	11,280,758	275,198	11,555,956
Securities issued by non-financial companies	2,441,181	(35,843)	2,405,338
Securities issued by financial companies	2,192,354	24,586	2,216,940
Brazilian federal government bonds	6,122,231	83,261	6,205,492
Investments in mutual funds	191,428	87,571	278,999
Federal government bonds	211,644	117,399	329,043
Brazilian government bonds issued abroad	121,920	(1,776)	120,144
Equity instruments	191,244	5,439	196,683
Marketable equity shares	191,244	5,439	196,683
Total	11,472,002	280,637	11,752,639

Dec 31, 2022	Cost value	Gains/(losses)	Fair value
Debt instruments	10,294,899	(19,613)	10,275,286
Securities issued by non-financial companies	5,304,112	(168,803)	5,135,309
Securities issued by financial companies	2,496,533	(57,881)	2,438,652
Brazilian federal government bonds	1,836,044	7,333	1,843,377
Investments in mutual funds	351,121	91,329	442,450
Federal government bonds	152,412	112,414	264,826
Brazilian government bonds issued abroad	154,677	(4,005)	150,672
Equity instruments	193,343	(28,686)	164,657
Marketable equity shares	193,343	(28,686)	164,657
Total	10,488,242	(48,299)	10,439,943

No financial assets and liabilities at fair value through profit or loss were reclassified during 2023.

In the period of 2022, in order to reflect the business dynamics for the product involved, there was a reclassification of financial assets “at fair value through profit or loss” to “at fair value through other comprehensive income” in the amount of R\$ 176,799 thousand in Brazilian government bonds issued abroad. There was no impact on income or equity.



In thousands of Reais, unless otherwise stated

Derivative financial instruments (assets)

Jun 30, 2023	Cost value	Gains/(losses)	Fair value
Swaps	1,966,113	371,463	2,337,576
Forwards	2,612,639	(135,805)	2,476,834
Options	231,817	(191,719)	40,098
Other ¹	19,065	5,522	24,587
Total	4,829,634	49,461	4,879,095

Dec 31, 2022	Cost value	Gains/(losses)	Fair value
Swaps	1,001,538	133,241	1,134,779
Forwards	744,683	(349,658)	395,025
Options	272,076	(183,034)	89,042
Other ¹	39,087	(19,864)	19,223
Total	2,057,384	(419,315)	1,638,069

1 - Other derivatives contracts are primarily related to Non Deliverable Forward (NDF) contracts which are traded in over-the-counter (OTC) market, and CDS (Credit Default Swap).

Derivative financial instruments (liabilities)

Jun 30, 2023	Cost value	Gains/(losses)	Fair value
Forwards	(3,230,914)	282,936	(2,947,978)
Swaps	(1,120,048)	(330,407)	(1,450,455)
Options	(256,407)	(352,206)	(608,613)
Other	(97,784)	(10,072)	(107,856)
Total	(4,705,153)	(409,749)	(5,114,902)



In thousands of Reais, unless otherwise stated

Dec 31, 2022	Cost value	Gains/(losses)	Fair value
Forwards	(1,972,065)	898,638	(1,073,427)
Swaps	(1,021,623)	(3,313)	(1,024,936)
Options	(289,378)	(236,198)	(525,576)
Other	(115,849)	(25,009)	(140,858)
Total	(3,398,915)	634,118	(2,764,797)

b) Financial assets at fair value through other comprehensive income

Jun 30, 2023	Cost value	Gains/(losses)	Expected credit losses	Fair value
Debt instruments				
Brazilian federal government bonds	290,179,099	(558,886)	--	289,620,213
Securities issued by non-financial companies	57,073,620	(1,568,915)	(61,330)	55,443,375
Federal government bonds	17,171,733	4,513	(206,809)	16,969,437
Brazilian government bonds issued abroad	9,843,388	(1,133,957)	(376)	8,709,055
Investments in mutual funds	2,831,866	1,987,597	(2,327)	4,817,136
Securities issued by financial companies	1,094,357	13,218	--	1,107,575
Total	378,194,063	(1,256,430)	(270,842)	376,666,791

Dec 31, 2022	Cost value	Gains/(losses)	Expected credit losses	Fair value
Debt instruments				
Brazilian federal government bonds	295,303,088	(1,794,890)	--	293,508,198
Securities issued by non-financial companies	51,501,802	(925,369)	(26,908)	50,549,525
Federal government bonds	13,761,396	(278,769)	(50,314)	13,432,313
Brazilian government bonds issued abroad	9,878,395	(1,439,449)	(50,112)	8,388,834
Investments in mutual funds	2,294,090	1,578,221	(1,608)	3,870,703
Securities issued by financial companies	21,585	(404)	--	21,181
Total	372,760,356	(2,860,660)	(128,942)	369,770,754

Reconciliation of changes concerning expected credit losses

	Dec 31, 2022	(Allowance) / reversal	Jun 30, 2023
Expected credit losses			
Federal government bonds	(50,314)	(156,495)	(206,809)
Brazilian government bonds issued abroad	(50,112)	49,736	(376)
Securities issued by non-financial companies	(26,908)	(34,422)	(61,330)
Investments in mutual funds	(1,608)	(719)	(2,327)
Securities issued by financial companies	--	--	--
Total	(128,942)	(141,900)	(270,842)



In thousands of Reais, unless otherwise stated

Fair value of the financial assets that are pledged as collateral

	Jun 30, 2023	Dec 31, 2022
Repurchase agreements	190,950,567	205,713,059
Guarantees provided	8,566,171	4,004,104
Total	199,516,738	209,717,163

Financial assets at fair value through other comprehensive income pledged as collateral represent government bonds pledged in derivatives transactions and the trading of securities and currencies on the B3 Stock Exchange. They also include collateral for equities transactions through the Câmara Brasileira de Liquidação e Custódia (CBLIC – Brazilian Clearing & Depositary Corp.).

No financial assets at fair value through other comprehensive income were reclassified during 2023.

In order to reflect the business dynamics for the products involved, the following reclassifications were carried out in the period of 2022:

I – from assets “at fair value through profit or loss” to “at fair value through other comprehensive income” in the amount of R\$ 176,799 thousand in Brazilian government bonds issued abroad. There was no impact on income or equity.

II – financial assets “at fair value through other comprehensive income” to “securities at amortized cost” in the amount of R\$ 10,953,163 thousand (Certificates of agribusiness credit rights). There was no impact on income or equity. The accumulated effect of mark-to-market on equity for these securities, up to the reclassification date, is negative by R\$ 15,415 thousand, net of taxes.

c) Securities at amortized cost

	Up to 1 year	1 to 5 years	5 to 10 years	Over 10 years	Jun 30, 2023
Debt instruments					
Securities issued by non-financial companies	9,424,046	19,396,791	5,683,865	3,995,106	38,499,808
Brazilian federal government bonds	10,484,669	2,773,841	--	--	13,258,510
Brazilian government bonds issued abroad	--	2,428,671	--	--	2,428,671
Federal government bonds	103,547	1,503,486	--	--	1,607,033
Securities issued by financial companies	48,432	--	--	3	48,435
Subtotal	20,060,694	26,102,789	5,683,865	3,995,109	55,842,457
Expected losses on securities	(29,811)	(111,580)	(15,555)	(2,740,034)	(2,896,980)
Total	20,030,883	25,991,209	5,668,310	1,255,075	52,945,477



In thousands of Reais, unless otherwise stated

	Up to 1 year	1 to 5 years	5 to 10 years	Over 10 years	Dec 31, 2022
Debt instruments					
Securities issued by non-financial companies	10,139,533	12,999,221	5,934,388	1,166,518	30,239,660
Brazilian federal government bonds	7,382,193	5,449,886	--	--	12,832,079
Brazilian government bonds issued abroad	--	1,281,039	1,361,842	--	2,642,881
Federal government bonds	1,384,299	1,116,551	--	--	2,500,850
Securities issued by financial companies	20,927	--	--	3	20,930
Subtotal	18,926,952	20,846,697	7,296,230	1,166,521	48,236,400
Expected losses on securities	(93,717)	(104,835)	(35,323)	(6,101)	(239,976)
Total	18,833,235	20,741,862	7,260,907	1,160,420	47,996,424

Reconciliation of changes concerning expected credit losses

	Dec 31, 2022	(Allowance) / reversal	Jun 30, 2023
Expected credit losses			
Securities issued by non-financial companies	(158,154)	(2,676,309)	(2,834,463)
Federal government bonds	(73,504)	11,109	(62,395)
Brazilian government bonds issued abroad	(8,318)	8,196	(122)
Total	(239,976)	(2,657,004)	(2,896,980)

No securities at amortized cost were reclassified during 2023.

In the period of 2022, in order to reflect the business dynamics for the product involved (Certificates of agribusiness credit rights), there was a reclassification of financial assets "at fair value through other comprehensive income" to "securities at amortized cost" in the amount of R\$ 10,953,163 thousand. There was no impact on income or equity. The accumulated effect of mark-to-market on equity for these securities, up to the reclassification date, is negative by R\$ 15,415 thousand, net of taxes.



In thousands of Reais, unless otherwise stated

13– Loans to customers

a) Loan portfolio by type

	Average maturity (months)	Jun 30, 2023	Dec 31, 2022
Loans		820,217,128	796,326,140
Loans and discounted credits rights ¹	43	345,824,484	332,280,880
- Corporations		152,496,135	148,481,510
- Individuals		193,328,349	183,799,370
Financing ²	58	127,759,307	124,277,536
- Corporations		122,090,659	118,754,528
- Individuals		5,668,648	5,523,008
Rural and agribusiness financing	83	293,620,693	288,354,433
- Corporations		14,475,806	13,612,531
- Individuals		279,144,887	274,741,902
Real estate financing	348	52,866,403	51,251,488
- Corporations		2,547,871	1,878,527
- Individuals		50,318,532	49,372,961
Loans sold under assignment	266	146,241	161,803
- Individuals		146,241	161,803
Others receivables with loan characteristics		89,534,564	86,385,440
Credit card operations	4	49,362,404	49,502,383
- Corporations		3,268,263	2,972,431
- Individuals		46,094,141	46,529,952
Advances on foreign exchange contracts	12	24,922,258	23,910,738
- Corporations		24,745,714	23,784,268
- Individuals		176,544	126,470
Receivables acquisition	7	12,008,533	10,160,141
- Corporations		12,008,533	10,160,141
Guarantees honored	5	75,686	31,023
- Corporations		75,686	28,180
- Individuals		--	2,843
Others	261	3,165,683	2,781,155
- Corporations		3,165,311	2,780,755
- Individuals		372	400
Leasing portfolio	46	525,538	414,726
- Corporations		518,373	407,774
- Individuals		7,165	6,952
Total loans to customers portfolio		910,277,230	883,126,306
Expected credit losses for loans to customers		(49,850,952)	(50,187,749)
Expected credit losses for loans		(46,838,116)	(46,910,808)
Expected credit losses for other receivables		(3,005,108)	(3,270,844)
Expected credit losses for leasing portfolio		(7,728)	(6,097)
Total loans to customers, net		860,426,278	832,938,557

1 - The balance of "loans and discounted credits rights" to corporations is mainly composed of working capital loans and discounted receivables. The balance of "loans and discounted credits rights" to individuals is mainly composed of personal loans (mostly consumer credit and overdrafts accounts) and credit card balances (revolving credit).

2 - The balance of "financing" to corporations is mainly composed of export, pre-export and import financing and other medium-term financing funded with onlending resources. The balance of "financing" to individuals is mainly composed of vehicle financing.



In thousands of Reais, unless otherwise stated

b) Loan portfolio by economic sectors

	Jun 30, 2023	%	Dec 31, 2022	%
Public sector	58,148,435	6.5	57,543,027	6.5
Public administration	53,309,888	5.9	52,816,209	5.9
Oil sector	2,616,388	0.3	2,625,600	0.3
Electricity	837,206	0.1	846,818	0.1
Services	634,491	0.1	539,490	0.1
Other activities	750,462	0.1	714,910	0.1
Private sector	852,128,795	93.5	825,583,279	93.5
Individuals	574,884,879	63.2	560,265,661	63.4
Corporations	277,243,916	30.3	265,317,618	30.1
Agribusiness of plant origin	40,224,206	4.4	39,441,363	4.6
Services	30,745,181	3.4	32,044,525	3.7
Mining and metallurgy	20,223,004	2.2	19,739,757	2.2
Electricity	16,694,095	1.8	13,563,642	1.5
Retail commerce	16,428,741	1.8	16,260,340	1.8
Agribusiness of animal origin	16,202,445	1.8	14,291,895	1.6
Transportation	15,125,786	1.7	14,795,926	1.7
Financial services	13,499,466	1.5	11,765,975	1.3
Automotive sector	13,217,147	1.5	12,955,178	1.5
Agricultural inputs	12,414,384	1.4	11,716,655	1.3
Fuel	11,386,653	1.3	10,829,193	1.2
Electronics	10,266,553	1.1	9,842,819	1.1
Specific activities of construction	9,912,507	1.1	9,857,040	1.1
Chemical	9,566,309	1.1	9,234,899	1.0
Wholesale and various industries	8,834,907	1.0	8,583,571	1.0
Real estate agents	8,549,830	0.8	7,136,047	0.8
Textile and clothing	7,365,282	0.8	7,101,570	0.8
Woodworking and furniture market	5,568,764	0.6	5,220,448	0.6
Pulp and paper	4,031,110	0.4	3,984,616	0.5
Heavy construction	3,421,879	0.3	2,986,726	0.3
Telecommunications	2,542,417	0.2	2,248,711	0.3
Other activities	1,023,250	0.1	1,716,722	0.2
Total loans to customers portfolio	910,277,230	100.0	883,126,306	100.0

c) Loans to customers by maturity

The majority of our loans require principal and interest payments on a monthly, quarterly, semi-annual or annual basis. The table below shows the book value of the Bank's loan installments according to their contractual maturities. For loans with a single installment, the entire loan balance is presented according to the final maturity date.



In thousands of Reais, unless otherwise stated

	Jun 30, 2023	Dec 31, 2022
Installments falling due		
1 to 30 days	78,200,591	71,144,420
31 to 60 days	39,020,461	33,134,830
61 to 90 days	37,851,271	28,363,524
91 to 180 days	91,226,894	90,678,011
181 to 360 days	119,708,034	145,510,865
361 to 1080 days	235,150,899	218,763,096
1081 to 1800 days	128,001,013	119,412,573
More than 1800 days	166,570,603	162,146,527
Subtotal	895,729,766	869,153,846
Installments overdue		
1 to 14 days	1,204,144	1,576,508
15 to 30 days	977,719	1,011,515
31 to 60 days	1,390,085	1,313,804
61 to 90 days	1,258,576	1,133,203
91 to 180 days	3,634,295	3,210,068
181 to 360 days	5,580,634	5,272,431
More than 360 days	502,011	454,931
Subtotal	14,547,464	13,972,460
Total	910,277,230	883,126,306

d) Leasing portfolio by maturity

	Jun 30, 2023			Dec 31, 2022		
	Minimum lease payments	Unearned finance income	Present value	Minimum lease payments	Unearned finance income	Present value
Up to one year ¹	225,870	(52,531)	173,339	183,639	(43,984)	139,655
Over one year to five years	449,040	(104,435)	344,605	359,182	(86,030)	273,152
Over five years	9,894	(2,300)	7,594	2,523	(604)	1,919
Total	684,804	(159,266)	525,538	545,344	(130,618)	414,726

1 - Includes amounts related to installments overdue.



In thousands of Reais, unless otherwise stated

e) Loans to customers by stages

	Jun 30, 2023			
	Stage 1	Stage 2	Stage 3	Total
Loans	701,149,610	64,035,699	55,031,819	820,217,128
Loans and discounted credits rights	267,580,125	41,325,563	36,918,796	345,824,484
Financing	117,839,367	5,546,736	4,373,204	127,759,307
Rural and agribusiness financing	274,075,782	11,100,994	8,443,917	293,620,693
Real estate financing	41,518,368	6,054,299	5,293,736	52,866,403
Loans sold under assignment	135,968	8,107	2,166	146,241
Others receivables with loan characteristics	85,908,871	2,084,381	1,541,312	89,534,564
Credit card operations	47,322,904	1,543,967	495,533	49,362,404
Advances on foreign exchange contracts	23,748,576	525,669	648,013	24,922,258
Receivables acquisition	11,671,781	10,733	326,019	12,008,533
Guarantees honored	--	3,939	71,747	75,686
Other	3,165,610	73	--	3,165,683
Leasing portfolio	504,371	20,941	226	525,538
Total loans to customers portfolio	787,562,852	66,141,021	56,573,357	910,277,230
Expected credit losses for loans to customers	(9,547,184)	(6,529,530)	(33,774,238)	(49,850,952)
Total loans to customers, net	778,015,668	59,611,491	22,799,119	860,426,278

	Dec 31, 2022			
	Stage 1	Stage 2	Stage 3	Total
Loans	682,143,177	59,812,793	54,370,170	796,326,140
Loans and discounted credits rights	258,732,796	36,675,548	36,872,536	332,280,880
Financing	114,567,195	5,472,028	4,238,313	124,277,536
Rural and agribusiness financing	268,907,304	11,292,151	8,154,978	288,354,433
Real estate financing	39,789,730	6,359,720	5,102,038	51,251,488
Loans sold under assignment	146,152	13,346	2,305	161,803
Others receivables with loan characteristics	80,800,009	3,847,392	1,738,039	86,385,440
Credit card operations	45,041,235	3,740,618	720,530	49,502,383
Advances on foreign exchange contracts	23,124,774	103,100	682,864	23,910,738
Receivables acquisition	9,852,394	3,167	304,580	10,160,141
Guarantees honored	604	406	30,013	31,023
Other	2,781,002	101	52	2,781,155
Leasing portfolio	407,614	6,792	320	414,726
Total loans to customers portfolio	763,350,800	63,666,977	56,108,529	883,126,306
Expected credit losses for loans to customers	(10,291,599)	(6,312,679)	(33,583,471)	(50,187,749)
Total loans to customers, net	753,059,201	57,354,298	22,525,058	832,938,557



In thousands of Reais, unless otherwise stated

f) Renegotiated credit transactions

	1st half/2023	1st half/2022	2nd quarter/2023	2nd quarter/2022
Credits renegotiated during the period	48,830,573	38,135,788	26,068,785	20,586,550
Renegotiated for delay ¹	11,189,315	6,959,358	6,689,176	3,740,640
– Corporations	5,965,744	2,974,935	3,467,915	1,738,930
– Individuals	5,223,571	3,984,423	3,221,261	2,001,710
Renewed ²	37,641,258	31,176,430	19,379,609	16,845,910
– Corporations	10,316,072	6,272,023	5,822,990	3,091,322
– Individuals	27,325,186	24,904,407	13,556,619	13,754,588
Changes in renegotiated credit transactions for delay				
Opening balance	32,689,826	28,512,842	31,379,822	29,345,421
Contracts ¹	11,189,315	6,959,358	6,689,176	3,740,640
Interest or principal payment net of interest accrual ³	(7,763,521)	(3,480,430)	(2,829,319)	(2,038,758)
Write-off	(1,997,184)	(2,047,584)	(1,121,243)	(1,103,117)
Closing balance ⁴	34,118,436	29,944,186	34,118,436	29,944,186
Loans 90 days or more past due	4,439,171	2,115,556		
(%) Portfolio which is 90 days or more past due	13.0%	7.1%		

1 – Renegotiated credit transactions due to payment delay by clients.

