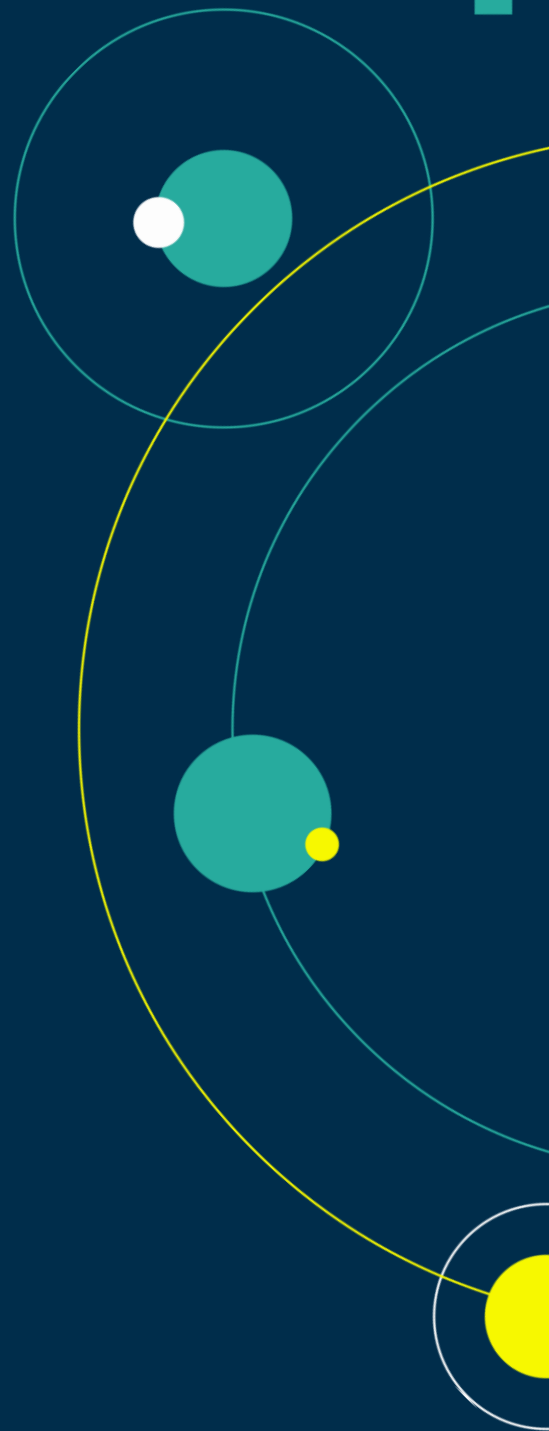




Financial Statements

June 30, 2023





Index

Index.....	1
Financial Statements.....	1
Balance sheet.....	1
Statement of income.....	2
Statement of comprehensive income.....	3
Statement of changes in shareholders' equity.....	4
Statements of cash flows.....	6
Statement of value added.....	7
Notes to the Financial Statements.....	8
1 – The Bank and its operations.....	8
2 – Presentation of financial statements.....	9
3 – Description of significant accounting policies.....	14
4 – Significant Judgments and accounting estimates.....	21
5 – Acquisitions, disposals and corporate restructuring.....	24
6 – Information by segment.....	26
7 – Cash and due from banks.....	30
8 – Compulsory deposits with Bacen.....	31
9 – Interbank investments.....	32
10 – Securities.....	33
11 – Derivative financial instruments.....	39
12 – Loan portfolio.....	46
13 – Other assets.....	56
14 – Investments.....	58
15 – Property for use.....	63
16 – Intangible.....	64
17 – Customers resources.....	66
18 – Financial institutions resources.....	68
19 – Resources from issuance of debt securities.....	70
20 – Other liabilities.....	73
21 – Provisions and contingent liabilities.....	75
22 – Taxes.....	80
23 – Shareholder's equity.....	83
24 – Service fee income.....	90
25 – Personnel expenses.....	91
26 – Other administrative expenses.....	92
27 – Other income/expenses.....	93
28 – Related party transactions.....	94
29 – Employee benefits.....	99
30 – Risk and capital management.....	111
31 – Recurring and non-recurring net income.....	122
32 – Other information.....	122
33 – Subsequent events.....	126
Independent Auditor's Report on the Individual and Consolidated Financial Statements.....	127
Audit Committee Summary Report.....	133
Declaration of the Executive Board members about the Financial Statements.....	135
Declaration of the Executive Board members about the Report of Independent Auditors.....	136
Members of Management.....	137