2 – Renegotiated credit transactions of loans prior to maturity for the extension, renewal, granting of new credit for partial or full settlement of previous loans or any other type of agreement that changes the maturity or the originally agreed payment terms.

3 – In the 1st half/2023 includes renegotiated credits swapped for a securities, within the scope of judicial recovery.

4 – Includes the amount of R\$ 994 thousand (R\$ 6,602 thousand as of Jun 30, 2022) related to renegotiated rural credits. The amount of R\$ 16,747,613 thousand (R\$ 11,858,167 thousand as of Jun 30, 2022), related to deferred credits from rural portfolio governed by specific legislation, is not included.

14– Expected credit losses on loans to customers

a) Expected credit losses on loans to customers, net

	1st half/2023	1st half/2022	2nd quarter/2023	2nd quarter/2022
Constitution	(12,376,562)	(10,879,089)	(7,204,665)	(4,386,636)
Recovery ¹	3,229,133	3,343,786	1,731,796	1,690,567
Expected credit losses for loans to customers, net	(9,147,429)	(7,535,303)	(5,472,869)	(2,696,069)

1 – Refers to recovery of principal.



In thousands of Reais, unless otherwise stated

b) Reconciliation of changes

	1st half/2023				
	Opening balance	Constitution/ (reversal) for losses	Write-offs	Exchange rate changes	Closing balance
Loans	46,910,808	12,623,066	(12,618,243)	(77,515)	46,838,116
Loans and discounted credits rights	33,679,430	10,463,021	(10,853,871)	(73,730)	33,214,850
Financing	3,609,110	415,004	(396,389)	(3,785)	3,623,940
Rural and agribusiness financing	6,878,675	1,196,972	(1,069,545)	--	7,006,102
Real estate financing	2,740,895	548,311	(298,438)	--	2,990,768
Loans sold under assignment	2,698	(242)	--	--	2,456
Others receivables with loan characteristics	3,270,844	(248,733)	(8,286)	(8,717)	3,005,108
Credit card operations	2,676,268	(333,708)	(2,698)	(8,717)	2,331,145
Advances on foreign exchange contracts	444,017	(36,652)	--	--	407,365
Receivables acquisition	134,288	97,821	--	--	232,109
Guarantees honored	15,210	21,782	(5,535)	--	31,457
Other	1,061	2,024	(53)	--	3,032
Leasing portfolio	6,097	2,229	(306)	(292)	7,728
Total	50,187,749	12,376,562	(12,626,835)	(86,524)	49,850,952

	1st half/2022				
	Opening balance	Constitution/ (reversal) for losses	Write-offs	Exchange rate changes	Closing balance
Loans	40,707,832	10,692,654	(9,524,920)	(68,544)	41,807,022
Loans and discounted credits rights	24,884,437	10,188,388	(7,512,705)	(53,734)	27,506,386
Financing	4,867,012	(708,087)	(264,399)	(14,810)	3,879,716
Rural and agribusiness financing	8,372,262	741,663	(1,287,942)	--	7,825,983
Real estate financing	2,581,180	470,865	(459,874)	--	2,592,171
Loans sold under assignment	2,941	(175)	--	--	2,766
Others receivables with loan characteristics	2,378,163	186,388	(88,406)	16,308	2,492,453
Credit card operations	2,089,382	6,579	(4,711)	16,308	2,107,558
Advances on foreign exchange contracts	254,469	114,126	--	--	368,595
Receivables acquisition	9,182	(3,409)	--	--	5,773
Guarantees honored	22,480	70,837	(83,168)	--	10,149
Other	2,650	(1,745)	(527)	--	378
Leasing portfolio	4,418	47	(77)	209	4,597
Total	43,090,413	10,879,089	(9,613,403)	(52,027)	44,304,072



In thousands of Reais, unless otherwise stated

c) Breakdown of expected credit losses on loans to customers classified by product and stages

	Jun 30, 2023							
	Stage 1		Stage 2		Stage 3		Total	
	Credit amount	Expected credit losses	Credit amount	Expected credit losses	Credit amount	Expected credit losses	Credit amount	Expected credit losses
Loans	701,149,610	(7,667,848)	64,035,699	(6,345,465)	55,031,819	(32,824,803)	820,217,128	(46,838,116)
Loans and discounted credits rights	267,580,125	(4,804,567)	41,325,563	(4,953,893)	36,918,796	(23,456,390)	345,824,484	(33,214,850)
Financing	117,839,367	(599,722)	5,546,736	(163,414)	4,373,204	(2,860,804)	127,759,307	(3,623,940)
Rural and agribusiness financing	274,075,782	(1,825,392)	11,100,994	(767,017)	8,443,917	(4,413,693)	293,620,693	(7,006,102)
Real estate financing	41,518,368	(436,677)	6,054,299	(460,959)	5,293,736	(2,093,132)	52,866,403	(2,990,768)
Loans sold under assignment	135,968	(1,490)	8,107	(182)	2,166	(784)	146,241	(2,456)
Others receivables with loan characteristics	85,908,871	(1,872,109)	2,084,381	(183,696)	1,541,312	(949,303)	89,534,564	(3,005,108)
Credit card operations	47,322,904	(1,807,135)	1,543,967	(175,023)	495,533	(348,987)	49,362,404	(2,331,145)
Advances on foreign exchange contracts	23,748,576	(52,036)	525,669	(7,055)	648,013	(348,274)	24,922,258	(407,365)
Receivables acquisition	11,671,781	(9,906)	10,733	(55)	326,019	(222,148)	12,008,533	(232,109)
Guarantees honored	--	--	3,939	(1,563)	71,747	(29,894)	75,686	(31,457)
Other	3,165,610	(3,032)	73	--	--	--	3,165,683	(3,032)
Leasing portfolio	504,371	(7,227)	20,941	(369)	226	(132)	525,538	(7,728)
Total	787,562,852	(9,547,184)	66,141,021	(6,529,530)	56,573,357	(33,774,238)	910,277,230	(49,850,952)



In thousands of Reais, unless otherwise stated

	Dec 31, 2022							
	Stage 1		Stage 2		Stage 3		Total	
	Credit amount	Expected credit losses	Credit amount	Expected credit losses	Credit amount	Expected credit losses	Credit amount	Expected credit losses
Loans	682,143,177	(8,295,792)	59,812,793	(6,023,624)	54,370,170	(32,591,392)	796,326,140	(46,910,808)
Loans and discounted credits rights	258,732,796	(5,291,955)	36,675,548	(4,603,168)	36,872,536	(23,784,307)	332,280,880	(33,679,430)
Financing	114,567,195	(691,585)	5,472,028	(150,273)	4,238,313	(2,767,252)	124,277,536	(3,609,110)
Rural and agribusiness financing	268,907,304	(1,896,190)	11,292,151	(812,003)	8,154,978	(4,170,482)	288,354,433	(6,878,675)
Real estate financing	39,789,730	(414,471)	6,359,720	(457,925)	5,102,038	(1,868,499)	51,251,488	(2,740,895)
Loans sold under assignment	146,152	(1,591)	13,346	(255)	2,305	(852)	161,803	(2,698)
Others receivables with loan characteristics	80,800,009	(1,990,091)	3,847,392	(288,874)	1,738,039	(991,879)	86,385,440	(3,270,844)
Credit card operations	45,041,235	(1,907,780)	3,740,618	(286,530)	720,530	(481,958)	49,502,383	(2,676,268)
Advances on foreign exchange contracts	23,124,774	(75,135)	103,100	(2,042)	682,864	(366,840)	23,910,738	(444,017)
Receivables acquisition	9,852,394	(6,144)	3,167	(77)	304,580	(128,067)	10,160,141	(134,288)
Guarantees honored	604	(7)	406	(224)	30,013	(14,979)	31,023	(15,210)
Other	2,781,002	(1,025)	101	(1)	52	(35)	2,781,155	(1,061)
Leasing portfolio	407,614	(5,716)	6,792	(181)	320	(200)	414,726	(6,097)
Total	763,350,800	(10,291,599)	63,666,977	(6,312,679)	56,108,529	(33,583,471)	883,126,306	(50,187,749)



In thousands of Reais, unless otherwise stated

d) Breakdown of expected credit losses on loans to customers classified by product and type of customer

	Jun 30, 2023	Dec 31, 2022
Loans	46,838,116	46,910,808
Loans and discounted credits rights	33,214,850	33,679,430
- Corporations	14,788,179	16,055,354
- Individuals	18,426,671	17,624,076
Financing	3,623,940	3,609,110
- Corporations	3,278,581	3,319,953
- Individuals	345,359	289,157
Rural and agribusiness financing	7,006,102	6,878,675
- Corporations	60,822	221,505
- Individuals	6,945,280	6,657,170
Real estate financing	2,990,768	2,740,895
- Corporations	74,709	14,406
- Individuals	2,916,059	2,726,489
Loans sold under assignment	2,456	2,698
- Individuals	2,456	2,698
Others receivables with loan characteristics	3,005,108	3,270,844
Credit card operations	2,331,145	2,676,268
- Corporations	155,258	174,138
- Individuals	2,175,887	2,502,130
Advances on foreign exchange contracts	407,365	444,017
- Corporations	407,194	443,757
- Individuals	171	260
Receivables acquisition	232,109	134,288
- Corporations	232,109	134,288
Guarantees honored	31,457	15,210
- Corporations	31,457	14,024
- Individuals	--	1,186
Other	3,032	1,061
- Corporations	3,031	1,060
- Individuals	1	1
Leasing portfolio	7,728	6,097
- Corporations	7,450	5,938
- Individuals	278	159
Total	49,850,952	50,187,749



In thousands of Reais, unless otherwise stated

15– Investments in associates and joint ventures

a) Equity method investments

Company	Equity interest percentage				Adjusted shareholders' equity of investee		Carrying amount of investment		Net gains/(losses) from equity method investments				Dividends	
	Jun 30, 2023		Dec 31, 2022		Jun 30, 2023	Dec 31, 2022	Jun 30, 2023	Dec 31, 2022	1st half/2023	1st half/2022	2nd quarter/2023	2nd quarter/2022	1st half/2023	1st half/2022
	Total	Common stock	Total	Common stock										
Associates ¹ and joint ventures ²														
Banco Votorantim S.A. ³	50.00	49.99	50.00	49.99	12,559,592	12,565,823	6,277,141	6,281,244	217,997	359,198	63,507	222,732	190,000	84,746
Brasileprev Seguros e Previdência S.A. ⁴	74.99	49.99	74.99	49.99	7,526,641	6,580,110	5,644,605	4,934,753	741,132	666,330	394,397	312,787	374,975	248,487
Cielo S.A. ⁵	28.89	28.89	28.89	28.89	11,697,529	10,950,835	3,743,561	3,527,700	332,032	181,158	205,156	126,123	113,721	83,687
Cateno Gestão de Contas de Pagamentos S.A. ⁶	30.00	22.22	30.00	22.22	9,397,376	9,553,126	2,819,213	2,865,938	201,086	136,723	116,512	73,425	247,811	141,793
BB Mapfre Participações S.A. ⁷	74.99	49.99	74.99	49.99	2,794,524	2,576,020	2,784,036	2,620,180	1,328,630	745,667	714,753	504,296	1,217,088	316,820
Elo Participações Ltda.	49.99	49.99	49.99	49.99	2,527,701	2,640,061	1,263,598	1,319,766	394,370	299,705	207,484	161,071	486,475	363,243
UBS BB Serviços de Assessoria Financeira e Participações S.A. ⁸	49.99	49.99	49.99	49.99	1,445,710	1,468,858	722,709	734,280	(9,165)	6,387	(4,293)	13,160	--	--
Brasilcap Capitalização S.A. ⁹	66.77	49.99	66.77	49.99	664,598	650,829	554,499	544,591	84,213	78,239	42,358	42,783	97,591	555
Others ¹⁰							574,347	534,665	29,078	35,270	18,931	33,381	12,772	7,615
Unrealized profit ¹¹							(3,068,329)	(3,149,056)						
Total							21,315,380	20,214,061	3,319,373	2,508,677	1,758,805	1,489,758	2,740,433	1,246,946

1 - The Bank has significant influence over the investee through board seats or other measures.

2 - The Bank has joint control over the investees' relevant activities through contractual arrangements.

3 - Investment is reduced on the amount of R\$ 2,655 thousand due to the unrealized profit with Ativos S.A. Securitizadora de Créditos Financeiros referring to the assignment of credit rights (R\$ 1,668 thousand on Dec 31, 2022).

4 - Ownership interest held by BB Seguros Participações S.A. The percentage of effective equity interest of shareholders of the Bank is 49.77%.

5 - Includes the amount of R\$ 364,332 thousand related to goodwill on acquisition of the investment. The market value of this investment is R\$ 3,572,489 thousand (R\$ 4,078,397 thousand on Dec 31, 2022).

6 - Indirect ownership interest held by the Bank in Cateno, through its wholly-owned subsidiary BB Elo Cartões Participações S.A. The total interest held by the Bank is 50.22% (50.22% on Dec 31, 2022), considering that Cielo S.A. holds 70% of direct participation in Cateno.

7 - Ownership interest held by BB Seguros Participações S.A. The percentage of effective equity interest of shareholders of the Bank is 49.77%. Includes the amount of R\$ 688,423 thousand related to goodwill on acquisition of the investment.

8 - Company arising from the strategic partnership between BB-Banco de Investimentos S.A. and UBS A.G. to operate in investment banking and securities brokerage activities.

9 - Ownership interest held by BB Seguros Participações S.A. The percentage of effective equity interest of shareholders of the Bank is 44.31%. Includes the amount of R\$ 110,749 thousand related to goodwill on acquisition of the investment.

10 - Refers to investments in the following companies: Brasil Dental Operadora de Planos Odontológicos S.A., Cadam S.A., Ciclic Corretora de Seguros S.A., Gestora de Inteligência de Crédito S.A. - QUOD, Estruturadora Brasileira de Projetos - EBP, Galgo Sistemas de Informações S.A., Tecnologia Bancária S.A. - Tecban, Câmara Interbancárias de Pagamentos - CIP and Broto S.A. Investment value is reduced by impairment losses of R\$ 3,155 thousand (R\$ 3,145 thousand on Dec 31, 2022).

11 - Unrealized profit arising from the strategic partnership between BB Elo Cartões Participações S.A. and Cielo S.A., forming Cateno Gestão de Contas de Pagamento S.A. and unrealized profit arising from the strategic partnership between BB-BI and UBS A.G.



In thousands of Reais, unless otherwise stated

b) Qualitative information of associates and joint ventures

Company	Place of incorporation		Description	Segment	Strategic participation ¹
	Country	Headquarter location			
Banco Votorantim S.A.	Brazil	São Paulo (SP)	Performs various types of bank activities, such as consumer lending, leasing and investment fund management.	Banking	Yes
Brasilprev Seguros e Previdência S.A.	Brazil	São Paulo (SP)	Commercializes life insurance with survivor coverage and with private retirement and benefit plans.	Insurance	Yes
Cielo S.A.	Brazil	Barueri (SP)	Provides services related to credit and debit cards and payments services.	Electronic payments	Yes
Cateno Gestão de Contas de Pagamentos S.A.	Brazil	Barueri (SP)	Provides services related to the management of transactions arisen from credit and debit card operations.	Electronic payments	Yes
BB Mapfre Participações S.A.	Brazil	São Paulo (SP)	Acts as a holding company for other companies which deal with life, real estate and agricultural insurance.	Insurance	Yes
Elo Participações Ltda.	Brazil	Barueri (SP)	Acts as a holding company which consolidates the joint business related to electronic payment services.	Electronic payments	Yes
UBS BB Serviços de Assessoria Financeira e Participações S.A.	Brazil	São Paulo (SP)	Operates in investment banking and securities brokerage activities in the institutional segment in Brazil and in certain South American countries.	Investments	Yes
Brasilcap Capitalização S.A.	Brazil	Rio de Janeiro (RJ)	Commercializes capitalization plans and other products and services that capitalization companies are allowed to provide.	Insurance	Yes

1- Strategic investments are made in companies with activities that complement or support those of the Bank and its subsidiaries.



In thousands of Reais, unless otherwise stated

c) Reconciliation of changes

Company	Opening balance	Changes			Closing balance
	Dec 31, 2022	Net gains / (losses) from equity method investments	Dividends	Other changes ¹	Jun 30, 2023
Banco Votorantim S.A.	6,281,244	217,997	(190,000)	(32,100)	6,277,141
Brasileprev Seguros e Previdência S.A.	4,934,753	741,132	(374,975)	343,695	5,644,605
Cielo S.A.	3,527,700	332,032	(113,721)	(2,450)	3,743,561
Cateno Gestão de Contas de Pagamentos S.A.	2,865,938	201,086	(247,811)	--	2,819,213
BB Mapfre Participações S.A.	2,620,180	1,328,630	(1,217,088)	52,314	2,784,036
Elo Participações Ltda.	1,319,766	394,370	(486,475)	35,937	1,263,598
UBS BB Serviços de Assessoria Financeira e Participações S.A.	734,280	(9,165)	--	(2,406)	722,709
Brasilcap Capitalização S.A.	544,591	84,213	(97,591)	23,286	554,499
Others	534,665	29,078	(12,772)	23,376	574,347
Subtotal	23,363,117	3,319,373	(2,740,433)	441,652	24,383,709
Unrealized profit	(3,149,056)	--	--	80,727	(3,068,329)
Total	20,214,061	3,319,373	(2,740,433)	522,379	21,315,380

1 - Refers mainly to unrealized gains/(losses) on financial assets at fair value through other comprehensive income, foreign exchange changes on investments abroad and adjustments from previous years made by the investees.

d) Other information

The associates and joint ventures do not expose the Bank to any significant contingent liabilities.

None of the Bank's associates or joint ventures presented significant restrictions on the transfer of resources in the form of cash dividends or the repayment of loans or advances.

None of the associates or joint ventures had discontinued operations.

The Bank does not have any unrecognized losses with respect to its associates or joint ventures in the periods presented or carried-forward from previous years.



In thousands of Reais, unless otherwise stated

16– Customer resources

	Jun 30, 2023	Dec 31, 2022
Domestic	717,551,693	701,588,908
Demand deposits	91,225,973	93,739,078
Non-interest bearing deposits	90,978,090	93,504,697
Interest bearing deposits ¹	247,883	234,381
Savings deposits	205,952,535	213,435,806
Time deposits	420,373,185	394,414,024
Abroad	50,979,033	51,674,139
Demand deposits	14,444,300	14,537,779
Non-interest bearing deposits	14,444,300	14,537,779
Time deposits	36,534,733	37,136,360
Total	768,530,726	753,263,047

1 - Refers to "special accounts", whose purpose is to record the movement of foreign currency accounts opened in the country on behalf of embassies, legations abroad, international organizations, as well as public entities beneficiaries for credit or borrowers of loans granted by international financial bodies or foreign government agencies.

17– Financial institutions resources

	Jun 30, 2023	Dec 31, 2022
Securities sold under repurchase agreements	574,831,776	564,453,599
Own portfolio	194,485,622	209,729,852
Treasury Financial bills	182,679,240	194,439,807
Private securities	7,620,141	10,524,493
Securities abroad	4,186,241	4,765,545
National Treasury bills	--	7
Third-party portfolio	380,346,154	354,723,747
National Treasury notes	217,575,076	247,312,446
National Treasury bills	83,126,363	107,411,301
Treasury Financial bills	79,644,715	--
Amount payable to financial institutions	24,977,935	24,082,857
Financial institutions deposits	24,831,616	23,921,286
Loan portfolios assigned with guarantee of the Bank	146,319	161,571
On-lending	62,495,048	64,386,265
Total	662,304,759	652,922,721

18– Funds from issuance of securities

	Jun 30, 2023	Dec 31, 2022
Funds from issuance of securities	222,591,920	174,913,838
Subordinated debt abroad	39,420,637	54,832,126
Total	262,012,557	229,745,964



19– Provisions, contingent assets and liabilities

Civil lawsuits

Civil lawsuits relate mainly to claims from customers and users of the Bank's network. In most cases, they are requesting indemnification for material or moral damages arising from banking products or services, inflationary deductions from Economic Plans about financial investments, judicial deposits and rural credit, return of payment due to revision of contractual clauses on financial responsibilities and actions of demanding accounts proposed by customers to explain entries made in checking accounts.

Indemnifications for material and moral damages are ordinarily based on consumer protection laws and generally settled in specific civil courts. In them, compensations are limited to forty times the minimum wage (R\$ 1,320.00 on June 30, 2023).

The Bank is a defendant in claims seeking the payment and refunding of the difference between the actual inflation rate and the inflation rate used for the adjustment of financial investments and judicial deposits (Bresser Plan, Verão Plans and Collor Plans I and II), and the overpayment on rural credit on March, 1990 (Collor Plan I).

Although it complied with prevailing laws and regulations at the time, the Bank set-up provisions for these lawsuits. The provisions consider claims brought against the Bank and the loss risk. Loss probabilities are determined after an analysis of each claim considering the most recent decisions in the Superior Courts of Justice (STJ) in the Federal Supreme Court (STF).

With respect to cases involving the financial investments related to Economic Plans, the STF suspended prosecution of all cases in the knowledge phase. This will be the case until the court issues a definitive ruling. In the end of 2017, Febraban and the entities representing the savers signed an agreement about the demands involving the economic plans in savings accounts. This agreement has already been approved by STF. Since May 2018, savers can join the agreement, through a tool made available by Febraban. On March 12, 2020, the agreement was extended for 30 months, according to the Amendment signed by the entities representing financial institutions and consumers, being approved by the Plenary of the STF, according to the judgment published on June, 18, 2020, and newly extended for another 30 months, in voting at the Virtual Plenary of the STF, finalized on December, 12, 2022, whose judgment was published on January, 09, 2023.

Regarding lawsuits related to inflationary purges in judicial deposits, Minister Edson Fachin of the Federal Supreme Court, after acknowledging the general repercussion of the constitutional matter dealt with in the Extraordinary Appeal interposed by the Bank, the Caixa Econômica Federal, the Federal Government and the Febraban (RE no. 1,141,156/RJ), has ordered the suspension of the processes that deal with the matter and that process in the national territory, which was confirmed by STF on December 19, 2019.

The Bank is a defendant on civil lawsuits moved by rural credit borrowers linked to Collor Plan I. The plaintiffs motioned that the Bank indexed their loans incorrectly and is liable to pay the difference. On December 4th, 2014, Superior Courts of Justice (STJ) decided on the Special Appeal RESP 1,319,232-DF in the Public Civil Lawsuit ACP 94,008514-1, that the Federal Government, the Brazilian Central Bank and the Bank are jointly and severally liable for the indexation differences between the Customer Price Index (IPC – 84.32% notional, or its alternative weighted index – 74.60%, according to Law 8,088/1990) and the National Treasure Bonus (BTN – 41.28%), as found in March 1990, monetarily correcting the amounts from the overpayment, by the index applicable to judicial debts, plus interest for late payment. The defendants appealed and the litigation has yet to be resolved. A suspensive effect was attributed to the Extraordinary Appeal interposed by Banco do Brasil until the STF judges Extraordinary Appeal 1,101,937/SP, which deals about the territorial extension of the collective sentence. On March 24, 2021, considering the conclusion of the judgment of RE 1,101,937/SP and the consequent possibility of national coverage of the collective judgment, the Vice Presidency of the STJ revoked the suspensive effect previously attributed to the Extraordinary Appeal filed by the Bank. On June 22, 2021, the



In thousands of Reais, unless otherwise stated

same appeal was rejected, and the appropriate appeals were filed. On February 1st, 2023, the Special Court of the STJ admitted the Bank's appeal and determined the processing and remittance of the Extraordinary Appeal to the STF. On June 23, 2023, the Extraordinary Appeal was filed under registration number 1,445,162, and is pending judgment.

Labor lawsuits

The Bank is a party to labor claims involving mainly former employees, banking industry unions or former employees of companies that provide services (outsourced). These claims cover requests of compensation, overtime, incorrect working hours, and additional functions bonus, subsidiary liability, among others.

Tax lawsuits

The Bank may receive questions about taxes and tax conduct related to its position as a taxpayer or responsible for tax, in inspection procedures, which may lead to the issuance of tax notices. Most claims arising from the notices relate to service tax (ISSQN), income tax (IRPJ), social contribution (CSLL), the Social Integration Program (PIS), Contribution to Social Security Financing (Cofins), Tax on Financial Transactions (IOF), and Employer Social Security Contributions (INSS). To guarantee the disputed tax credit, the Bank has judicial deposits, pledged collateral in the form of cash, government bonds or real estate pledges when necessary.

a) Provisions

In accordance with IAS 37, the Bank recorded a provision for civil, labor and tax demands with risk of loss probable, quantified using individual or aggregated methodology, according to the nature and/or process value.

The estimates of outcome and financial effect are determined by the nature of the claims, the management's judgment, by the opinion of legal counsel on the basis of process elements, complemented by the complexity and the experience of similar demands.

The Management considers to be sufficient the provision for losses of civil, labor and tax claims.



In thousands of Reais, unless otherwise stated

Changes in the provisions for civil, labor and tax claims classified as probable

	1st half/2023	1st half/2022
Civil lawsuits		
Opening balance	12,015,464	11,409,264
Addition	2,470,269	1,649,971
Reversal of the provision	(976,912)	(130,697)
Write-off	(2,139,396)	(1,632,535)
Inflation adjustment and exchange fluctuation	254,090	237,293
Closing balance	11,623,515	11,533,296
Labor lawsuits		
Opening balance	5,431,614	4,746,919
Addition	2,389,392	1,271,401
Reversal of the provision	(778,218)	(81,117)
Write-off	(934,197)	(784,011)
Inflation adjustment and exchange fluctuation	246,404	199,865
Closing balance	6,354,995	5,353,057
Tax lawsuits		
Opening balance	925,627	570,356
Addition	119,306	491,115
Reversal of the provision	(72,836)	(67,762)
Write-off	(39,051)	(96,770)
Inflation adjustment and exchange fluctuation	56,703	21,726
Closing balance	989,749	918,665
Total civil, labor and tax	18,968,259	17,805,018

Civil, labor and tax claims expenses

	1st half/2023	1st half/2022
Civil lawsuits	(1,765,845)	(1,756,567)
Labor lawsuits	(1,857,578)	(1,390,149)
Tax lawsuits	(103,173)	(445,079)
Total	(3,726,596)	(3,591,795)

Expected outflows of economic benefits

	Civil	Labor	Tax
Up to 5 years	10,754,865	5,672,439	290,808
Over 5 years	868,650	682,556	698,941
Total	11,623,515	6,354,995	989,749

b) Contingent liabilities - possible loss

The civil, labor and tax lawsuits for which the risk of loss is considered possible do not require provisions when the final outcome of the process is unclear and when the probability of losing is less than probable and higher



In thousands of Reais, unless otherwise stated

than the remote, in accordance with IAS 37.

The balances of contingent liabilities classified as possible loss

	Jun 30, 2023	Dec 31, 2022
Tax lawsuits ¹	16,975,076	16,441,899
Civil lawsuits	2,728,288	2,359,110
Labor lawsuits	131,754	124,079
Total	19,835,118	18,925,088

1 - The main contingencies originate from (i) notices of labor infraction from the National Social Security Institute (INSS) or from the Federal Revenue of Brazil aiming at the payment of employee profit sharing in the amount of R\$ 2,264,736 thousand; and meal tickets in the amount of R\$ 2,814,673 thousand; and (ii) notices of tax assessment drawn by the Treasuries of the Municipalities, aiming at the collection of service tax (ISSQN), which amounts R\$ 2,241,232 thousand.

c) Contingent assets

Contingent assets are not recognized in the financial statements according to IAS 37.

d) Deposits in guarantee

This line-item represents cash held in the Bank or with another official financial institution as payment, or guarantee of payment, for condemnations, claims, agreements and other expenses arising from lawsuits. Deposits in guarantee are recorded in "other financial assets" in the consolidated balance sheet.

Deposits given in guarantee of contingencies

	Jun 30, 2023	Dec 31, 2022
Civil lawsuits	19,746,894	19,399,827
Tax lawsuits	9,330,206	8,804,854
Labor lawsuits	7,948,128	7,421,326
Total	37,025,228	35,626,007

20- Taxes

a) Reconciliation of income taxes expense

	1st half/2023	1s half/2022	2nd quarter/2023	2nd quarter/2022
Income before taxes	20,859,993	16,729,225	11,777,514	11,729,751
Total charges of IR (25%) and CSLL (20%)	(9,386,997)	(7,528,151)	(5,299,881)	(5,278,388)
Interest on own capital	2,568,039	1,989,481	1,275,578	1,054,211
Revenues from the Center-West Financing Fund – FCO	1,226,527	1,164,359	631,142	609,152
Net gains from equity method investments	1,493,718	1,128,905	791,463	670,392
Income from subsidiaries with different income tax rates	398,462	383,717	200,913	176,847
Non-taxable revenues/non-deductible expenses	(776,246)	(44,254)	(284,215)	(143,433)
Income taxes benefit (expense)	(4,476,497)	(2,905,943)	(2,685,000)	(2,911,219)
Effective rate	21.46%	17.37%	22.80%	24.82%



In thousands of Reais, unless otherwise stated

b) Deferred income taxes recognized in the consolidated balance sheet

Assets

	Jun 30, 2023	Dec 31, 2022
Deferred tax assets		
Expected loss on loans to customers	30,849,547	30,610,125
Provisions – others	15,072,251	14,764,413
Income taxes carryforwards	3,055,124	2,991,198
Business combination	2,378,919	2,380,424
Negative fair value adjustments of financial assets	1,553,664	1,789,570
Expected loss on guarantees provided and loan commitments	1,281,850	1,423,294
Negative adjustments of benefits plans	1,874,847	959,100
Recoverable social contribution	636,538	636,538
Provisions – taxes and social security	647,309	611,107
Deferral of fees and commissions for adjustment based on the effective interest rate method	310,680	330,745
Other provisions ¹	899,941	831,436
Total	58,560,670	57,327,950

1 – It takes in account deferred tax effects arising from temporary differences related to right-of-use assets and lease liabilities.

Liabilities

	Jun 30, 2023	Dec 31, 2022
Deferred tax liabilities		
From actuarial gains	6,284,677	9,438,940
Arising from recovered term credits	2,139,957	1,592,516
Positive fair value adjustments of financial assets	1,457,986	1,459,045
Foreing entities	827,817	--
Bargain purchase gains	337,712	337,712
Inflation adjustments of judicial deposits	134,144	134,144
Adjustments from leasing portfolio	48,564	36,487
Other	371,023	567,774
Total	11,601,880	13,566,618

21– Shareholders' equity

a) Book value and market value per common share

	Jun 30, 2023	Dec 31, 2022
Shareholders' equity	162,606,050	159,248,750
Book value per share (R\$) ¹	56.98	55.81
Fair value per share (R\$)	49.40	34.73

1 – The book value per share calculation is made by dividing the shareholders' equity by the total number of common shares, excluding treasury shares.



b) Share capital

Banco do Brasil's share capital of R\$ 120,000,000 thousand (R\$ 90,000,023 thousand on December 31, 2022) is fully subscribed and paid-in and consists of 2,865,417,020 common shares with no par value. The Federal Government is the largest shareholder and holds a majority of the Bank's voting shares.

The share capital increase for the period from December 31, 2022 to June 30, 2023, in the amount of R\$ 29,999,977 thousand, resulted from the use of Statutory reserve for operating margin, approved by the Special Meeting of Shareholders held on April 27, 2023 and approval by the Central Bank of Brazil on June 19, 2023.

c) Instruments qualifying as common equity tier 1 capital

The Bank signed a loan agreement with the federal government on September 26, 2012, as hybrid capital and debt instrument, in the amount up to R\$ 8,100,000 thousand, whose resources were designated to finance agribusiness.

As result of the amendment, in August 28, 2014, the interest rate was changed to variable rate, and the interest period was changed to match the Bank's fiscal year (January 1 to December 31). Each years' interest is paid in a single annual installment, adjusted by the Selic rate up to the effective payment date. Payment must be made within 30 calendar days after the dividend payment for the fiscal year.

The interest payment must be made from profits or profit reserves available for distribution at the end of the fiscal year preceding the calculation date. Payment is at Management's discretion. Unpaid interest does not accumulate. If the payment or dividend distribution is not made (including in the form of interest on own capital) prior to the end of the subsequent fiscal year, the accrued interest is no longer owed.

If the Bank's retained earnings, profit reserves (including the legal reserve) and capital reserve cannot fully absorb losses calculated at the end of a fiscal year, the Bank will no longer be obligated to the interest. The Bank will apply the accrued interest and principal balance, in this order, to offset any remaining losses. This will be considered a pay-down of the instrument.

The instrument does not have a maturity date. It is only payable if the Bank is dissolved or Bacen authorizes the repurchase of the instrument. If the Bank is dissolved, the payment of principal and interest is subordinated to payment of the Bank's other liabilities. There will be no preferred interest on the loan under any circumstances, including in relation to other equity instruments included in Reference Equity.

According to the Information to the Market, dated April 8, 2021, the Bank presented a proposal to return the referred instrument in seven annual installments of R\$ 1 billion and a final installment of R\$ 1.1 billion, based on a schedule between July/2022 and July/2029.

d) Capital reserves

The capital reserves, totaling R\$ 6,634,358 thousand (R\$ 6,630,709 thousand on December 31, 2022), relates mainly to changes in the Bank's ownership interest in BB Seguridade after the IPO, increased ownership interest in Banco Patagonia resulting from the exercise of a put option, by minority shareholders, as provided for in a Shareholders Agreement entered into on April 12, 2011 between the Bank and the minority shareholders, as well as the sale of treasury shares, occurred on October 23, 2019.



In thousands of Reais, unless otherwise stated

e) Profit reserves

	Jun 30, 2023	Dec 31, 2022
Profit reserves	50,541,777	70,142,173
Legal reserve	12,599,854	11,777,636
Statutory reserves	37,941,923	58,364,537
Operating margin	31,335,926	51,047,561
Capital payout equalization	6,605,997	7,316,976

The legal reserve ensures the adequacy of the Bank's capital structure and can only be used to offset losses or increase capital. Five percent of net income calculated in accordance with accounting practices applicable for financial institutions in Brazil, before any other allocations, is transferred to the legal reserve. The amount of the reserve cannot exceed 20% of the share capital.

The operating margin statutory reserve ensures the adequacy of the Bank's operating margins in accordance with its business activities. The reserve consists of up to 100% of net income calculated in accordance with accounting practices applicable for financial institutions in Brazil after allocation to legal reserve (including dividends) and is limited to 80% of the share capital.

The reserve for capital payout equalization provides funds for the capital payout. The reserve consists of up to 50% of net income calculated in accordance with accounting practices applicable for financial institutions in Brazil after allocation to legal reserve (including dividends) and is limited to 20% of the share capital.

f) Accumulated other comprehensive income/(loss)

Accumulated other comprehensive income/(loss) includes fair value adjustments for financial assets as fair value through other comprehensive income, translation adjustments on foreign operations, net effects of hedges and remeasurements of defined benefit plans. The Bank recognized in other comprehensive income/(loss) all translation adjustments on foreign operations whose functional currency is not the Brazilian Real.

	Jun 30, 2023	Dec 31, 2022
Financial assets at fair value through other comprehensive income	(1,571,258)	(2,632,077)
Hedge of investment in a foreign operation	47,387	9,323
Foreign exchange variation in investments abroad	(4,318,456)	(3,193,840)
Actuarial gains/(losses) on pension plans	(8,073,862)	(1,845,703)
Cash flow hedge	(31,389)	43,654
Other	120,594	(71,337)
Total	(13,826,984)	(7,689,980)

g) Unallocated retained earnings

The amount included in this account represents, besides the unallocated retained earnings, the effect of differences between accounting practices applicable for financial institutions in Brazil and IFRS. Net income calculated in accordance with accounting practices applicable for financial institutions in Brazil is fully distributed semiannually in the form of dividends/interest on own capital or allocated to the profit reserve.

h) Interest on own capital/dividends

In accordance with Laws 9,249/1995, 9,430/1996 and the Bank's Bylaws, Management decided on the payment of Interest on own capital to its shareholders.