Balance sheet

	Note	Banco do Brasil		Consolidated	
		June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Assets					
Cash and due from banks	7	18,574,583	12,808,085	22,541,168	18,310,546
Financial assets		2,009,134,612	1,949,759,015	1,998,421,484	1,925,433,427
Compulsory deposits with Bacen	8	97,135,227	95,119,085	97,135,227	95,119,085
Interbank investments	9	490,260,839	478,461,195	432,512,501	415,873,438
Securities	10	410,212,582	403,227,004	441,532,787	428,447,097
Derivative financial instruments	11	4,885,367	1,622,016	4,879,095	1,638,069
Loan portfolio	12	907,552,540	877,064,044	921,558,247	891,283,323
Other financial assets	13	99,088,057	94,265,671	100,803,627	93,072,415
Allowance for losses associated with credit risk		(53,654,678)	(53,602,150)	(54,134,570)	(54,048,463)
Loan portfolio	12	(50,490,045)	(50,513,636)	(50,674,952)	(50,697,155)
Other financial assets	13	(3,164,633)	(3,088,514)	(3,459,618)	(3,351,308)
Tax assets		65,490,727	64,763,208	68,236,265	66,817,520
Current tax assets		10,158,701	11,030,120	11,287,112	11,523,496
Deferred tax assets (tax credit)	22	55,332,026	53,733,088	56,949,153	55,294,024
Investments		37,892,419	36,042,811	20,011,221	18,794,272
Investments in subsidiaries, associates and joint ventures	14	37,925,077	36,075,468	20,025,065	18,800,024
Other investments		2,101	2,137	2,699	2,809
Impairment losses		(34,759)	(34,794)	(16,543)	(8,561)
Property for use	15	9,255,437	8,534,699	9,507,482	8,825,918
Property and equipment		22,386,571	21,157,959	22,878,210	21,689,521
Accumulated depreciation		(13,124,641)	(12,616,767)	(13,361,800)	(12,854,672)
Impairment losses		(6,493)	(6,493)	(8,928)	(8,931)
Intangible	16	10,908,362	10,976,590	10,985,059	11,090,645
Intangible assets		18,201,426	17,127,888	18,755,119	17,711,288
Accumulated amortization		(6,787,380)	(5,645,614)	(7,234,485)	(6,085,068)
Impairment losses		(505,684)	(505,684)	(535,575)	(535,575)
Other non-financial assets	13	26,790,702	33,684,686	27,584,234	34,174,900
Total assets		2,124,392,164	2,062,966,944	2,103,152,343	2,029,398,765
Liabilities					
Financial liabilities		1,890,568,703	1,836,793,158	1,848,214,208	1,782,027,044
Customers resources	17	734,788,489	722,515,822	768,530,726	753,263,047
Financial institutions resources	18	737,113,077	736,890,036	662,304,759	652,922,721
Resources from issuance of debt securities	19	259,894,419	228,431,519	262,012,557	229,745,964
Derivative financial instruments	11	5,289,398	3,512,533	5,110,148	3,045,463
Other financial liabilities	20	153,483,320	145,443,248	150,256,018	143,049,849
Provisions	21	25,518,216	24,868,631	26,420,516	25,717,886
Provisions for civil, tax and labor claims		18,707,205	18,131,863	18,968,259	18,372,705
Other provisions		6,811,011	6,736,768	7,452,257	7,345,181
Tax liabilities		13,209,605	17,012,929	16,122,073	20,972,583
Current tax liabilities		1,933,487	3,613,093	4,635,382	7,422,707
Deferred tax liabilities	22	11,276,118	13,399,836	11,486,691	13,549,876
Other non-financial liabilities	20	37,895,356	30,452,907	44,715,299	36,652,409
Total liabilities		1,967,191,880	1,909,127,625	1,935,472,096	1,865,369,922
Shareholders' equity					
Capital	23.b	120,000,000	90,000,023	120,000,000	90,000,023
Instruments qualifying to common equity tier 1 capital	23.c	--	--	7,100,000	7,100,000
Capital reserves	23.d	1,406,118	1,402,523	1,407,902	1,404,253
Profit reserves	23.d	50,914,037	70,510,416	50,541,777	70,142,173
Other comprehensive income	23.h	(14,853,400)	(8,224,561)	(14,853,400)	(8,224,561)
Treasury shares	23.l	(266,471)	(270,840)	(268,255)	(272,570)
Retained earnings/accumulated losses		--	421,758	--	421,758
Non-controlling interest	23.i	--	--	3,752,223	3,457,767
Total shareholders' equity	23	157,200,284	153,839,319	167,680,247	164,028,843
Total liabilities and equity		2,124,392,164	2,062,966,944	2,103,152,343	2,029,398,765

See the accompanying notes to the financial statements.