In thousands of Reais, unless otherwise stated

In compliance with the income tax as well as social contribution legislation, the interest on own capital is calculated based on adjusted net equity value. It is limited, on a pro rata die basis, to the variation of long-term interest rate, as long as there is profit (before the deduction of interest on own capital) or reserves for retained earnings and profit reserves of at least twice its value, being deductible in the calculation of the taxable income.

Payment schedule of interest on own capital and dividends:

2023	Amount	Amount per share (R\$)	Base date of payment	Payment date
1st quarter				
Dividends	351,037	0.123	Jun 01, 2023	Jun 12, 2023
Interest on own capital ¹	1,004,568	0.352	Mar 13, 2023	Mar 31, 2023
Complementary interest on own capital ¹	1,867,568	0.654	Jun 01, 2023	Jun 12, 2023
2nd quarter				
Dividends	410,149	0.144	Aug 21, 2023	Aug 30, 2023
Interest on own capital ¹	966,378	0.339	Jun 12, 2023	Jun 30, 2023
Complementary interest on own capital ¹	1,868,239	0.655	Aug 21, 2023	Aug 30, 2023
Total allocated to the shareholders	6,467,939	2.267		
Dividends	761,186	0.267		
Interest on own capital ¹	5,706,753	2.000		

1 - Amounts subject to withholding tax, with the exception of shareholders who are exempted or immune.

2022	Amount	Amount per share (R\$)	Base date of payment	Payment date
1st quarter				
Dividends	443,296	0.155	May 23, 2022	May 31, 2022
Interest on own capital ¹	601,008	0.211	Mar 14, 2022	Mar 31, 2022
Complementary interest on own capital ¹	1,477,370	0.518	May 23, 2022	May 31, 2022
2nd quarter				
Dividends	571,257	0.200	Aug 22, 2022	Aug 31, 2022
Interest on own capital ¹	714,210	0.250	Jun 13, 2022	Jun 30, 2022
Complementary interest on own capital ¹	1,628,481	0.571	Aug 22, 2022	Aug 31, 2022
Total allocated to the shareholders	5,435,622	1.905		
Dividends	1,014,553	0.355		
Interest on own capital ¹	4,421,069	1.550		

1 - Amounts subject to withholding tax, with the exception of shareholders who are exempted or immune.



In thousands of Reais, unless otherwise stated

i) Shareholders (number of shares)

Number of shares issued by the Bank to shareholders which, directly or indirectly, hold more than 5% of the shares. It also includes members of the Bank's Board of Directors, Executive Committee, Fiscal Council and Audit Committee as follows:

Shareholders	Jun 30, 2023		Dec 31, 2022	
	Shares	% Total	Shares	% Total
Federal Government – Tesouro Nacional	1,432,708,542	50.0	1,432,708,542	50.0
Caixa de Previdência dos Funcionários do Banco do Brasil – Previ	131,655,514	4.6	131,948,214	4.6
Treasury shares ¹	11,640,980	0.4	11,830,375	0.4
Other shareholders	1,289,411,984	45.0	1,288,929,889	45.0
Total	2,865,417,020	100.0	2,865,417,020	100.0

1 – It includes, on June 30, 2023, 50,250 shares of the Bank held by BB Asset (49,614 on December 31, 2022).

	Common shares (ON) ¹	
	Jun 30, 2023	Dec 31, 2022
Board of Directors (except for the Bank's CEO)	1,003	3,988
Executive Committee (includes the Bank's CEO)	95,600	128,355
Fiscal Council	10,839	1,000
Audit Committee	2,027	2,012

1 – The shareholding interest of the Board of Directors, Executive Committee, Fiscal Council and Audit Committee represents approximately 0.004% of the Bank's capital stock.

j) Quantity of issued shares and quantity of shares in the market (free float)

	Quantity of shares	
	Common shares	Treasury shares
Balance on Dec 31, 2022	2,865,417,020	11,830,375
Movements	--	(189,395)
Balance on Jun 30, 2023	2,865,417,020	11,640,980

	Jun 30, 2023		Dec 31, 2022	
	Amount	%	Amount	%
Free float at the beginning of period	1,420,745,751	49.6	1,420,591,910	49.6
Other changes ¹	225,135		153,841	
Free float at the end of period²	1,420,970,886	49.6	1,420,745,751	49.6

1 – It includes changes coming from Technical and Advisory Bodies.

2 – It does not include any shares held by the Board of Directors and Executive committee. The shares held by the Caixa de Previdência dos Funcionários do Banco do Brasil – Previ compose the free float shares.



In thousands of Reais, unless otherwise stated

k) Treasury shares

The composition of the treasury shares is shown below:

	Jun 30, 2023		Dec 31, 2022	
	Shares	% Total	Shares	% Total
Treasury shares	11,640,980	100.0	11,830,375	100.0
Received in order to comply with operations secured by the FGCN – Fundo de Garantia para a construção Naval	8,075,350	69.4	8,075,350	68.3
Repurchase programs (2012 and 2015)	3,145,476	27.0	3,348,867	28.3
Share-based payment	420,091	3.6	406,095	3.4
Mergers	63	--	63	--
Book value	(268,255)		(272,570)	

l) Share-based payments

The program of variable remuneration

The program of variable remuneration was based on the CMN Resolution 3,921 of November 25, 2010, which governs compensation policies for executives of financial institution.

The program has a yearly basis period. It is established according to the risks and the activity overseen by the executive and has as pre requirements: the activation of the participation in profit and results program and the achievement of accounting profit by the Bank.

The calculation of variable remuneration is based on indicators that measure the achievement of corporate and individual goals, based on the Corporate Strategy of Banco do Brasil – ECBB for the period. The program also determines that 50% of the remuneration should be paid in cash and the remaining 50% should be paid in shares.

The number of Banco do Brasil shares to be allocated to each participant is calculated by dividing the net amount equivalent to 50% of variable remuneration to which one is entitled, to the average price of the share in the week prior to the payment. The average price is the simple arithmetic mean of the daily average prices of the week prior to the payment.

The distribution of compensation in shares occurs in a way that 20% is immediately transferred for the beneficiary's ownership and 80% is deferred.

The effects of the Program of Variable Remuneration on the income of Banco were R\$ 12,915 thousand in the 1st half/2023 (R\$ 10,938 thousand in the 1st half/2022).

BB Asset, in accordance to the resolution mentioned above, also adopted variable remuneration policy for its directors, directly acquiring treasury shares of the Banco do Brasil. All shares acquired are BBAS3 and its fair value is the quoted market price on the date of grant.



In thousands of Reais, unless otherwise stated

We present the statement of acquired shares, its distribution and its transfer schedule:

	Total program shares	Average cost	Shares distributed	Shares to distribute ¹	Estimated schedule transfers
2019 Program					
Banco do Brasil	162,641	46.05	122,752	32,509	Mar 2024
Total shares to be distributed				32,509	
BB Asset	15,998	46.07	12,801	3,197	Mar 2024
Total shares to be distributed				3,197	
2020 Program					
Banco do Brasil	164,146	29.65	96,381	32,809	Mar 2024
				32,809	Mar 2025
Total shares to be distributed				65,618	
BB Asset	29,585	29.65	17,757	5,914	Mar 2024
				5,914	Mar 2025
Total shares to be distributed				11,828	
2021 Program					
Banco do Brasil	193,027	33.52	77,272	38,585	Mar 2024
				38,585	Mar 2025
				38,585	Mar 2026
Total shares to be distributed				115,755	
BB Asset	28,302	33.52	11,325	5,659	Mar 2024
				5,659	Mar 2025
				5,659	Mar 2026
Total shares to be distributed				16,977	
2022 Program					
Banco do Brasil	176,642	39.16	35,398	35,311	Mar 2024
				35,311	Mar 2025
				35,311	Mar 2026
				35,311	Mar 2027
Total shares to be distributed				141,244	
BB Asset	22,824	39.16	4,576	4,562	Mar 2024
				4,562	Mar 2025
				4,562	Mar 2026
				4,562	Mar 2027
Total shares to be distributed				18,248	

1 - Any difference between the total number of shares to be distributed and the transfer schedule results from specific cases of shares pending transfer/reversal.



In thousands of Reais, unless otherwise stated

22– Fair value of financial instruments

	Jun 30, 2023		Dec 31, 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Assets				
Cash and bank deposits	22,541,168	22,541,168	18,310,546	18,310,546
Compulsory deposits with Brazilian Central Bank	97,135,227	97,135,227	95,119,085	95,119,085
Financial assets at amortized cost, net	1,406,401,853	1,393,738,462	1,352,904,935	1,327,888,759
Loans to financial institutions	443,080,021	444,042,941	423,228,428	423,624,839
Loans to customers	860,426,278	846,981,821	832,938,557	808,100,015
Securities	52,945,477	52,763,623	47,996,424	47,422,379
Other financial assets	49,950,077	49,950,077	48,741,526	48,741,526
Financial assets at fair value through profit or loss	16,631,734	16,631,734	12,078,012	12,078,012
Financial assets at fair value through other comprehensive income	376,666,791	376,666,791	369,770,754	369,770,754
Liabilities				
Financial liabilities at amortized cost	1,815,553,394	1,815,203,603	1,753,201,995	1,755,011,768
Customers resources	768,530,726	767,648,150	753,263,047	753,309,420
Financial institutions resources	662,304,759	662,837,544	652,922,721	654,686,121
Funds from issuance of securities	262,012,557	262,012,557	229,745,964	229,745,964
Other financial liabilities	122,705,352	122,705,352	117,270,263	117,270,263
Financial liabilities at fair value through profit or loss	5,114,902	5,114,902	2,764,797	2,764,797

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. When quoted prices in an active market are available, fair value of financial instruments is based on those prices. In the absence of an active market for a financial instrument, fair value is estimated to arrive at a fair and equitable valuation for the instrument.

a) Fair value input levels for financial assets and liabilities

The Bank's fair value measurements consider the following input levels:

Level 1 – Price quotations are derived from active markets for identical financial instruments. Financial instruments are considered to be quoted in an active market if prices are readily available and are based on regularly occurring arm's length transactions.

Level 2 – Requires the use of information obtained from the market that is not Level 1. This includes prices quoted in non-active markets for similar assets and liabilities and information that can be corroborated in the market.

Level 3 – Requires the use of information not obtained from the market to measure fair value. When there is not an active market for an instrument, the Bank uses valuation techniques that incorporate internal data. The Bank's methodologies are consistent with commonly used techniques for pricing financial instruments.

Most of the Bank's fair value measurements consider data obtained directly from active markets. If direct information is not available, it uses references available in the market. As a final option, the Bank considers similar assets. The fair value measurement process is monitored on a daily basis to determine the extent to which market prices are available for the Bank's assets.



In thousands of Reais, unless otherwise stated

The Bank's policy for transferring financial instruments between levels considers liquidity in the market. Depending on the level of liquidity, the Bank defines the type of fair value measurement to be used (mark-to-market or mark-to-model). The transfer policy provides consistent recognition principles for transfers between levels.

For private securities, the mark-to-market and mark-to-model methodologies are based on a market data hierarchy. The Bank monitors the valuation methods for all of these instruments on a daily basis.

When private securities are traded during the day, the mark-to-market calculation is based on the closing price. If there are no trades registered, but an indicative price is released by Anbima, this price will be used.

If there were no trades and there is no indicative price, the Bank determines if the security was negotiated within the past 30 days. If it was, the pricing model considers the relationship between the last negotiated price and the security's accrual value on the first day market volumes becomes available. If there were no trades within the past 30 days, the Bank uses one of two rating criteria (in the following order):

1st criterion – If Anbima releases the security's credit curve rating, the Bank uses the spread of this curve to calculate present value.

2nd criterion – If Anbima does not release the instrument's credit curve rating, the Bank uses a linear regression based on 30 days of indicative prices and interest rates provided by Anbima. The variables used to calculate the regression are the rating, maturity and indicative interest rate.

The Bank takes a conservative approach to mark-to-market values. Figures obtained through market prices and mathematical models are compared to prices calculated by the Risk Department based on credit spreads. The lower of the two prices is used.

As a result, the methodologies discussed above (market prices, indicative prices, historical mathematical relationships and rating aggregation models), which all use market-based data, could result in higher prices compared to figures based credit spreads. For conservatism, the prices obtained by these spreads are compared with the other prices obtained and the lowest value is used.



In thousands of Reais, unless otherwise stated

	Jun 30, 2023	Distribution by Level		
		Level 1	Level 2	Level 3
Financial assets and liabilities measured at fair value in the balance sheet on a recurring basis				
Assets	395,719,215	325,827,642	67,133,634	2,757,939
Financial assets at fair value through profit or loss	16,631,734	6,980,580	9,628,015	23,139
Debt and equity instruments	11,752,639	6,980,580	4,748,920	23,139
Government bonds	6,654,679	6,654,679	--	--
Corporate bonds	5,097,960	325,901	4,748,920	23,139
Derivatives	4,879,095	--	4,879,095	--
Forward operations	2,476,834	--	2,476,834	--
Swaps	2,337,576	--	2,337,576	--
Options	40,098	--	40,098	--
Other derivative financial instruments	24,587	--	24,587	--
Financial assets at fair value through other comprehensive income	376,666,791	318,847,062	55,133,923	2,685,806
Government bonds	315,298,705	315,251,962	46,743	--
Corporate bonds	61,368,086	3,595,100	55,087,180	2,685,806
Financial assets at amortized cost (hedged item)	2,420,690	--	2,371,696	48,994
Loans to financial institutions	2,371,696	--	2,371,696	--
Loans to customers	48,994	--	--	48,994
Liabilities	7,153,824	--	7,153,824	--
Financial liabilities at fair value through profit or loss	5,114,902	--	5,114,902	--
Derivatives	5,114,902	--	5,114,902	--
Forward operations	2,947,978	--	2,947,978	--
Swaps	1,450,455	--	1,450,455	--
Options	608,613	--	608,613	--
Other derivative financial instruments	107,856	--	107,856	--
Financial liabilities at amortized cost (hedged item)	2,038,922	--	2,038,922	--
Funds from issuance of securities	2,038,922	--	2,038,922	--
Financial assets and liabilities not measured at fair value in the balance sheet				
Assets	1,391,317,772	17,098,382	33,211,956	1,341,007,434
Financial assets at amortized cost, net	1,391,317,772	17,098,382	33,211,956	1,341,007,434
Loans to financial institutions	441,671,245	--	--	441,671,245
Loans to customers	846,932,827	--	--	846,932,827
Securities	52,763,623	17,098,382	33,211,956	2,453,285
Other financial assets	49,950,077	--	--	49,950,077
Liabilities	1,813,164,681	--	--	1,813,164,681
Financial liabilities at amortized cost	1,813,164,681	--	--	1,813,164,681
Customers resources	767,648,150	--	--	767,648,150
Financial institutions resources	662,837,544	--	--	662,837,544
Funds from issuance of securities	259,973,635	--	--	259,973,635
Other financial liabilities	122,705,352	--	--	122,705,352



In thousands of Reais, unless otherwise stated

	Dec 31, 2022	Distribution by level		
		Level 1	Level 2	Level 3
Financial assets and liabilities measured at fair value in the balance sheet on a recurring basis				
Assets	384,458,400	321,952,749	59,745,907	2,759,744
Financial assets at fair value through profit or loss	12,078,012	2,554,362	9,419,109	104,541
Debt and equity instruments	10,439,943	2,554,362	7,781,040	104,541
Government bonds	2,258,875	2,258,875	--	--
Corporate bonds	8,181,068	295,487	7,781,040	104,541
Derivatives	1,638,069	--	1,638,069	--
Swaps	1,134,779	--	1,134,779	--
Forward operations	395,025	--	395,025	--
Options	89,042	--	89,042	--
Other derivative financial instruments	19,223	--	19,223	--
Financial assets at fair value through other comprehensive income	369,770,754	319,398,387	47,763,208	2,609,159
Government bonds	315,329,345	315,277,702	51,643	--
Corporate bonds	54,441,409	4,120,685	47,711,565	2,609,159
Financial assets at amortized cost (hedged item)	2,609,634	--	2,563,590	46,044
Loans to financial institutions	2,563,590	--	2,563,590	--
Loans to customers	46,044	--	--	46,044
Liabilities	4,581,778	--	4,581,778	--
Financial liabilities at fair value through profit or loss	2,764,797	--	2,764,797	--
Derivatives	2,764,797	--	2,764,797	--
Forward operations	1,073,427	--	1,073,427	--
Swaps	1,024,936	--	1,024,936	--
Options	525,576	--	525,576	--
Other derivative financial instruments	140,858	--	140,858	--
Financial liabilities at amortized cost (hedged item)	1,816,981	--	1,816,981	--
Funds from issuance of securities	1,816,981	--	1,816,981	--
Financial assets and liabilities not measured at fair value in the balance sheet				
Assets	1,325,279,125	17,317,473	27,332,705	1,280,628,947
Financial assets at amortized cost, net	1,325,279,125	17,317,473	27,332,705	1,280,628,947
Loans to financial institutions	421,061,249	--	--	421,061,249
Loans to customers	808,053,971	--	--	808,053,971
Securities	47,422,379	17,317,473	27,332,705	2,772,201
Other financial assets	48,741,526	--	--	48,741,526
Liabilities	1,753,194,787	--	--	1,753,194,787
Financial liabilities at amortized cost	1,753,194,787	--	--	1,753,194,787
Customers resources	753,309,420	--	--	753,309,420
Financial institutions resources	654,686,121	--	--	654,686,121
Funds from issuance of securities	227,928,983	--	--	227,928,983
Other financial liabilities	117,270,263	--	--	117,270,263



23– Risk management

a) Market risk and interest rate risk in the banking portfolio (IRRBB)

Market risk reflects the possibility of losses caused by changes in interest rates, foreign exchange rates, equity prices and commodity prices.

The interest rate risk in the bank portfolio is conceptualized as the risk, current or prospective, of the impact of adverse movements in interest rates on capital and on the results of the financial institution, for instruments classified in the bank portfolio.

Sensitivity analysis

Analysis method and objective

The Bank conducts a quarterly sensitivity analysis of exposure to the interest rate risk of its owned positions, using as a method the application of parallel shocks on the market yield curves relating to the most relevant risk factors. The method is intended to simulate the impacts on the Bank's income vis-à-vis potential scenarios, which consider possible fluctuations in the market interest rates.

Method assumptions and limitations

The application of parallel shocks on the market yield curves assumes that uptrends or downtrends in the interest rates occur in an identical way, both for short terms and for longer terms. As market movements do not usually present such behavior, this method can present deviations from actual results.

Scope, method application scenarios and implications for income

The sensitivity analysis process is carried out considering the following scope:

- (i) operations classified in the trading portfolio, basically composed of trading government bonds and derivative financial instruments, have positive or negative effects as a result from the possible movements of interest rates in the market. These changes generate a direct impact on the Bank's results or shareholders' equity; and
- (ii) operations classified in the banking portfolio, mainly composed of operations contracted with the intention of being held until their maturities – loans to customers, funding in the retail market and held to maturity securities – and which are accounted for at rates based on the contractual rates. The positive or negative effects resulting from changes in the interest rates in the market do not directly affect the Bank's income.

The following scenarios are considered for the performance of the sensitivity analysis:

Scenario I: 100 basis points (+/- 1%) changes, considering the worst loss by risk factor.

Scenario II: +25% and -25% changes, considering the worst loss by risk factor.

Scenario III: +50% and -50% changes, considering the worst loss by risk factor.



In thousands of Reais, unless otherwise stated

Results of the sensitivity analysis

Results obtained for the sensitivity analysis of the trading portfolio and for the set of operations included in the trading and banking portfolios are presented in the following tables charts:

Sensitivity analysis for trading portfolio

Risk factors / Exposures	Jun 30, 2023			Dec 31, 2022		
	Scenarios I	Scenarios II	Scenarios III	Scenarios I	Scenarios II	Scenarios III
Pre fixed rate	(2,072)	(2,786)	(1,724)	(4)	(16)	(50)
Interest rate coupons	(16,518)	(210)	(421)	(2,321)	(455)	(910)
Price index coupons	(231,777)	(292,506)	(559,629)	(418,639)	(604,520)	(1,134,951)
Foreign currency coupons	(10,399)	(12,324)	(24,306)	(13,819)	(15,175)	(29,809)
Total	(260,766)	(307,826)	(586,080)	(434,783)	(620,166)	(1,165,720)

Sensitivity analysis for the set of operations recorded in the trading and banking portfolios

Risk factors / Exposures	Jun 30, 2023			Dec 31, 2022		
	Scenarios I	Scenarios II	Scenarios III	Scenarios I	Scenarios II	Scenarios III
Pre fixed rate	(11,735,984)	(28,825,326)	(55,146,542)	(8,159,424)	(25,235,622)	(47,994,780)
Interest rate coupons	(10,261,664)	(21,493,468)	(46,101,820)	(6,412,350)	(22,980,508)	(49,931,838)
Price index coupons	(368,550)	(444,558)	(859,960)	(545,442)	(719,616)	(1,364,325)
Foreign currency coupons	(2,664,736)	(892,579)	(1,843,086)	(2,909,671)	(679,352)	(1,385,770)
Total	(25,030,934)	(51,655,931)	(103,951,408)	(18,026,887)	(49,615,098)	(100,676,713)

Foreign exchange and gold exposure

Banco do Brasil adopts policy for managing its foreign exchange risk to reduce its effects on the Bank's results.

Net foreign exchange exposure, June 30, 2023, was an asset in the amount of US\$ 625.8 million, and on December 31, 2022, was an asset in the amount of US\$ 947.4 million.



In thousands of Reais, unless otherwise stated

Foreign currencies and gold balance

Currency	Balance sheet accounts			
	Jun 30, 2023		Dec 31, 2022	
	Assets	Liabilities	Assets	Liabilities
USA Dollar	202,396,520	201,795,421	209,136,236	214,507,601
Euro	15,212,419	10,659,352	17,035,552	11,072,786
Pound Sterling	297,218	289,902	192,082	206,134
Yen	3,140,657	3,252,506	4,079,189	4,734,647
Swiss Franc	18,301	14,837	4,233	118,601
Canadian Dollar	22,018	13,935	8,475	4,809
Gold	31,505	--	30,220	--
Other currencies	24,694,754	24,372,722	11,265,403	10,173,213
Total	245,813,392	240,398,675	241,751,390	240,817,791
Net position – balance sheet accounts	5,414,717		933,599	

Currency	Derivatives			
	Jun 30, 2023		Dec 31, 2022	
	Long position	Short position	Long position	Short position
USA Dollar	33,476,581	32,975,190	43,920,024	35,895,791
Euro	2,361,758	6,942,261	2,964,228	8,681,191
Pound Sterling	37,158	70,833	293,126	181,670
Yen	949,364	568,659	877,933	456,249
Swiss Franc	--	161	--	--
Canadian Dollar	--	--	140,702	140,712
Other currencies	1,333,300	--	1,169,369	--
Total	38,158,161	40,557,104	49,365,382	45,355,613
Net position – derivatives		(2,398,943)	4,009,769	

Currency	Jun 30, 2023	Dec 31, 2022
	Net position	Net position
USA Dollar	1,102,490	2,652,868
Euro	(27,436)	245,803
Pound Sterling	(26,359)	97,404
Yen	268,856	(233,774)
Swiss Franc	3,303	(114,368)
Canadian Dollar	8,083	3,656
Gold	31,505	30,220
Other currencies	1,655,332	2,261,559
Net position total	3,015,774	4,943,368



In thousands of Reais, unless otherwise stated

Summary	Jun 30, 2023		Dec 31, 2022	
	Assets	Liabilities	Assets	Liabilities
Balance sheet accounts and derivatives	283,971,553	280,955,779	291,116,772	286,173,404
Net position total	3,015,774		4,943,368	
Net position total – US\$¹	625,783		947,423	

1 – US Dollar Exchange rate June 30, 2023 – 1 US\$ = R\$ 4.8192. US Dollar Exchange rate December 31, 2022 – 1 US\$ = R\$ 5.2177.

b) Liquidity risk

Liquidity risk is the risk that the Bank will not be capable of fulfilling its financial commitments as they mature, without incurring at significant losses. For risk management purposes, liquidity is measured in monetary values according to the composition of assets and liabilities established by the liquidity manager.

This risk takes two forms: market liquidity risk and cash flow liquidity risk. The first is the possibility of loss resulting from the incapacity to perform a transaction in a reasonable period of time and without significant loss of value. The second is associated with the possibility of a shortage of funds to honor commitments assumed on account of the mismatching between payments and receipts.

Liquidity risk management

Liquidity risk management segregates liquidity in national currency and liquidity in foreign currencies. The managerial views for liquidity risk management contribute to the adequate management of risk in the jurisdictions where the Bank operates and in the currencies for which there is exposure. For this, the following instruments are used:

- Liquidity projections: liquidity projections in a base and stress scenario allow for a prospective assessment, within a 90-day time horizon, of the mismatch between funding and investments, in order to identify situations that could compromise the Bank's liquidity. Additionally, it is worth mentioning that the projection of liquidity in the base scenario is used as an indicator in the Bank's Recovery Plan;
- Stress test: the stress test is performed monthly from the liquidity projection, in a base and stress scenario, against the Liquidity Reserve, assessing whether the potential volume of liquidity contingency measures (MCL) meets the needs liquidity, when the projection in any scenario is below the liquidity reserve;
- Indicator of Maximum Intraday Liquidity Requirement – EMLI (only for liquidity in national currency): EMLI is the biggest difference, occurring during a business day, between the value of payments and receipts at any time of the day; and
- Risk limits: used to guarantee the maintenance of the level of exposure to liquidity risk at the levels desired by the Bank. The indicators used in the liquidity risk management process are:
 - Short-Term Liquidity Indicator (LCR);
 - Medium and Long Term Liquidity Indicator (NSFR);
 - Liquidity Reserve;
 - Liquidity Buffer;
 - Commercial Funding Availability Indicator (DRL); and
 - Funding Concentration Indicator.

Banco do Brasil has a Liquidity Contingency Plan (PCL), which consists of a set of procedures, strategies and responsibilities to identify, manage and report Banco do Brasil's liquidity stress status, in order to ensure the maintenance of cash flow and restore the liquidity level to the desired level.

The liquidity stress states are used as a parameter for triggering the PCL and can occur when the observed liquidity falls below the liquidity reserve or when the LCR indicator falls below the limit established by the current RAS (Risk Appetite Statement).



In thousands of Reais, unless otherwise stated

The strategy to face the state of liquidity stress consists of activating the Liquidity Contingency Measures (MCL), aiming at re-establishing the liquidity reserve or the limit of the LCR indicator.

The instruments used in the management of liquidity risk are periodically reported to the Executive Committee for Risk Management, Internal Controls, Assets, Liabilities, Liquidity and Capital (CEGRC) and to the Bank's Management Committee.

Liquidity risk analysis

The liquidity risk limits are used to monitor the liquidity risk exposure level of the Bank. The control of these limits, that act in a complementary manner in the management of the short, medium and long-term liquidity risk of the Bank, ensured a favorable liquidity situation throughout the period, avoiding the activation of the liquidity contingency plan or the implementation of emergency actions in the budget planning to address the structural liquidity adequacy concerns.

Funding management

The funding composition and a wide and diversified customer base constitute an important element of the liquidity risk management of Banco do Brasil. The main funding is represented by client deposits which are composed of demand deposits, savings deposits and voluntary time deposits characterized by being products without defined maturity, with due dates defined by internal models adopted for market and liquidity risks management purposes.

Other representative funding sources are: judicial deposits, which are also characterized by high stability and undefined maturity; the external market funding designed to finance exports and imports; and other retail funding represented by other demand funds, such as collection, payment order, payments and receptions on behalf of third parties. The Agribusiness Letters of Credit and Mortgage Bonds issued, which has daily liquidity for the investor after a grace period of 90 days, is also a significant component of other retail funding.

Funding under repurchase agreements that are backed by securities and funding operations within the Bank's treasury are held for the short-term management of operational liquidity and for implementation of strategies on capital market funding in the medium and long term.

In order to present the funding maturity profile according to the criteria of IFRS 7, retail funding and deposits with no defined maturity (SMD) – demand deposits, savings deposits, time deposits with daily liquidity and judicial deposits – will have their maturities allocated in the column "Up to 1 month". The remaining fundings are presented by future flow on their respective maturity bands.



In thousands of Reais, unless otherwise stated

Funding Breakdown

Liabilities	Jun 30, 2023						Part %
	Up to 1 month	1 to 6 months	6 to 12 months	1 to 5 years	> 5 years	Total gross	
Term deposits	2,473,158	821,722	354,905	8,270,657	--	11,920,442	0.8%
Treasury funding	18,056,660	3,691,428	1,274,736	2,967,070	7,991,830	33,981,724	2.3%
Judicial deposits	212,484,230	--	--	--	--	212,484,230	14.1%
Funding in the foreign market	5,517,595	21,786,051	12,214,839	20,052,197	--	59,570,682	4.0%
Other retail funding	12,854,357	36,363	--	--	--	12,890,720	0.9%
Retail funding – no defined maturity (NDM)	369,585,332	--	--	--	--	369,585,332	24.6%
Other retail funding (NDM)	129,652,591	--	--	--	--	129,652,591	8.6%
Funds and onlendings	199,501	154,985	1,832,352	609,723	96,306,630	99,103,191	6.6%
Repurchase agreement	526,999,357	32,007,607	6,169,793	9,655,019	--	574,831,776	38.2%
Total gross	1,277,822,781	58,498,156	21,846,625	41,554,666	104,298,460	1,504,020,688	100.0%

Liabilities	Dec 31, 2022						Part %
	Up to 1 month	1 to 6 months	6 to 12 months	1 to 5 years	> 5 years	Total gross	
Term deposits	4,001,350	734,227	1,188,566	7,018,977	55,717	12,998,837	0.8%
Treasury funding	18,751,753	87,766	363,702	5,106,552	8,711,375	33,021,148	2.0%
Judicial deposits	213,485,758	--	--	--	--	213,485,758	13.0%
Funding in the foreign market	4,871,164	12,656,552	6,137,530	18,355,387	38,105,583	80,126,216	4.9%
Other retail funding	17,508,274	71,010	39,730	199,921	851,570	18,670,505	1.1%
Retail funding – no defined maturity (NDM)	448,973,907	--	--	--	--	448,973,907	27.6%
Other retail funding (NDM)	134,446,214	--	--	--	--	134,446,214	8.3%
Funds and onlendings	6,150,009	10,333,732	8,651,478	32,893,126	62,730,568	120,758,913	7.4%
Repurchase agreement	510,600,241	28,779,683	10,750,885	14,322,790	--	564,453,599	34.7%
Total gross	1,358,788,670	52,662,970	27,131,891	77,896,753	110,454,813	1,626,935,097	100.0%

Derivative financial instruments

Banco do Brasil is a counterparty to financial derivative operations to hedge its own positions to meet the needs of our customers and to take proprietary positions. The hedging strategy is in line with the market and liquidity risk policy and with the derivative financial instruments use policy approved by the Board of Directors.

The Bank has a range of tools and systems for the management of the derivative financial instruments and uses statistical and simulation methodologies to measure the risks of its positions, by means of Value-at-Risk, sensitivity analysis and stress test models.

Operations with financial derivatives, with special emphasis on those subject to margin calls and daily adjustments, are considered in the measurement of the liquidity risk limits adopted by the Bank and in the composition of the scenarios used in the liquidity stress tests, conducted monthly.

c) Credit risk

Credit risk is the risk of loss due to non-performance by a borrower under the contractual terms of a loan, devaluation of a loan due to deterioration in the borrower's risk rating, reduced expectations of earnings or



In thousands of Reais, unless otherwise stated

interest under a loan contract, concession of benefits as part of a renegotiation or the incurrence of additional costs to recover a loan.

Maximum credit risk exposure

The following table shows the maximum exposure on June 30, 2023 and December 31, 2022:

	Jun 30, 2023	Dec 31, 2022
Financial assets at amortized cost, net	1,406,401,853	1,352,904,935
Loans to financial institutions	443,080,021	423,228,428
Loans to customers	860,426,278	832,938,557
Securities	52,945,477	47,996,424
Other financial assets	49,950,077	48,741,526
Financial assets at fair value through profit or loss	16,631,734	12,078,012
Debt and equity instruments	11,752,639	10,439,943
Derivatives	4,879,095	1,638,069
Financial assets at fair value through other comprehensive income	376,666,791	369,770,754
Off-balance sheet Items	212,022,811	201,933,644



In thousands of Reais, unless otherwise stated

Loans to customers

The following table represents the maximum exposure of financial assets segregated by portfolio type and by credit risk classification.

	Jun 30, 2023															
	Stage 1				Stage 2				Stage 3				Total			
	Loans	Loans to concede	Financial guarantees	Total	Loans	Loans to concede	Financial guarantees	Total	Loans	Loans to concede	Financial guarantees	Total	Loans	Loans to concede	Financial guarantees	Total
Individuals	494,254,941	108,120,367	717,704	603,093,012	47,786,649	2,370,469	1,057	50,158,175	32,843,289	139,819	290	32,983,398	574,884,879	110,630,655	719,051	686,234,585
Retail Individuals	227,138,307	98,547,024	704,605	326,389,936	37,580,144	2,278,493	1,057	39,859,694	26,128,028	120,758	193	26,248,979	290,846,479	100,946,275	705,855	392,498,609
Retail rural producer	267,116,634	9,573,343	13,099	276,703,076	10,206,505	91,976	--	10,298,481	6,715,261	19,061	97	6,734,419	284,038,400	9,684,380	13,196	293,735,976
Corporations	293,307,911	82,730,973	9,766,176	385,805,060	18,354,372	1,480,187	223,201	20,057,760	23,730,068	3,047,653	984,855	27,762,576	335,392,351	87,258,813	10,974,232	433,625,396
Wholesale	227,009,627	62,483,463	9,708,316	299,201,406	9,143,871	404,906	220,118	9,768,895	15,655,259	2,244,709	590,406	18,490,374	251,808,757	65,133,078	10,518,840	327,460,675
Retail MPE	66,290,546	20,246,832	57,860	86,595,238	9,209,415	1,075,228	3,083	10,287,726	8,070,035	802,871	394,449	9,267,355	83,569,996	22,124,931	455,392	106,150,319
Retail rural producer	7,738	678	--	8,416	1,086	53	--	1,139	4,774	73	--	4,847	13,598	804	--	14,402
Total	787,562,852	190,851,340	10,483,880	988,898,072	66,141,021	3,850,656	224,258	70,215,935	56,573,357	3,187,472	985,145	60,745,974	910,277,230	197,889,468	11,693,283	1,119,859,981
%	79.64%	19.30%	1.06%	100.00%	94.20%	5.48%	0.32%	100.00%	93.13%	5.25%	1.62%	100.00%	81.28%	17.67%	1.04%	100.00%

	Dec 31, 2022															
	Stage 1				Stage 2				Stage 3				Total			
	Loans	Loans to concede	Financial guarantees	Total	Loans	Loans to concede	Financial guarantees	Total	Loans	Loans to concede	Financial guarantees	Total	Loans	Loans to concede	Financial guarantees	Total
Individuals	481,271,236	101,487,603	819,914	583,578,753	47,359,614	8,575,693	2,246	55,937,553	31,634,811	221,103	1,002	31,856,916	560,265,661	110,284,399	823,162	671,373,222
Retail Individuals	219,523,182	90,830,732	799,206	311,153,120	37,306,991	8,445,372	2,246	45,754,609	25,869,240	196,775	897	26,066,912	282,699,413	99,472,879	802,349	382,974,641
Retail rural producer	261,748,054	10,656,871	20,708	272,425,633	10,052,623	130,321	--	10,182,944	5,765,571	24,328	105	5,790,004	277,566,248	10,811,520	20,813	288,398,581
Corporations	282,079,564	73,447,487	9,660,519	365,187,570	16,307,363	1,434,478	363,617	18,105,458	24,473,718	3,323,143	928,606	28,725,467	322,860,645	78,205,108	10,952,742	412,018,495
Wholesale	220,185,077	52,530,154	9,582,243	282,297,474	9,044,568	441,194	360,771	9,846,533	17,564,671	2,611,301	504,999	20,680,971	246,794,316	55,582,649	10,448,013	312,824,978
Retail MPE	61,884,789	20,916,614	78,276	82,879,679	7,259,207	993,186	2,846	8,255,239	6,901,837	711,769	423,607	8,037,213	76,045,833	22,621,569	504,729	99,172,131
Retail rural producer	9,698	719	--	10,417	3,588	98	--	3,686	7,210	73	--	7,283	20,496	890	--	21,386
Total	763,350,800	174,935,090	10,480,433	948,766,323	63,666,977	10,010,171	365,863	74,043,011	56,108,529	3,544,246	929,608	60,582,383	883,126,306	188,489,507	11,775,904	1,083,391,717
%	80.46%	18.44%	1.10%	100.00%	85.99%	13.52%	0.49%	100.00%	92.62%	5.85%	1.53%	100.00%	81.51%	17.40%	1.09%	100.00%