Statement of income

	Note	Banco do Brasil		Consolidated	
		1st half/2023	1st half/2022	1st half/2023	1st half/2022
Income from financial intermediation		119,287,153	101,486,051	125,241,093	109,339,242
Loan portfolio	12.b	64,199,500	51,122,618	65,281,046	58,208,478
Interbank investments	9.b	31,326,378	31,172,974	30,005,899	29,341,984
Securities	10.b	20,839,830	16,836,431	26,915,523	19,301,242
Derivative financial instruments	11.b	(463,772)	(1,384,677)	(640,613)	(1,370,713)
Reserve requirement	8.b	3,715,645	2,600,555	3,715,645	2,600,555
Other financial assets	13.e	(330,428)	1,138,150	(36,407)	1,257,696
Expenses from financial intermediation		(80,100,082)	(67,763,398)	(80,862,739)	(72,899,347)
Financial institutions resources	18.d	(40,584,360)	(37,797,095)	(36,199,828)	(41,023,429)
Customers resources	17.c	(27,519,814)	(21,516,631)	(32,448,918)	(23,461,749)
Resources from issuance of debt securities	19.d	(11,345,176)	(7,864,924)	(11,683,770)	(7,961,902)
Other funding expenses	20.c	(650,732)	(584,748)	(530,223)	(452,267)
Allowance for losses associated with credit risk		(12,681,690)	(9,091,619)	(12,784,463)	(9,126,710)
Loan portfolio	12.f	(12,575,338)	(9,063,877)	(12,643,789)	(9,067,329)
Other financial assets	13.c	(106,352)	(27,742)	(140,674)	(59,381)
Net income from financial intermediation		26,505,381	24,631,034	31,593,891	27,313,185
Other operating income/expenses		(2,523,130)	(2,839,371)	(3,470,355)	(2,732,482)
Service fee income	24	10,358,821	9,924,494	16,417,629	15,371,731
Personnel expenses	25	(10,297,869)	(9,665,217)	(11,409,187)	(10,533,582)
Other administrative expenses	26	(7,356,603)	(6,302,350)	(7,258,611)	(6,341,202)
Tax expenses	22.c	(2,673,466)	(2,348,867)	(3,996,018)	(3,281,721)
Net gains from equity method investments	14.a	7,476,261	5,607,701	3,487,349	2,604,171
Other income/expenses	27	(30,274)	(55,132)	(711,517)	(551,879)
Provisions	21.e	(3,593,804)	(4,082,784)	(3,667,783)	(4,099,204)
Provisions for civil, tax and labor claims		(3,652,873)	(3,975,370)	(3,726,596)	(3,992,096)
Other		59,069	(107,414)	58,813	(107,108)
Operating income		20,388,447	17,708,879	24,455,753	20,481,499
Net non-operating Income		30,682	177,010	158,089	653,831
Profit before taxation and profit sharing		20,419,129	17,885,889	24,613,842	21,135,330
Income tax and social contribution	22.a	(1,860,954)	(1,819,741)	(4,266,027)	(3,808,773)
Employee and directors profit sharing		(2,113,818)	(1,823,078)	(2,121,383)	(1,828,031)
Non-controlling interest	23.i	--	--	(1,665,563)	(1,129,005)
Net income		16,444,357	14,243,070	16,560,869	14,369,521
Net income attributable to shareholders					
Shareholders of the bank		16,444,357	14,243,070	16,560,869	14,369,521
Non-controlling interests		--	--	1,665,563	1,129,005
Earnings per share	23.e				
Weighted average number of shares – basic		2,853,992,740	2,853,771,411		
Weighted average number of shares – diluted		2,853,687,430	2,853,510,658		
Basic and diluted earnings per share (R\$)		5.76	4.99		

See the accompanying notes to the financial statements.