In thousands of Reais, unless otherwise stated

Other financial assets

Financial assets at fair value through other comprehensive income

Jun 30, 2023	Stage 1	Stage 2	Stage 3	Total
Debt instruments				
Brazilian federal government bonds	289,620,213	--	--	289,620,213
Securities issued by non-financial companies	53,301,039	340,345	1,801,991	55,443,375
Federal government bonds	16,969,437	--	--	16,969,437
Brazilian government bonds issued abroad	8,709,055	--	--	8,709,055
Investments in mutual funds	4,817,136	--	--	4,817,136
Securities issued by financial companies	1,107,575	--	--	1,107,575
Total	374,524,455	340,345	1,801,991	376,666,791

Dec 31, 2022	Stage 1	Stage 2	Stage 3	Total
Debt instruments				
Brazilian federal government bonds	293,508,198	--	--	293,508,198
Securities issued by non-financial companies	47,984,976	528,038	2,036,511	50,549,525
Federal government bonds	13,432,313	--	--	13,432,313
Brazilian government bonds issued abroad	8,388,834	--	--	8,388,834
Investments in mutual funds	3,870,703	--	--	3,870,703
Securities issued by financial companies	21,181	--	--	21,181
Total	367,206,205	528,038	2,036,511	369,770,754

Securities at amortized cost

Jun 30, 2023	Stage 1	Stage 2	Stage 3	Total
Debt instruments				
Securities issued by non-financial companies	32,842,178	718,489	4,939,141	38,499,808
Brazilian federal government bonds	13,258,510	--	--	13,258,510
Brazilian government bonds issued abroad	2,428,671	--	--	2,428,671
Foreign government bonds	1,607,033	--	--	1,607,033
Securities issued by financial companies	48,435	--	--	48,435
Subtotal	50,184,827	718,489	4,939,141	55,842,457
Expect losses on securities	(50,546)	(622)	(2,845,812)	(2,896,980)
Total	50,134,281	717,867	2,093,329	52,945,477



In thousands of Reais, unless otherwise stated

Dec 31, 2022	Stage 1	Stage 2	Stage 3	Total
Debt instruments				
Securities issued by non-financial companies	27,223,118	869,063	2,147,479	30,239,660
Brazilian federal government bonds	12,832,079	--	--	12,832,079
Brazilian government bonds issued abroad	2,642,881	--	--	2,642,881
Foreign government bonds	2,500,850	--	--	2,500,850
Securities issued by financial companies	20,930	--	--	20,930
Subtotal	45,219,858	869,063	2,147,479	48,236,400
Expect losses on securities	(78,918)	(1,920)	(159,138)	(239,976)
Total	45,140,940	867,143	1,988,341	47,996,424

Concentration

The credit risk management strategies guide the Bank's activities at the operational level. Strategic decisions include, among other aspects, determination of the Bank's risk appetite and credit risk and concentration limits. The Bank also follows the concentration limits established by Bacen.

The Bank has a systematic risk management approach to the concentration of the credit portfolio. In addition to monitoring the concentration levels of different segments of the portfolio, based on the Herfindahl-Hirshman Index, the impact of the concentration on capital allocation for credit risk is evaluated.

Exposures by geographic region

	Jun 30, 2023	Dec 31, 2022
Banco do Brasil		
Domestic market	872,862,112	845,605,208
Southeast	342,628,622	338,528,795
South	163,482,533	161,020,600
Midwest	176,172,124	168,130,285
Northeast	127,782,153	120,350,530
North	62,796,680	57,574,998
Foreign market	37,415,118	37,521,098
Total	910,277,230	883,126,306

Additional information about credit exposure by economic activity is contained in Note 13 – Loans to customers.

d) Operational risk

Operational risk is the possibility of a loss due to failures, deficiencies or inadequacies in internal processes and systems, a human error and external events. It also includes legal risk arising from errors or deficiencies in contracts, sanctions for non-compliance with laws and indemnification for damages caused to third parties.

In order to improve efficiency in the management of non-financial risks, operational risk is made up of the following management categories: third-party risk, legal risk, compliance risk, security risk, model risk, conduct risk, cyber risk and IT risk. This composition allows the convergence of management instruments such as taxonomy and losses base, among others.



The regulatory categories of operational risk (inappropriate practices, labor practices, fraud and external theft, process failures, interruption of activities, damage to assets and people, fraud and internal theft, failures of systems and technology) are constantly monitored and their results reported to the Bank's Senior Management.

Specific risk and capital management policy

Banco do Brasil defines the specific risk and capital management policy, covering guidelines applicable to Operational Risk, with the objective of establishing the guidelines related to the continuous and integrated management of risks and capital and the disclosure of information on these topics to the Prudential Conglomerate, safeguarding those of a confidential and proprietary nature. The definition of the policy complies with applicable legislation and regulations and is based on best governance practices.

In accordance with CMN Resolution 4,557/2017, the policy permeates all of the activities related to operational risk and is designed to identify, measure, evaluate, mitigate, control, monitor, disclose and improve the risks in the Prudential Conglomerate and in each individual institution. It also aims to identify and monitor the risks associated to the investees of the institutions that compose the Prudential Conglomerate.

Management instruments and Monitoring

Banco do Brasil's operational risk management seeks to maintain a structured approach for the functioning of all the activities that are necessary for the risk to remain at levels adequate to the expected profitability of the businesses. This requires processes to be regularly reviewed and updated, which means continuously improving management.

Regarding the operational risk management instruments, the SIM - Immediate Complaint Solution stands out, which has streamlined the solution of customer complaints, since the analysis and dispute procedure is carried out on a single environment, with the automated issuance of the Term of Commitment completed, and credit made to the customer's account immediately after dispatch for certain amounts. This agile flow has reduced complaints to external bodies, such as Bacen, and helps to reduce the number of lawsuits filed.

In addition, the systematic monitoring of operational loss events is carried out through the analysis of the information contained in the Risk Dashboard, among them the monitoring of the global and specific limits and decisions of the Executive Committee for Risk Management, Internal Controls, Assets, Liabilities, Liquidity and Capital – CEGRC. Based on the monitoring of the established limits, the managers that are responsible for the process, products or services may be called to clarify the reasons for the extrapolation of limits and propose risk mitigation actions.

The monitoring of operational losses, in order to produce the appropriate reports, takes place through the Operational Risk Dashboard, which is also monitored by the areas managing processes, systems, products or services, with monthly calculation of the amounts of losses according to the global operating loss limit and specific operating loss limits.



In thousands of Reais, unless otherwise stated

24– Employee benefits

Banco do Brasil sponsors the following pension and health insurance plans for its employees, that ensure the complementation of retirement benefits and medical assistance:

	Plans	Benefits	Classification
Previ – Caixa de Previdência dos Funcionários do Banco do Brasil	Previ Futuro	Retirement and pension	Defined contribution
	Benefit Plan 1	Retirement and pension	Defined benefit
	Informal Plan	Retirement and pension	Defined benefit
Cassi – Caixa de Assistência dos Funcionários do Banco do Brasil	Associates Plan	Health care	Defined benefit
Economus – Instituto de Seguridade Social	Prevmais	Retirement and pension	Variable contribution
	General Regulation	Retirement and pension	Defined benefit
	Complementary Regulation 1	Retirement and pension	Defined benefit
	B' Group	Retirement and pension	Defined benefit
	Unified Health Plan – PLUS	Health care	Defined benefit
	Unified Health Pla – PLUS II	Health care	Defined benefit
	Complementary Health Care – PAMC	Health care	Defined benefit
Fusesc – Fundação Codesc de Seguridade Social	Multifuturo Plan I	Retirement and pension	Variable contribution
	Benefit Plan I	Retirement and pension	Defined benefit
SIM – Caixa de Assistência dos Empregados dos Sistemas Besc e Codesc, do Badesc e da Fusesc	Health Plan	Health care	Defined contribution
Prevbep – Caixa de Previdência Social	BEP Plan	Retirement and pension	Defined benefit

Number of participants covered by benefit plans sponsored by the Bank

	Jun 30, 2023			Dec 31, 2022		
	Number of participants			Number of participants		
	Active	Retired/users	Total	Active	Retired/users	Total
Retirement and pension plans	86,593	122,515	209,108	87,342	123,024	210,366
Benefit Plan 1 – Previ	3,288	100,241	103,529	3,500	100,458	103,958
Previ Futuro	72,971	3,879	76,850	73,413	3,680	77,093
Informal Plan	--	1,976	1,976	--	2,045	2,045
Other plans	10,334	16,419	26,753	10,429	16,841	27,270
Health care plans	88,177	106,797	194,974	89,007	107,329	196,336
Cassi	79,465	101,241	180,706	80,236	101,619	181,855
Other plans	8,712	5,556	14,268	8,771	5,710	14,481



In thousands of Reais, unless otherwise stated

Bank's contributions to benefit plans

	1st half/2023	1st half/2022
Retirement and pension plans	960,497	904,772
Benefit Plan 1 – Previ ¹	306,420	296,066
Previ Futuro	455,825	409,292
Informal Plan	64,554	68,628
Other plans	133,698	130,786
Health care plans	1,011,378	953,823
Cassi	902,105	857,455
Other plans	109,273	96,368
Total	1,971,875	1,858,595

1- It refers to the contributions relating to participants subject to Agreement 97 and Plan 1, whereby these contributions occur by the realization of Fundo Paridade until 2018 and Fundo de Utilização (Note 24.d). Agreement 97 aims to regulate the funding required to constitute a portion equivalent to 53.7% of guaranteed amount relating to the supplementary pension due to the participants who joined the Bank up to April 14, 1967 and who have retired or will retire after the aforementioned date, except for those participants who are part of the Informal Plan.

The Bank's contributions to defined benefit plans (post-employment) were estimated at R\$ 1,097,561 thousand for the next 6 months and R\$ 2,051,864 thousand for the next 12 months.

Amounts recognized in profit or loss

	1st half/2023	1st half/2022
Retirement and pension plans	1,193,357	565,189
Benefit Plan 1 – Previ	1,757,217	1,084,602
Previ Futuro	(455,825)	(409,292)
Informal Plan	(54,137)	(46,872)
Other plans	(53,898)	(63,249)
Health care plans	(1,126,673)	(1,042,995)
Cassi	(1,021,568)	(949,938)
Other plans	(105,105)	(93,057)
Total	66,684	(477,806)

Detailed information regarding defined benefit plans is provided in Note 24.b.4.

a) Risk factors

The Bank may be required to make extraordinary contributions to sponsored entities, which may adversely affect the Bank's operating income and shareholders' equity.

In one hand, from an asset point of view, actuarial risk is associated with the possibility of losses resulting from fluctuation (decrease) in the fair value of plan assets. On the other hand, from the point of view of actuarial liabilities, the risk is associated with the possibility of losses arising from the fluctuation (increase) in the present value of the actuarial obligations of the plans of the Defined Benefit category.

Determination of the Bank's obligations to these entities is based on long-term actuarial and financial estimates and the application and interpretation of current regulatory standards. Inaccuracies inherent to the estimation process could result in differences between recorded amounts and the actual obligations in the future. This could have a negative impact on the Bank's operating results.



In thousands of Reais, unless otherwise stated

b) Actuarial valuations

Actuarial evaluations are performed every six months. The information contained in the below tables refers to the calculations on June 30, 2023 and on December 31, 2022, unless otherwise noted.

b.1) Changes in present value of defined benefit actuarial obligations

	Benefit Plan 1 – Previ		Informal Plan – Previ		Associates Plan – Cassi		Other plans	
	1st half/2023	2022	1st half/2023	2022	1st half/2023	2022	1st half/2023	2022
Opening balance	(140,726,703)	(152,404,722)	(752,171)	(846,025)	(8,808,892)	(9,212,441)	(8,352,609)	(8,975,214)
Interest cost	(8,185,893)	(15,969,282)	(42,088)	(84,665)	(515,600)	(989,853)	(489,213)	(948,961)
Current service cost	(21,673)	(68,644)	--	--	(40,724)	(79,866)	(1,625)	(4,578)
Past service cost	--	--	(12,050)	(19,492)	--	--	--	--
Benefits paid using plan assets	8,069,291	15,311,473	64,554	140,986	436,861	884,995	418,957	865,173
Remeasurements of actuarial gain/(losses)	(24,393,388)	12,404,472	(72,096)	57,025	(1,579,664)	588,273	(1,194,991)	710,971
Experience adjustment	(2,106,121)	(4,970,461)	5,446	(7,543)	(230,561)	(335,656)	49,155	(268,829)
Changes to biometric/demographic assumptions	--	--	--	--	--	--	--	17,932
Changes to financial assumptions	(22,287,267)	17,374,933	(77,542)	64,568	(1,349,103)	923,929	(1,244,146)	961,868
Closing balance	(165,258,366)	(140,726,703)	(813,851)	(752,171)	(10,508,019)	(8,808,892)	(9,619,481)	(8,352,609)
Present value of actuarial liabilities with surplus	(165,258,366)	(140,726,703)	--	--	--	--	(8,031,781)	(7,476,638)
Present value of actuarial liabilities without surplus	--	--	(813,851)	(752,171)	(10,508,019)	(8,808,892)	(1,587,700)	(875,971)



In thousands of Reais, unless otherwise stated

b.2) Changes in fair value of plan assets

	Benefit Plan 1 – Previ		Informal Plan – Previ		Associates Plan – Cassi		Other plans ¹	
	1st half/2023	2022	1st half/2023	2022	1st half/2023	2022	1st half/2023	2022
Opening balance	197,539,033	192,870,833	--	--	--	--	7,476,638	7,590,710
Interest income	11,722,000	21,777,783	--	--	--	--	448,935	873,990
Contributions received	612,840	1,276,540	64,554	140,986	436,861	884,995	218,573	459,151
Participants	306,420	638,270	--	--	--	--	84,280	173,101
Sponsor	306,420	638,270	64,554	140,986	436,861	884,995	134,293	286,050
Benefits paid using plan assets	(8,069,291)	(15,311,473)	(64,554)	(140,986)	(436,861)	(884,995)	(418,957)	(865,173)
Actuarial gain/(loss) on plan assets	5,048,610	(3,074,650)	--	--	--	--	306,592	(582,040)
Closing balance	206,853,192	197,539,033	--	--	--	--	8,031,781	7,476,638

1- It refers to the following plans: General Regulation (Economus), Prevmis (Economus), Complementary Regulation 1 (Economus), Multifuturo I (Fusesc), Benefit Plan I (Fusesc) and BEP Plan (Prevbep).

b.3) Amounts recognized in the consolidated balance sheet

	Benefit Plan 1 – Previ		Informal Plan – Previ		Associates Plan – Cassi		Other plans	
	Jun 30, 2023	Dec 31, 2022	Jun 30, 2023	Dec 31, 2022	Jun 30, 2023	Dec 31, 2022	Jun 30, 2023	Dec 31, 2022
1) Fair value of the plan assets	206,853,192	197,539,033	--	--	--	--	8,031,781	7,476,638
2) Present value of actuarial liabilities	(165,258,366)	(140,726,703)	(813,851)	(752,171)	(10,508,019)	(8,808,892)	(9,619,481)	(8,352,609)
3) Surplus/(deficit) (1+2)	41,594,826	56,812,330	(813,851)	(752,171)	(10,508,019)	(8,808,892)	(1,587,700)	(875,971)
4) Net actuarial asset/(liability) ¹	20,797,413	28,406,165	(813,851)	(752,171)	(10,508,019)	(8,808,892)	(1,277,752)	(910,551)

1- Changes that occurred after the December actuarial valuation.



In thousands of Reais, unless otherwise stated

b.4) Breakdown of the amounts recognized in the consolidated statement of income relating to defined benefit plans

	Benefit Plan 1 – Previ		Informal Plan – Previ		Associates Plan – Cassi		Other plans	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Current service cost	(10,836)	(20,942)	--	--	(40,724)	(41,196)	(813)	(1,325)
Interest cost	(4,092,947)	(3,894,104)	(42,088)	(40,947)	(515,600)	(475,575)	(271,660)	(257,021)
Expected yield on plan assets	5,861,000	4,999,648	--	--	--	--	223,755	198,325
Unrecognized past service cost	--	--	(12,049)	(5,925)	--	--	--	--
Expense with active employees	--	--	--	--	(465,244)	(433,167)	(111,919)	(97,869)
Other adjustments/reversals	--	--	--	--	--	--	1,634	1,584
(Expense)/income recognized in profit or loss	1,757,217	1,084,602	(54,137)	(46,872)	(1,021,568)	(949,938)	(159,003)	(156,306)

b.5) Amounts recognized in the shareholders' equity

	Benefit Plan 1 – Previ		Informal Plan – Previ		Associates Plan – Cassi		Other plans	
	Jun 30, 2023	Dec 31, 2022	Jun 30, 2023	Dec 31, 2022	Jun 30, 2023	Dec 31, 2022	Jun 30, 2023	Dec 31, 2022
Opening balance	(789,156)	(3,235,552)	(105,295)	(136,659)	(638,989)	(962,540)	(312,637)	(364,321)
Accumulated other comprehensive income	(9,672,389)	4,664,911	(72,097)	57,026	(1,579,665)	588,273	(452,774)	94,999
Tax effects	4,599,946	(2,218,515)	32,444	(25,662)	710,849	(264,722)	205,527	(43,315)
Closing balance	(5,861,599)	(789,156)	(144,948)	(105,295)	(1,507,805)	(638,989)	(559,884)	(312,637)



In thousands of Reais, unless otherwise stated

b.6) Maturity profile of defined benefit actuarial obligations

	Duration ¹	Expected benefit payments ²				
		Up to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
Benefit Plan 1 (Previ)	7.92	16,462,924	15,698,886	15,496,412	319,286,743	366,944,965
Informal Plan (Previ)	5.25	134,551	119,405	107,273	955,098	1,316,327
Associates Plan (Cassi)	8.84	1,006,357	993,301	976,987	26,961,955	29,938,600
General Regulation (Econumus)	7.89	672,265	697,598	694,108	13,974,683	16,038,654
Complementary Regulation 1 (Econumus)	9.89	3,543	3,682	3,874	138,922	150,021
Plus I and II (Econumus)	10.83	41,893	43,191	44,890	2,296,501	2,426,475
B' Group (Econumus)	6.95	24,991	23,832	23,507	363,480	435,810
Prevmais (Econumus)	9.10	27,868	27,986	28,144	819,379	903,377
Multifuturo Plan I (Fusesc)	8.28	8,813	8,476	8,459	195,445	221,193
Benefit Plan I (Fusesc)	6.71	54,796	51,876	50,664	731,532	888,868
BEP Plan (Prevbep)	8.22	7,815	7,779	7,729	169,753	193,076

1- Weighted average duration, in years, of the defined benefit actuarial obligation.

2- Amounts considered without discounting at present value.

b.7) Composition of the plan assets

	Benefit Plan 1 – Previ		Other plans	
	Jun 30, 2023	Dec 31, 2022	Jun 30, 2023	Dec 31, 2022
Fixed income	125,435,776	115,877,631	7,201,500	6,582,918
Equity and funds ¹	62,407,608	64,138,045	305,010	389,605
Real estate investments	11,625,149	10,765,877	229,292	221,068
Loans and financing	5,626,407	5,215,030	159,547	151,513
Other	1,758,252	1,542,450	136,432	131,534
Total	206,853,192	197,539,033	8,031,781	7,476,638
Amounts listed in fair value of plan assets				
In the sponsor's own financial instruments	8,625,778	6,894,112	33,983	43,050
In properties or other assets used by the sponsor	1,344,546	1,264,250	34,568	31,239

1- It includes, in Plano 1 – Previ, the amount of R\$ 4,647,603 thousand (R\$ 6,432,248 thousand on December 31, 2022), related to the assets that are not quoted in active markets.



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b.8) Main actuarial assumptions adopted

	Benefit Plan 1 – Previ		Informal Plan – Previ		Associates Plan – Cassi		Other plans	
	Jun 30, 2023	Dec 31, 2022	Jun 30, 2023	Dec 31, 2022	Jun 30, 2023	Dec 31, 2022	Jun 30, 2023	Dec 31, 2022
Inflation rate (p.a.)	3.60%	3.45%	3.64%	3.58%	3.60%	3.42%	3.60%	3.45%
Real discount rate (p.a.)	7.16%	8.94%	6.95%	8.79%	7.24%	8.98%	7.14%	8.94%
Nominal rate of return on investments (p.a.)	11.02%	12.70%	--	--	--	--	11.00%	12.69%
Real rate of expected salary growth (p.a.)	0.67%	0.67%	--	--	--	--	0.91%	0.91%
Actuarial life table	BR-EMSsb-2015		BR-EMSsb-2015		BR-EMSsb-2015		AT-2000 / AT-2012 / AT-83 / RP 2000	
Capitalization method	Projected credit unit		Projected credit unit		Projected credit unit		Projected credit unit	

In order to determine the values for the defined benefit plans, the Bank uses methods and assumptions different from those submitted by the entities sponsored.

IAS 19 and IFRIC 14 prescribe the accounting, as well as the effects that occurred or that will occur in the entities that sponsor employee benefits plans. However, the sponsored entities themselves must comply with the rules issued by the Ministério da Previdência Social, through the Conselho Nacional de Previdência Complementar (CNPc) and the Superintendência Nacional de Previdência Complementar (Previc). The most significant differences are in the definition of the assumptions used in Plano 1 – Previ.

b.9) Sensitivity analysis

The sensitivity analysis is performed for changes in a single assumption while maintaining all others constant. This is unlikely in reality, since some of the assumptions are correlated.

The same methodology was used to perform the sensitivity analysis in each of the periods presented. However, the discount rate was updated to reflect market conditions.

The table below presents the sensitivity analysis of the most relevant actuarial assumptions, showing the increase/(decrease) in defined benefit obligations, with variations reasonably possible for June 30, 2023.

	Discount rate		Life expectancy		Salary increase	
	+0.25%	-0.25%	+1 age	-1 age	+0.25%	-0.25%
Benefit Plan 1 (Previ)	(3,338,384)	3,470,421	2,715,395	(2,768,263)	8,749	(8,718)
Informal Plan (Previ)	(10,786)	11,100	23,817	(23,581)	--	--
Associates Plan (Cassi)	(197,203)	205,265	138,959	(140,770)	721	(705)
General Regulation (Economus)	(150,566)	156,252	125,129	(128,904)	--	--
Complementary Regulation 1 (Economus)	(1,548)	1,611	(1,918)	1,965	--	--
Plus I and II (Economus)	(18,953)	19,941	21,692	(21,120)	--	--
B' Group (Economus)	(4,237)	4,380	5,157	(5,328)	--	--
Prevmais (Economus)	(8,417)	8,777	2,090	(2,067)	1,162	(1,144)
Multifuturo I (Fusesc)	(2,703)	2,888	1,104	(1,135)	621	(568)
Benefit Plan I (Fusesc)	(8,021)	8,282	9,979	(10,117)	--	--
BEP Plan (Prevbep)	(1,825)	1,899	1,207	(1,251)	--	--



In thousands of Reais, unless otherwise stated

c) Overview of actuarial asset/(liability) recorded by the Bank

	Actuarial assets		Actuarial liabilities	
	Jun 30, 2023	Dec 31, 2022	Jun 30, 2023	Dec 31, 2022
Benefit Plan 1 (Previ)	20,797,413	28,406,165	--	--
Informal Plan (Previ)	--	--	(813,851)	(752,171)
Associates Plan (Cassi)	--	--	(10,508,019)	(8,808,892)
General Regulation (Economus)	--	--	(748,004)	(565,077)
Complementary Regulation 1 (Economus)	7,766	9,576	--	--
Plus I and II (Economus)	--	--	(676,908)	(563,390)
B' Group (Economus)	--	--	(232,235)	(206,165)
Prevmais (Economus)	133,902	147,230	--	--
Multifuturo I (Fusesc)	117,954	119,869	--	--
Benefit Plan I (Fusesc)	94,908	115,868	--	--
BEP Plan (Prevbep)	24,865	31,538	--	--
Total	21,176,808	28,830,246	(12,979,017)	(10,895,695)

d) Allocations of the surplus – Benefit Plan 1

	1st half/2023	1st half/2022
Surplus Fund¹		
Opening balance	11,315,371	10,795,343
Contributions to Plan 1	(306,420)	(296,066)
Interest and inflation adjustment	570,660	862,963
Closing balance	11,579,611	11,362,240

1- It contains resources transferred from the Allocation Fund (because of the plan's surplus). The Bank can use for repayments or to reduce future contributions (after first meeting all applicable legal requirements). The fund is recalculated based on the actuarial target (INPC + 4.75% p.a.).

25– Related party transactions

a) Bank's key management personnel

Salaries and other benefits paid the Bank's key management personnel (Executive Board and Board of Directors) are as follows:

	1st half/2023	1st half/2022
Short-term benefits	24,023	23,947
Compensation and social charges	14,018	15,023
Executive Board	13,877	14,988
Board of Directors	141	35
Variable remuneration (cash) and social charges	6,979	7,307
Other ¹	3,026	1,617
Termination benefits	2,057	52
Share-based payment benefits	8,595	7,523
Total	34,675	31,522

1 - Includes compensation for the members of the Audit Committee and Risks and Capital Committee that are part of the Board of Directors, as well as employer contributions to pension plan and complementary healthy plan, housing assistance, removal benefits, group insurance, among others.



The Bank's variable compensation policy (developed in accordance with CMN Resolution 3,921/2010) requires variable compensation for the Executive Directors to be paid partially in shares (Note 21.I).

The Bank does not offer post-employment benefits to its key management personnel, except for those who are part of the staff of the Bank.

b) Details of related party transactions

The Bank has the policy of related party transactions approved by the Board of Directors and disclosed to the market. The policy aims to establish rules to assure that all decisions, especially those involving related party and other situations potentially conflicted, are made observing the interests of the Bank and its shareholders. It is applicable to all staff and directors of the company.

The policy forbids related party transactions under conditions other than those of the market or that may adversely affect the Bank's interest. Therefore, the transactions are conducted under normal market conditions. The terms and conditions reflect comparable transactions with unrelated parties (including interest rates and collateral requirements). These transactions do not involve unusual payment risks, as disclosed in other notes.

The transactions between the consolidated companies are eliminated in the consolidated financial statements.

The main transactions carried out by the Bank with related parties are:

- intercompany transactions, such as: interbank deposits, securities, loans, interest bearing and non-interest bearing deposits, securities sold under repurchase agreements, borrowings and onlendings, guarantees given and others;
- receivables from the National Treasury for interest rate equalization under Federal Government programs (Law 8,427/1992). Interest rate equalization represents an economic subsidy for rural credit, which provides borrowers with discounted interest rates compared to the Bank's normal funding costs (including administrative and tax expenses). The equalization payment is updated by the Selic rate in accordance with the National Treasury's budgeting process (as defined by law) and is designed to preserve the Bank's earnings;
- Previ uses the Bank's internal systems for voting, selective processes and access to common internal standards, which generates cost savings for both parties involved;
- related parties loan physical space to the Bank free of charge with the Bank, using the spaces mainly for the installation of self-service terminals, banking service offices and branches. These free of charge loans with related parties do not represent significant value, because the most of them are carried out with third parties;
- provision of business support services for controlled and sponsored entities for which the Bank is reimbursed for its costs with employees, technology and materials. Sharing of structure aims to gain efficiency for the Conglomerate. In the 1st half/2023, the Bank was reimbursed a total of R\$ 170,312 thousand (R\$ 191,715 thousand in the 1st half/2022), related to the structure sharing and a total of R\$ 297,611 thousand (R\$ 271,770 thousand in the 1st half/2022), related to employees assigned;
- contracts in which the Bank rents property owned by the entities sponsored to carry out its activities;
- acquisition of portfolio of loans transferred by Banco Votorantim;
- assignment of credits arising from loans written off as losses to Ativos S.A.;
- hiring specialized services from BB Tecnologia S.A (BBTS) for specialized technical assistance, digitization and copy of documents, telemarketing, extrajudicial collection, support and backing for financial and non-financial business processes, monitoring, supervision and execution of activities inherent to equipment and environments, software development, support and testing, data center support and operation, management of cell phone electronic messages, outsourcing and monitoring of physical security systems and telephony outsourcing;
- amounts receivable arising from the honors requested by the Bank to the Guarantee Funds (in which the Federal Government holds participation), according to the terms and conditions established by the regulation of each guarantee program. The Guarantee Funds are public or private nature instruments intended to guarantee projects and credit operations, aiming to, among others, enable structured enterprises of the Federal Government and support the inclusion of individuals and companies in the credit market; and



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- Guarantees received and given and other coobligations, including contract of opening of a revolving interbank credit line with Banco Votorantim.

The Bank and Caixa Econômica Federal (CEF) signed a credit opening agreement for real estate loans, in the amount up to R\$ 1,650,000 thousand, in 2023 (up to R\$ 1,176,794 thousand in 2022).

The balances arising from the transactions above mentioned are disclosed in the "Summary of related party transactions" segregated by nature and category of related parties.

Some transactions are disclosed in other notes: the resources applied in federal government securities are listed in Note 12; information about the government funds are disclosed in other financial liabilities; and additional information about the Bank's contributions and other transactions with sponsored entities are related in Note 24.

Fundação Banco do Brasil (FBB) promotes, encourages and sponsors actions in the areas of education, culture, health, social welfare, recreation and sports, science, technology and community development. In the 1st half/2023, the Bank's contributions to FBB totaled R\$ 82,595 thousand (R\$ 79,620 thousand in the 1st half/2022).

c) Acquisition of portfolio of loans transferred by Banco Votorantim

	1st half/2023	1st half/2022
Assignment with substantial retention of risks and rewards (with co-obligation)	6,154,581	--

d) Summary of related party transactions

We present the related party transactions segregated into the following categories:

- Controller: Union (National Treasury and agencies of the direct administration of the Federal Government);
- Associates and joint ventures: Mainly refer to Banco Votorantim, Cielo, BB Mapfre Participações, Brasilprev, Brasilcap, Alelo, Cateno and Tecban;
- Key management personnel: Board of Directors and Executive Board; and
- Other related parties: State-owned companies and public companies controlled by the Federal Government, such as: Petrobras, CEF and BNDES. Government funds such as: Fundo de Amparo ao Trabalhador – FAT, Fundo de Aval para Geração de Emprego e Renda – Funproger. In addition, entities linked to employees and sponsored entities: Cassi, Previ and others.



In thousands of Reais, unless otherwise stated

	Jun 30, 2023				
	Controlling shareholder	Associates and joint ventures	Key management personnel	Other related parties	Total
Assets	2,427,803	15,970,114	5,712	6,647,771	25,051,400
Loans to financial institutions	--	11,036,334	--	3,127,172	14,163,506
Financial assets	--	3,673,495	--	624,022	4,297,517
Loans to customers ¹	--	717	5,712	2,591,175	2,597,604
Other assets ²	2,427,803	1,259,568	--	305,402	3,992,773
Liabilities	5,716,104	16,452,892	20,693	58,039,900	80,229,589
Customers resources	4,034,519	524,106	1,802	12,869,974	17,430,401
Financial institutions resources	170,929	190,082	--	43,904,576	44,265,587
Other liabilities ³	1,510,656	15,738,704	18,891	1,265,350	18,533,601
Guarantees given and other coobligations	328,318	5,001,540	96	30,973	5,360,927
Consolidated statement of income	1st half/2023				
Interest income	2,782,740	944,324	361	240,527	3,967,952
Interest expense	(98,498)	(22,649)	(1,102)	(2,099,979)	(2,222,228)
Commissions and fee income	65,325	3,007,454	39	375,730	3,448,548
Other operating income	18,293	410,079	--	11,109	439,481
Other operating expenses	(486,296)	(398,040)	--	(285,123)	(1,169,459)

1 - The Bank constituted the amount of R\$ 52 thousand as allowance for losses on loans on transactions with related parties. The constitution of expense was R\$ 13 thousand in the 1st half/2023.

2 - The transactions with the Controller refer mainly to interest rate equalization – agricultural crop and receivables – National Treasury.

3 - Mainly include other financial instruments and financial bills. The associates and joint ventures' and balance mainly refers to amounts payable to Cielo relating to transactions carried out with credit and debit cards issued by the Bank to be transferred by the Cielo to the accredited establishments.



In thousands of Reais, unless otherwise stated

	Dec 31, 2022				
	Controlling shareholder	Associates and joint ventures	Key management personnel	Other related parties	Total
Assets	2,580,362	12,902,253	6,147	6,299,651	21,788,413
Loans to financial institutions	--	8,410,124	--	2,901,626	11,311,750
Financial assets	--	3,694,921	--	498,019	4,192,940
Loans to customers ¹	--	1,211	6,147	2,587,860	2,595,218
Other assets ²	2,580,362	795,997	--	312,146	3,688,505
Liabilities	4,642,909	17,773,448	25,875	57,931,685	80,373,917
Customers resources	2,747,266	570,117	1,741	11,074,351	14,393,475
Financial institutions resources	132,828	100,043	--	45,689,386	45,922,257
Other liabilities ³	1,762,815	17,103,288	24,134	1,167,948	20,058,185
Guarantees received	--	20	--	--	20
Guarantees given and other coobligations	344,592	5,004,909	--	33,985	5,383,486
Consolidated statement of income	1st half/2022				
Interest income	2,724,410	500,967	399	264,053	3,489,829
Interest expense	(62,751)	(22,646)	(814)	(1,958,655)	(2,044,866)
Commissions and fee income	85,044	2,757,911	4	365,441	3,208,400
Other operating income	81,430	454,961	--	8,860	545,251
Other operating expenses	(466,591)	(649,205)	--	(413,841)	(1,529,637)

1 - The Bank constituted the amount of R\$ 39 thousand as allowance for losses on loans on transactions with related parties. The constitution of expense was R\$ 7 thousand in the 1st half/2022.

2 - The transactions with the Controller refer mainly to interest rate equalization – agricultural crop and receivables – National Treasury.

3 - Mainly include other financial instruments and financial bills. The associates and joint ventures' and balance mainly refers to amounts payable to Cielo relating to transactions carried out with credit and debit cards issued by the Bank to be transferred by the Cielo to the accredited establishments.



In thousands of Reais, unless otherwise stated

26– Current and non current assets and liabilities

	Jun 30, 2023		
	Up to 1 year	After 1 year	Total
Assets			
Cash and bank deposits	22,541,168	--	22,541,168
Compulsory deposits with Brazilian Central Bank	97,135,227	--	97,135,227
Financial assets at amortized cost, net	845,431,598	560,970,255	1,406,401,853
Loans to financial institutions	433,499,723	9,580,298	443,080,021
Loans to customers	371,007,531	489,418,747	860,426,278
Securities	20,030,883	32,914,594	52,945,477
Other financial assets	20,893,461	29,056,616	49,950,077
Financial assets at fair value through profit or loss	16,631,734	--	16,631,734
Debt and equity instruments	11,752,639	--	11,752,639
Derivatives	4,879,095	--	4,879,095
Financial assets at fair value through other comprehensive income	45,135,425	331,531,366	376,666,791
Non current assets held for sale	168,883	--	168,883
Investments in associates and joint ventures	--	21,315,380	21,315,380
Property and equipment	--	14,110,721	14,110,721
Use	--	9,950,423	9,950,423
Right of use	--	4,160,298	4,160,298
Intangible assets	--	10,959,648	10,959,648
Tax assets	9,427,386	58,560,670	67,988,056
Current	9,427,386	--	9,427,386
Deferred	--	58,560,670	58,560,670
Other assets	17,502,405	24,340,664	41,843,069
Total assets	1,053,973,826	1,021,788,704	2,075,762,530
Liabilities			
Financial liabilities at amortized cost	1,477,744,124	337,809,270	1,815,553,394
Customers resources	605,821,550	162,709,176	768,530,726
Financial institutions resources	630,572,428	31,732,331	662,304,759
Funds from issuance of securities	122,795,945	139,216,612	262,012,557
Other financial liabilities	118,554,201	4,151,151	122,705,352
Financial liabilities at fair value through profit or loss	5,114,902	--	5,114,902
Provisions for labor, tax and civil lawsuits	7,056,700	11,911,559	18,968,259
Expected losses for guarantees provided and loan commitments	2,927,163	224,592	3,151,755
Tax liabilities	2,866,366	11,601,880	14,468,246
Current	2,866,366	--	2,866,366
Deferred	--	11,601,880	11,601,880
Other liabilities	10,280,704	41,053,942	51,334,646
Shareholders' equity	--	167,171,328	167,171,328
Total liabilities and shareholders' equity	1,505,989,959	569,772,571	2,075,762,530



In thousands of Reais, unless otherwise stated

	Dec 31, 2022		
	Up to 1 year	After 1 year	Total
Assets			
Cash and bank deposits	18,310,546	--	18,310,546
Compulsory deposits with Brazilian Central Bank	95,119,085	--	95,119,085
Financial assets at amortized cost, net	825,013,347	527,891,588	1,352,904,935
Loans to financial institutions	415,659,872	7,568,556	423,228,428
Loans to customers	372,512,511	460,426,046	832,938,557
Securities	18,833,235	29,163,189	47,996,424
Other financial assets	18,007,729	30,733,797	48,741,526
Financial assets at fair value through profit or loss	12,078,012	--	12,078,012
Debt and equity instruments	10,439,943	--	10,439,943
Derivatives	1,638,069	--	1,638,069
Financial assets at fair value through other comprehensive income	44,800,309	324,970,445	369,770,754
Non current assets held for sale	203,473	--	203,473
Investments in associates and joint ventures	--	20,214,061	20,214,061
Property and equipment	--	13,200,128	13,200,128
Use	--	9,194,568	9,194,568
Right of use	--	4,005,560	4,005,560
Intangible assets	--	11,030,985	11,030,985
Tax assets	9,914,030	57,327,950	67,241,980
Current	9,914,030	--	9,914,030
Deferred	--	57,327,950	57,327,950
Other assets	17,768,738	30,325,909	48,094,647
Total assets	1,023,207,540	984,961,066	2,008,168,606
Liabilities			
Financial liabilities at amortized cost	1,394,795,485	358,406,510	1,753,201,995
Customers resources	593,072,021	160,191,026	753,263,047
Financial institutions resources	616,608,090	36,314,631	652,922,721
Funds from issuance of securities	72,864,685	156,881,279	229,745,964
Other financial liabilities	112,250,689	5,019,574	117,270,263
Financial liabilities at fair value through profit or loss	2,764,797	--	2,764,797
Provisions for labor, tax and civil lawsuits	6,363,934	12,008,771	18,372,705
Expected losses for guarantees provided and loan commitments	3,146,078	438,800	3,584,878
Tax liabilities	4,625,471	13,566,618	18,192,089
Current	4,625,471	--	4,625,471
Deferred	--	13,566,618	13,566,618
Other liabilities	45,591,895	2,942,495	48,534,390
Shareholders' equity	--	163,517,752	163,517,752
Total liabilities and shareholders' equity	1,457,287,660	550,880,946	2,008,168,606



27– Other information

a) Social Bond Issue

On January 11, 2022, the Bank informed that, through its Grand Cayman Branch, priced, on January 6, 2022, a sustainable international funding of senior debt, of the social bond type, in the amount of US\$ 500 million, maturing on January 11, 2029, and coupon of 4.875% p.a. The financial settlement took place on January 11, 2022. This is the first social bond issued by the Bank.