Statement of comprehensive income

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Net income attributable to controlling interests	16,444,357	14,243,070	16,560,869	14,369,521
Net income attributable to non-controlling interests	--	--	1,665,563	1,129,005
Net income attributable to shareholders	16,444,357	14,243,070	18,226,432	15,498,526
Items that may be subsequently reclassified to the Statement of Income				
Financial assets available for sale	940,215	(1,185,753)	991,790	(1,233,212)
Unrealized gains/(losses) on financial assets available for sale	378,652	(703,242)	643,937	(728,490)
Realized (gains)/losses on financial assets available for sale - reclassified to profit or loss	815,797	349,233	638,657	361,479
Tax effect	(254,234)	(831,744)	(290,804)	(866,201)
Share in the comprehensive income of subsidiaries, associates and joint ventures	221,546	(63,952)	304,709	11,283
Unrealized gains/(losses) on financial assets available for sale	273,839	(22,821)	259,775	(18,197)
Unrealized gains/(losses) on cash flow hedge	(190,367)	(190,420)	(190,367)	(190,420)
Unrealized gains/(losses) on other comprehensive income	191,932	74,269	298,294	111,919
Tax effect	(53,858)	75,020	(62,993)	107,981
Investment Hedge Abroad	38,065	12,946	38,065	12,946
Unrealized gains/(losses) on hedge of investment abroad	72,583	24,686	72,583	24,686
Tax effect	(34,518)	(11,740)	(34,518)	(11,740)
Foreign currency exchange adjustments	(1,600,506)	(680,004)	(1,969,877)	(841,284)
Items that will not be subsequently reclassified to the Statement of Income				
Defined benefit pension plans	(6,228,159)	3,941,076	(6,228,159)	3,941,076
Gains/(losses) related to remeasurement of defined benefit pension plans	(11,843,190)	7,451,647	(11,843,190)	7,451,647
Tax effect	5,615,031	(3,510,571)	5,615,031	(3,510,571)
Other comprehensive income net of tax effects	(6,628,839)	2,024,313	(6,863,472)	1,890,809
Comprehensive income	9,815,518	16,267,383	11,362,960	17,389,335
Comprehensive income attributable to controlling interests	9,815,518	16,267,383	10,038,392	16,393,834
Comprehensive income attributable to non-controlling interests	--	--	1,324,568	995,501

See the accompanying notes to the financial statements.



In thousands of Reais, unless otherwise stated

Statement of changes in shareholders' equity

Banco do Brasil	Note	Capital	Capital reserves	Profit reserves		Other comprehensive income	Treasury shares	Retained earnings/accumulated losses	Total
				Legal reserve	Statutory reserves				
Balances at Dec 31, 2021		90,000,023	1,399,561	10,237,793	41,273,377	(8,409,559)	(275,297)	--	134,225,898
Transition to CPC 50		--	--	--	--	(196,920)	--	321,003	124,083
Balance at January 01, 2022		90,000,023	1,399,561	10,237,793	41,273,377	(8,606,479)	(275,297)	321,003	134,349,981
Accumulated other comprehensive income of financial instruments, net of taxes	23.h	--	--	--	--	(1,219,384)	--	--	(1,219,384)
Accumulated other comprehensive income - benefit plans, net of taxes	23.h	--	--	--	--	3,941,076	--	--	3,941,076
Foreign exchange variation of investments abroad	23.h	--	--	--	--	(680,004)	--	--	(680,004)
Cash flow hedge	23.h	--	--	--	--	(104,590)	--	--	(104,590)
Accumulated other comprehensive income - benefit plans of nonconsolidated entities, net of taxes	23.h	--	--	--	--	(2)	--	--	(2)
Hedge of net investment abroad	23.h	--	--	--	--	12,946	--	--	12,946
Other comprehensive income	23.h	--	--	--	--	74,271	--	--	74,271
Share-based payment transactions		--	2,962	--	--	--	4,457	--	7,419
Expired dividends and interest on own capital		--	--	--	--	--	--	5,979	5,979
Net income	23.g	--	--	--	--	--	--	14,243,070	14,243,070
Allocation - reserves	23.d	--	--	707,925	12,112,110	--	--	(12,820,035)	--
- Dividends	23.f	--	--	--	(443,296)	--	--	(571,257)	(1,014,553)
- Interest on own capital	23.f	--	--	--	(3,647,883)	--	--	(773,186)	(4,421,069)
Balances at June 30, 2022		90,000,023	1,402,523	10,945,718	49,294,308	(6,582,166)	(270,840)	405,574	145,195,140
Changes in the period		--	2,962	707,925	8,020,931	2,024,313	4,457	84,571	10,845,159
Balances at Dec 31, 2022		90,000,023	1,402,523	11,777,636	58,732,780	(8,095,198)	(270,840)	--	153,546,924
Application to CPC 50		--	--	--	--	(129,363)	--	421,758	292,395
Balance at January 01, 2023		90,000,023	1,402,523	11,777,636	58,732,780	(8,224,561)	(270,840)	421,758	153,839,319
Capital increase - capitalization of reserves	23.b	29,999,977	--	--	(29,999,977)	--	--	--	--
Accumulated other comprehensive income of financial instruments, net of taxes	23.h	--	--	--	--	1,072,802	--	--	1,072,802
Accumulated other comprehensive income - benefit plans, net of taxes	23.h	--	--	--	--	(6,228,159)	--	--	(6,228,159)
Foreign exchange variation of investments abroad	23.h	--	--	--	--	(1,600,506)	--	--	(1,600,506)
Cash flow hedge	23.h	--	--	--	--	(104,702)	--	--	(104,702)
Hedge of net investment abroad	23.h	--	--	--	--	38,065	--	--	38,065
Change in participation in the capital of associates/subsidiaries	23.h	--	--	--	--	(820)	--	--	(820)
Other comprehensive income	23.h	--	--	--	--	194,481	--	--	194,481
Share-based payment transactions		--	3,595	--	--	--	4,369	--	7,964
Expired dividends and interest on own capital		--	--	--	--	--	--	5,422	5,422
Net income	23.g	--	--	--	--	--	--	16,444,357	16,444,357
Allocation - reserves	23.d	--	--	822,218	14,704,846	--	--	(15,527,064)	--
- Dividends	23.f	--	--	--	(351,037)	--	--	(410,149)	(761,186)
- Interest on own capital	23.f	--	--	--	(4,772,429)	--	--	(934,324)	(5,706,753)
Balances at June 30, 2023		120,000,000	1,406,118	12,599,854	38,314,183	(14,853,400)	(266,471)	--	157,200,284
Changes in the period		29,999,977	3,595	822,218	(20,418,597)	(6,628,839)	4,369	(421,758)	3,360,965