The issuance took place within the scope of the Bank's Sustainable Finance Framework, which is in line with international standards and taxonomies, such as the ICMA Social Bond Principles 2021, and best global practices such as the Sustainable Development Goals (SDG) of the UN.

b) Russia and Ukraine Conflict

After a few weeks of intensifying tensions in Eastern Europe, on February 24, 2022, Russian troops advanced into Ukrainian territory. In response to this action, governments of several countries imposed economic sanctions on Russia and some private companies spontaneously announced the discontinuation of their activities in the country and the cessation of operations with companies and the Russian government.

Straight away, the conflict promoted the dislocation of a large part of the Ukrainian population, who took refuge in other areas and part of the country's structure was damaged. Sectors such as oil and agriculture have been affected worldwide given the relevance of Russia in the supply of oil and fertilizers, and of both countries in the production of cereals.

Banco do Brasil and its subsidiaries, in Brazil and abroad, do not have direct exposure to the conflict, as the region is not an area of activity and there are no relevant operations with governments and companies from both countries. Inevitably, the impact of the war on the world economy brings systemic effects to the financial industry in Brazil, which for the moment are not reflected in our Financial Statements. The Bank continues to closely monitor the development of events to mitigate potential financial impacts on its operations.

c) Change in tax treatment applicable to losses incurred

On November 16, 2022, the Provisional Measure 1,128/2022, was converted into Law No. 14,467, promoted changes in the tax treatment applicable to losses incurred in the receipts of credits arising from the activities of financial institutions and other institutions authorized to operate by the Bacen, except consortium administrators and payment institutions.

The Bank is evaluating the possible impacts arising from the standard, which will take effect from January 1st, 2025.



In thousands of Reais, unless otherwise stated

28– Subsequent events

a) Instrument qualifying as tier 1 capital installment settlement

On June 29, 2023, the Brazilian Central Bank authorized the second installment settlement of the instrument qualifying as tier 1 capital described in Note 21.c.

On July 27, 2023, the Bank transferred to the National Treasury the amount of R\$ 1 billion referring to the installment.

29– Reconciliation of Shareholders' equity and income

	Reference	Jun 30, 2023	Dec 31, 2022
Shareholders' equity attributable to shareholders of the Bank – BRGAAP		163,928,024	160,571,076
IFRS's adjustments		(1,321,974)	(1,322,326)
Deferral of fees and commissions for adjustment based on the effective interest rate method	(a)	(697,500)	(743,174)
Business combinations and corporate restructuring	(b)	1,485,026	1,571,298
Expected losses on financial instruments	(c)	(2,219,389)	(2,967,816)
Other adjustments		(370,133)	195,226
Income and social contribution taxes on IFRS's adjustments	(d)	480,022	622,140
Shareholders' equity attributable to shareholders of the Bank – IFRS		162,606,050	159,248,750
Attributable to non-controlling interests		4,565,278	4,269,002
Shareholders' equity in accordance with IFRS		167,171,328	163,517,752

	Reference	1st half/2023	1st half/2022
Net income attributable to shareholders of the Bank – BRGAAP		16,560,869	14,369,521
IFRS's adjustments		(1,506,764)	(1,514,814)
Deferral of fees and commissions for adjustment based on the effective interest rate method	(a)	45,674	(56,635)
Business combinations and corporate restructuring	(b)	(86,272)	327
Expected losses on financial instruments	(c)	748,427	(1,648,270)
Other adjustments ¹		(2,072,475)	(612,779)
Income and social contribution taxes on IFRS's adjustments	(d)	(142,118)	802,543
Net income attributable to shareholders of the Bank – IFRS		15,054,105	12,854,707
Attributable to non-controlling interests		1,329,391	968,575
Net income in accordance with IFRS		16,383,496	13,823,282

1 - Refers mainly to hyperinflation adjustments in Argentina, in accordance with IAS 29.

a) Deferral of fees and commissions for adjustment based on the effective interest rate method

According to accounting practices adopted by financial institutions in Brazil, fees and commissions charged for the origination of loans to customers are recognized in the consolidated statement in the inception moment.



According to IFRS 9, fees and commissions that are part of the effective interest rate calculation, directly attributable to financial instruments classified at amortized cost, must be amortized over the expected life of the contracts.

The adjustments presented in these consolidated financial statements reflect the straight-line deferral of these revenues and expenses based on the term determined for each instrument subject to the effective interest rate method.

b) Business combinations and corporate restructuring

According to accounting practices adopted by financial institutions in Brazil, the amount of goodwill or negative goodwill resulting from the acquisition of control of a company derives from the difference between the amount of consideration paid and the equity value of the shares, which is amortized, if it is based on in expectation of future profitability.

In accordance with IFRS 3, the goodwill paid for expected future profitability is the positive difference between the value of the consideration and the proportional net amount acquired from the fair value of the acquiree's assets and liabilities. The amount recorded as goodwill is not amortized, but is assessed at least annually to determine whether it is impaired.

The adjustments classified as "Business Combinations" refer to the reversal of goodwill amortization carried out in accordance with accounting practices adopted by financial institutions in Brazil, the amortization of the fair value portion of the assets and liabilities acquired/assumed, the amortization of intangible assets of defined useful life identified in the acquisition of the equity interest and the negative goodwill determined in the acquisition of the equity interest, carried out in accordance with IFRS 3.

c) Expected losses on loans to customers, guarantees provided, loan commitments and other financial assets at amortized cost

According to accounting practices adopted by financial institutions in Brazil, loans to customers must be classified in ascending order of risk levels, from risk AA to risk H. The credit holding institution is responsible for the classification of the loan in the corresponding risk level and it must be carried out based on consistent and verifiable criteria, supported by internal and external information.

The main criteria observed by financial institutions when classifying loans to customers in risk levels are related to:

- (i) the debtor's economic and financial situation;
- (ii) degree of indebtedness;
- (iii) ability to generate results;
- (iv) cash flow;
- (v) punctuality and delays in payments;
- (vi) credit limit;
- (vii) nature and purpose of the transaction; characteristics of guarantees, particularly in terms of sufficiency and liquidity; and
- (viii) transaction value.

The classification of loans to customers in risk levels is reviewed monthly, due to delays in the payment of principal or charges.

The allowance to cover losses on loans to customers, in accordance with the accounting practices adopted by financial institutions in Brazil, must be constituted monthly, and cannot be less than the sum resulting from the application of minimum percentages, which vary from 0% for loans at level AA at 100% for loans classified as



In thousands of Reais, unless otherwise stated

level H. Although the model used determines a minimum percentage of allowance for each level of risk, an entity may, at its own discretion, determine an additional allowance.

This practice of constitution of allowance for losses associated with credit risk is based on an expected loss model, using regulatory limits, in accordance with CMN Resolution 2,682/1999.

Although both international and Brazilian accounting practices use the concept of expected loss, the international model differs from the Brazilian standard. The model adopted by the bank, based on IFRS 9, considers default and significant changes in the level of credit risk, with a periodic review of the classification of these assets, through the projection of economic scenarios. The bank evaluates its operations in three stages: Stage 1 – Regular, Stage 2 – Significant credit risk increase, and Stage 3 – In default. Operations may migrate between stages according to the improvement or worsening of the operation's credit risk.

Also in accordance with IFRS 9, the bank recognizes an allowance for expected losses on securities at amortized cost, loans to financial institutions, securities purchased under resale agreements, as well as for off-balance exposures, such as loan commitments and guarantees provided, based on internal models (the provision for losses on guarantees provided, according to the practices applicable to financial institutions in Brazil, follows specific rules, using regulatory limits defined by the Central Bank of Brazil, as well as the allowance for losses on loans to customers).

d) Income and social contribution taxes on IFRS's adjustments

This adjustment results from the application of income tax and social contribution rates on the adjustments of the consolidated financial statements prepared in accordance with the accounting practices adopted by financial institutions in Brazil and the consolidated financial statements in accordance with IFRS.



Audit Committee summary report

First semester of 2023

Presentation

The Audit Committee (Coaud), a statutory advisory board, has its attributions set by Law nº 13.303/2016 (State-Owned Entities Law), Decree nº 8.945/2016, CMN Resolution nº 4.910/2021, Banco do Brasil S.A. (BB) Bylaws and its Internal Regulations. It advises the Board of Directors (CA) permanently and with independence in the exercise of its attributions.

Coaud evaluates and monitors risk exposure through interaction and joint efforts with the Risks and Capital Committee (Coris), in line with the CMN Resolution nº 4.557/2017.

The Administrators of Banco do Brasil and its subsidiaries are responsible for elaborating and ensuring the integrity of financial statements, managing risks, keeping an effective internal control system and ensuring that activities are conducted in compliance with laws and regulations.

Internal Audit (Audit) is responsible for conducting periodic work focused on the main risks that the Conglomerate is exposed, by assessing in an independent way the risk management actions and the adequacy of governance and internal controls.

Deloitte Touche Tohmatsu Independent Auditors Ltda. (Deloitte) is responsible for auditing the individual and consolidated financial statements of BB and its subsidiaries covered by the Coaud. It also evaluates, in the context of this work, the quality and sufficiency of internal controls for the preparation and appropriate presentation of the financial statements.

Period Activities

The activities carried out by Coaud, according to its Annual Work Plan of 2023, approved by the Board of Directors, on 12/08/2022, are recorded in minutes of meetings and have covered the set of responsibilities attributed to the Committee. Those documents were submitted to the Board of Directors, made available to the Supervisory Board and Independent Auditors, and its extracts were published on the website www.bb.com.br/ri.

Coaud held meetings with representatives of Banco do Brasil's management and companies of the Conglomerate, as well as their respective Boards of Directors and Supervisory Boards, Coris, Board of Officers, Internal Audit, independent audit company and Central Bank of Brazil, in addition to internal meetings between Coaud members.

At the meetings, it addressed the topics monitored by Coaud, synthesized on the following thematic areas: internal controls system, internal audit, independent audit, transactions with related parties, actuarial, risk exposure and accountancy.

The Committee presented periodic informs of its activities and opinions related to its field of work. It addressed recommendations to management and to Internal Audit involving the main topics related to its field of work. These recommendations, after analysis, have been implemented with accompaniment of Coaud.

It did not come to Coaud's knowledge the existence and/or evidence of fraud or non-compliance with legal and regulatory rules that could endanger the continuity of the Institution.

It was not reported to Coaud any divergence between independent audit and the administration related to the financial statements.



Conclusions

Based on the activities developed and bearing in mind the attributions and limitations inherent to the scope of its activities, the Coaud concluded that:

- a) the internal control system is appropriate to the size and complexity of the Conglomerate's businesses and requires ongoing attention by Administration;
- b) the Internal Audit is effective, has sufficient structure and budget to perform its functions and acts with independence, objectivity and quality;
- c) Deloitte acts effectively and independently;
- d) processes relating to transactions with related parties are in compliance with BB's specific policy and applicable legislation;
- e) the calculation parameters and actuarial results of the sponsored pension fund benefit plans are adequately reflected in the financial statements;
- f) risk exposures have been adequately managed by Management;
- g) the consolidated financial statements in the IFRS standard relative to 06/30/2023 were prepared in accordance with the international financial reporting standards (International Financial Reporting Standards), issued by the International Accounting Standards Board (IASB), and reflect, in their material aspects, the equity and financial position on that date.

Brasília-DF, August 08, 2023.

(assinado eletronicamente)

Egidio Otmar Ames

(coordenador)

(assinado eletronicamente)

Aramis Sá de Andrade

(assinado eletronicamente)

Vera Lucia de Almeida Pereira Elias

(assinado eletronicamente)

Rachel de Oliveira Maia

(assinado eletronicamente)

Walter Eustáquio Ribeiro



**Declaration of the Executive Board members
about the Financial Statements**

According to the article 27, § 1, item VI, of CVM Instruction No. 80 of March 29, 2022, we declare that the Financial Statements of the Banco do Brasil S.A. related to the period ended June 30, 2023 were reviewed and, based on subsequent discussions, we agree that such statement fairly reflects, in all material facts, the financial position for the periods presented.

Brasília (DF), August 07, 2023.

Tarciana Paula Gomes Medeiros
CHIEF EXECUTIVE OFFICER (CEO)

Felipe Guimarães Geissler Prince
CHIEF INTERNAL CONTROLS AND RISK
MANAGEMENT OFFICER (CRO)

Carla Nesi
CHIEF RETAIL BUSINESS OFFICER

Francisco Augusto Lassalvia
CHIEF WHOLESALE OFFICER

Marisa Reghini Ferreira Mattos
CHIEF TECHNOLOGY AND DIGITAL BUSINESS
OFFICER (CTO)

José Ricardo Sasseron
CHIEF GOVERNMENT AFFAIRS AND
SUSTAINABILITY OFFICER

Ana Cristina Rosa Garcia
CHIEF CORPORATE OFFICER

Marco Geovanne Tobias da Silva
CHIEF FINANCIAL MANAGEMENT AND
INVESTOR RELATIONS OFFICER (CFO)

Luiz Gustavo Braz Lage
CHIEF AGRIBUSINESS OFFICER



**Declaration of the Executive Board members
about the Report of Independent Auditors**

According to the article 27, §1, item V, of CVM Instruction No. 80 of March 29, 2022, we affirm based on our knowledge, on auditor's plan and on discussions about the audit results, that we agree, with no dissent, to the opinions expressed in the Report of Independent Auditors for Financial Statements.

Brasília (DF), August 07, 2023.

Tarciana Paula Gomes Medeiros
CHIEF EXECUTIVE OFFICER (CEO)

Felipe Guimarães Geissler Prince
CHIEF INTERNAL CONTROLS AND RISK
MANAGEMENT OFFICER (CRO)

Carla Nesi
CHIEF RETAIL BUSINESS OFFICER

Francisco Augusto Lassalvia
CHIEF WHOLESALE OFFICER

Marisa Reghini Ferreira Mattos
CHIEF TECHNOLOGY AND DIGITAL BUSINESS
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CHIEF FINANCIAL MANAGEMENT AND
INVESTOR RELATIONS OFFICER (CFO)

Luiz Gustavo Braz Lage
CHIEF AGRIBUSINESS OFFICER



Members of management

CHIEF EXECUTIVE OFFICER (CEO)

Tarciana Paula Gomes Medeiros

VICE-PRESIDENTS

Ana Cristina Rosa Garcia
Carla Nesi
Felipe Guimarães Geissler Prince
Francisco Augusto Lassalvia
José Ricardo Sasseron
Luiz Gustavo Braz Lage
Marco Geovanne Tobias da Silva
Marisa Reghini Ferreira Mattos

DIRECTORS

Alan Carlos Guedes de Oliveira
Alberto Martinhago Vieira
Antonio Carlos Wagner Chiarello
Eduardo Cesar Pasa
Euler Antonio Luz Mathias
Gustavo Garcia Lellis
Jayme Pinto Junior
João Francisco Fruet Júnior
João Vagnes de Moura Silva
Julio César Vezzaro
Kamillo Tononi Oliveira Silva
Larissa da Silva Novais Vieira
Luciano Matarazzo Regno
Lucinéia Possar
Mariana Pires Dias
Neudson Peres de Freitas
Paula Sayão Carvalho Araujo
Pedro Bramont
Rafael Machado Giovanella
Rodrigo Costa Vasconcelos
Rodrigo Mulinari
Rosiane Barbosa Laviola
Thiago Affonso Borsari

BOARD OF DIRECTORS

Anelize Lenzi Ruas de Almeida
Elisa Vieira Leonel
Kelly Tatiane Martins Quirino
Marcelo Gasparino da Silva
Paulo Roberto Simão Bijos
Robert Juenemann
Tarciana Paula Gomes Medeiros

SUPERVISORY BOARD

Bernard Appy
Fernando Florêncio Campos
Gileno Gurjão Barreto
Renato da Motta Andrade Neto
Tatiana Rosito

AUDIT COMMITTEE

Aramis Sá de Andrade
Egídio Otmar Ames
Rachel de Oliveira Maia
Vera Lucia de Almeida Pereira Elias
Walter Eustáquio Ribeiro

ACCOUNTING DEPT.

Eduardo Cesar Pasa
General Accountant
Accountant CRC-DF 017601/O-5
CPF 541.035.920-87

Pedro Henrique Duarte Oliveira
Accountant CRC-DF 023407/O-3
CPF 955.476.143-00