See the accompanying notes to the financial statements.



Banco do Brasil S.A. – Financial Statements – June 30, 2023

In thousands of Reais, unless otherwise stated

BB Consolidated	Note	Capital	Instruments qualifying to common equity	Capital reserves	Profit reserves		Other comprehensive income	Treasury shares	Retained earnings/accumulated losses	Non-controlling interest	Total
					Legal reserve	Statutory					
Balances at Dec 31, 2021		90,000,023	8,100,000	1,401,177	10,237,793	40,942,497	(8,409,559)	(276,913)	--	2,862,168	144,857,186
Transition to CPC 50		--	--	--	--	--	(196,920)	--	321,003	62,902	186,985
Balance at January 01, 2022		90,000,023	8,100,000	1,401,177	10,237,793	40,942,497	(8,606,479)	(276,913)	321,003	2,925,070	145,044,171
Accumulated other comprehensive income of financial instruments, net of taxes	23.h	--	--	--	--	--	(1,219,384)	--	--	(9,872)	(1,229,256)
Accumulated other comprehensive income - benefit plans, net of taxes	23.h	--	--	--	--	--	3,941,076	--	--	--	3,941,076
Foreign exchange variation of investments abroad	23.h	--	--	--	--	--	(680,004)	--	--	(161,280)	(841,284)
Cash flow hedge	23.h	--	--	--	--	--	(104,590)	--	--	--	(104,590)
Hedge of net investment abroad	23.h	--	--	--	--	--	12,946	--	--	--	12,946
Accumulated other comprehensive income - benefit plans of nonconsolidated entities, net of	23.h	--	--	--	--	--	(2)	--	--	--	(2)
Other comprehensive income	23.h	--	--	--	--	--	74,271	--	--	37,650	111,921
Share-based payment transactions		--	--	3,076	--	--	--	4,343	--	349	7,768
Expired dividends and interest on own capital		--	--	--	--	--	--	--	5,979	18	5,997
Change in noncontrolling interest		--	--	--	--	--	--	--	--	92,863	92,863
Net income	23.g	--	--	--	--	--	--	--	14,369,521	1,129,006	15,498,527
Interest on instruments qualifying to common equity		--	--	--	--	--	--	--	(132,501)	--	(132,501)
Unrealized gains		--	--	--	--	(6,050)	--	--	6,050	--	--
Allocation - reserves	23.d	--	--	--	707,925	12,112,110	--	--	(12,820,035)	--	--
- Dividends	23.f	--	--	--	--	(443,296)	--	--	(571,257)	(695,938)	(1,710,491)
- Interest on own capital	23.f	--	--	--	--	(3,647,883)	--	--	(773,186)	--	(4,421,069)
Balances at June 30, 2022		90,000,023	8,100,000	1,404,253	10,945,718	48,957,378	(6,582,166)	(272,570)	405,574	3,317,866	156,276,076
Changes in the period		--	--	3,076	707,925	8,014,881	2,024,313	4,343	84,571	392,796	11,231,905
Balances at Dec 31, 2022		90,000,023	7,100,000	1,404,253	11,777,636	58,364,537	(8,095,198)	(272,570)	--	3,309,533	163,588,214
Application to CPC 50		--	--	--	--	--	(129,363)	--	421,758	148,234	440,629
Balance at January 01, 2023		90,000,023	7,100,000	1,404,253	11,777,636	58,364,537	(8,224,561)	(272,570)	421,758	3,457,767	164,028,843
Capital increase - capitalization of reserves	23.b	29,999,977	--	--	--	(29,999,977)	--	--	--	--	--
Accumulated other comprehensive income of financial instruments, net of taxes	23.h	--	--	--	--	--	1,072,802	--	--	28,376	1,101,178
Accumulated other comprehensive income - benefit plans, net of taxes	23.h	--	--	--	--	--	(6,228,159)	--	--	--	(6,228,159)
Foreign exchange variation of investments abroad	23.h	--	--	--	--	--	(1,600,506)	--	--	(369,371)	(1,969,877)
Cash flow hedge	23.h	--	--	--	--	--	(104,702)	--	--	--	(104,702)
Hedge of net investment abroad	23.h	--	--	--	--	--	38,065	--	--	--	38,065
Change in participation in the capital of associates/subsidiaries	23.h	--	--	--	--	--	(820)	--	--	--	(820)
Other comprehensive income	23.h	--	--	--	--	--	194,481	--	--	106,362	300,843
Share-based payment transactions		--	--	3,649	--	--	--	4,315	--	274	8,238
Expired dividends and interest on own capital		--	--	--	--	--	--	--	5,422	--	5,422
Change in noncontrolling interest		--	--	--	--	--	--	--	--	(3,562)	(3,562)
Net income	23.g	--	--	--	--	--	--	--	16,560,869	1,665,563	18,226,432
Interest on instruments qualifying to common equity		--	--	--	--	--	--	--	(120,529)	--	(120,529)
Unrealized gains		--	--	--	--	(4,017)	--	--	4,017	--	--
Allocation - reserves	23.d	--	--	--	822,218	14,704,846	--	--	(15,527,064)	--	--
- Dividends	23.f	--	--	--	--	(351,037)	--	--	(410,149)	(1,133,186)	(1,894,372)
- Interest on own capital	23.f	--	--	--	--	(4,772,429)	--	--	(934,324)	--	(5,706,753)
Balances at June 30, 2023		120,000,000	7,100,000	1,407,902	12,599,854	37,941,923	(14,853,400)	(268,255)	--	3,752,223	167,680,247
Changes in the period		29,999,977	--	3,649	822,218	(20,422,614)	(6,628,839)	4,315	(421,758)	294,456	3,651,404

See the accompanying notes to the financial statements.



Statements of cash flows

	Note	Banco do Brasil		Consolidated	
		1st half/2023	1st half/2022	1st half/2023	1st half/2022
Cash flows from operating activities					
Net income		16,444,357	14,243,070	16,560,869	14,369,521
Adjustments to net income		10,166,236	7,169,966	18,475,141	13,107,597
Allowance for losses associated with credit risk	12	12,681,690	9,091,619	12,784,463	9,126,710
Depreciation and amortization		1,933,538	1,270,885	1,964,820	1,302,263
Exchange (gain) loss on the conversion of assets and liabilities into foreign currency		(4,586,412)	(4,109,848)	(6,839,087)	(5,708,915)
Share of (earnings) losses of subsidiaries, associates and joint ventures	14	(7,476,261)	(5,607,701)	(3,487,349)	(2,604,171)
(Gain) loss on the disposal of assets		(23,283)	(4,936)	(24,556)	(342,818)
Capital (gain) loss		(6,365)	(159,511)	(130,618)	(307,226)
Civil, tax and labor claims and other provisions	21.d	3,593,804	4,082,784	3,667,783	4,099,204
Adjustment of actuarial assets/liabilities and surplus allocation funds	29.d.4/f	(1,668,698)	(1,323,901)	(1,668,698)	(1,323,901)
Effect of changes in foreign exchange rates in cash and cash equivalents		3,824,449	2,114,498	5,956,499	3,925,022
Non-controlling interests		--	--	1,665,563	1,129,005
Income tax and social contribution		1,860,954	1,819,741	4,266,027	3,808,773
Other adjustments		32,820	(3,664)	320,294	3,651
Adjusted net income		26,610,593	21,413,036	35,036,010	27,477,118
Changes in assets and liabilities		(40,411,006)	25,811,599	(38,315,240)	24,776,615
(Increase) decrease in Central Bank compulsory reserves		(2,016,142)	(18,352,439)	(2,016,142)	(18,352,439)
(Increase) decrease in short-term interbank investments		(19,681,628)	(5,929,214)	(24,435,600)	(15,128,064)
(Increase) decrease in trading securities		(3,075,237)	3,304,197	(1,294,508)	1,116,591
(Increase) decrease in derivatives		(1,448,422)	(1,063,654)	(1,138,277)	21,851
(Increase) decrease in loans, net of provision		(46,473,838)	(40,711,953)	(47,455,542)	(34,585,018)
(Increase) decrease in other financial assets		(6,287,781)	(9,337,757)	(8,866,661)	(10,325,306)
(Increase) decrease in other assets		5,066,172	(8,265,788)	7,416,673	(7,427,030)
Income tax and social contribution paid		(1,079,879)	(980,570)	(4,798,686)	(3,883,176)
(Decrease) increase in customer resources		13,912,339	48,001,781	16,907,351	49,660,658
(Decrease) increase in financial institution resources		4,808,839	36,930,833	14,924,971	41,222,264
(Decrease) increase in funds from issuance of securities		47,733,878	31,688,144	46,577,615	30,177,328
(Decrease) increase in other financial liabilities		(26,006,859)	(31,146,857)	(28,708,252)	(29,189,666)
(Decrease) increase in other liabilities		(5,862,448)	21,674,876	(5,428,182)	21,468,622
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		(13,800,413)	47,224,635	(3,279,230)	52,253,733
Cash flows from investing activities					
Purchase of securities available for sale		(57,870,006)	(114,040,158)	(74,242,327)	(132,511,664)
Disposal of securities available for sale		91,010,793	102,008,613	102,974,570	117,603,739
Purchase of securities held to maturity		(886,096)	(2,041,653)	(1,061,226)	(2,845,564)
Disposal of securities held to maturity		368,580	1,394,823	368,580	1,394,823
Dividends received from associates and joint ventures		6,684,913	3,938,394	2,610,730	1,286,443
Purchase of property and equipment		(1,490,914)	(498,347)	(1,478,117)	(514,204)
Disposal of property and equipment		135	688	1,162	1,885
Purchase of intangible assets		(1,095,438)	(415,311)	(1,099,828)	(416,429)
Capital investment on Broto S.A.		(31,200)	--	(31,200)	--
Disposal of interest in Banco Digio S.A.		--	--	--	645,060
Capital (investment)/redemption in controlled interests abroad		(52,871)	--	--	--
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		36,637,896	(9,652,951)	28,042,344	(15,355,911)
Cash flows from financing activities					
(Decrease) increase in subordinated debts		(6,927,646)	(12,119,541)	(6,916,721)	(12,105,293)
(Decrease) increase in equity and debt hybrid securities		(7,702,707)	(1,215,045)	(7,683,411)	(1,199,261)
Dividends paid to non-controlling shareholders		--	--	(1,274,231)	(624,715)
Interest on own capital paid		(6,498,168)	(5,547,218)	(6,498,168)	(5,547,218)
CASH USED IN FINANCING ACTIVITIES		(21,128,521)	(18,881,804)	(22,372,531)	(19,476,487)
Net variation of cash and cash equivalents		1,708,962	18,689,880	2,390,583	17,421,335
At the beginning of the period		67,891,204	51,538,341	68,826,279	54,494,681
Effect of changes in foreign exchange rates in cash and cash equivalents		(3,824,449)	(2,114,498)	(5,956,499)	(3,925,022)
At the end of the period		65,775,717	68,113,723	65,260,363	67,990,994
Increase (decrease) in cash and cash equivalents		1,708,962	18,689,880	2,390,583	17,421,335

See the accompanying notes to the financial statements.



In thousands of Reais, unless otherwise stated

Statement of value added

	Note	Banco do Brasil		Consolidated	
		1st half/2023	1st half/2022	1st half/2023	1st half/2022
Income		115,232,884	99,753,512	126,519,237	112,982,018
Income from financial intermediation		119,287,153	101,486,051	125,241,093	109,339,242
Service fee income		10,358,821	9,924,494	16,417,629	15,371,731
Allowance for losses associated with credit risk		(12,681,690)	(9,091,619)	(12,784,463)	(9,126,710)
Capital gains		46,369	245,599	170,700	731,489
Other income/(expenses)		(1,777,769)	(2,811,013)	(2,525,722)	(3,333,734)
Expenses from financial intermediation		(80,100,082)	(67,763,398)	(80,862,739)	(72,899,347)
Inputs purchased from third parties		(4,438,326)	(4,101,708)	(4,278,131)	(4,069,700)
Materials, water, electric and gas	26	(247,724)	(291,316)	(263,663)	(303,743)
Expenses with outsourced services	26	(530,464)	(529,938)	(592,042)	(598,881)
Communications	26	(230,744)	(204,797)	(260,600)	(228,648)
Data processing	26	(746,426)	(505,209)	(444,631)	(328,016)
Transport	26	(289,501)	(275,994)	(319,160)	(302,474)
Security services	26	(641,921)	(582,732)	(660,492)	(599,093)
Financial system services	26	(340,159)	(439,380)	(390,291)	(491,234)
Advertising and marketing	26	(203,048)	(212,430)	(214,235)	(221,015)
Maintenance and upkeep	26	(584,286)	(511,391)	(385,907)	(364,570)
Other		(624,053)	(548,521)	(747,110)	(632,026)
Gross added value		30,694,476	27,888,406	41,378,367	36,012,971
Depreciation and amortization		(1,933,538)	(1,270,885)	(1,964,820)	(1,302,263)
Value added produced by entity		28,760,938	26,617,521	39,413,547	34,710,708
Value added received through transfer		7,476,261	5,607,701	3,487,349	2,604,171
Net gains from equity method investments		7,476,261	5,607,701	3,487,349	2,604,171
Added value to distribute		36,237,199	32,225,222	42,900,896	37,314,879
Value added distributed		36,237,199	32,225,222	42,900,896	37,314,879
Personnel		13,310,588	11,985,562	14,383,352	12,813,528
Salaries and fees		6,252,558	5,925,811	7,102,388	6,556,918
Employee and directors profit sharing		2,113,818	1,823,079	2,121,383	1,828,031
Benefits and staff training		1,826,751	1,675,311	1,921,902	1,758,257
FGTS (Government severance indemnity fund for employees)		409,383	385,302	424,457	401,050
Other charges		2,708,078	2,176,059	2,813,222	2,269,272
Taxes, rates and contributions		5,790,487	5,345,872	9,568,424	8,312,625
Federal		5,204,787	4,795,544	8,239,214	7,311,695
State		589	490	589	490
Municipal		585,111	549,838	1,328,621	1,000,440
Interest on third parties' capital		691,767	650,718	722,688	690,200
Rent	26	691,767	650,718	722,688	690,200
Interest on own capital		16,444,357	14,243,070	18,226,432	15,498,526
Federal government's interest on own capital		2,853,377	2,210,535	2,853,377	2,210,535
Other shareholders' interest on own capital		2,853,376	2,210,534	2,853,376	2,210,534
Federal government dividends		380,593	507,277	380,593	507,277
Dividends for other shareholders' dividends		380,593	507,276	380,593	507,276
Non-controlling interest's dividends		--	--	1,133,186	695,938
Interest on the instrument eligible to the federal government's common equity tier 1 capital		--	--	120,529	132,501
Retained earnings		9,976,418	8,807,448	9,972,401	8,801,398
Non-controlling interest in retained earnings		--	--	532,377	433,067

See the accompanying notes to the financial statements.



1 – The Bank and its operations

Banco do Brasil S.A. (Banco do Brasil or the Bank) is a publicly-traded company, which explores economic activity pursuant to art. 173 of the Brazilian Federal Constitution, subject to the rules of Brazilian Corporate Law, and is governed by Laws 4,595/1964, 13,303/2016 and the respective ruling Decree. The Brazilian Federal Government controls the Bank. Its headquarters and domicile 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 American Depositary Receipts (ADRs) 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 Bank is a multiple bank with operations throughout the national territory also develops activities in important global financial centers. The Bank's and its subsidiaries' 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.

The Bank also acts as an agent for execution of the Brazilian Federal Government's credit and financial policies, Brazilian Law requires the Bank to perform functions, specifically those under art. 19 of Law 4,595/1964:

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

With a history of 214 years, the Bank operates in a responsible manner to promote social inclusion through the generation of jobs and income.

The Bank finances the production and commercialization of agricultural goods; foster rural investments such as storage, processing, industrialization of agricultural products and modernization of machinery and implements; and adjust rural properties to environmental law. Thus, 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 options related to cash flow, insurance and related, and services. The Bank provides financing alternatives and business models that promote the transition to an inclusive economy to several companies, including Individual Microentrepreneurs (Microempreendedores Individuais – MEI).

In foreign trade financing, the Bank operates government policy instruments regarding productive development, entrepreneurship, social and financial inclusion, including the Income Generation Program (Programa de Geração e Renda – Exportação – Proger) and the Export Financing Program (Programa de Financiamento às Exportações – Proex).

More information about the subsidiaries is included in Note 2, while Note 6 contains a description of the Bank's business segments.



2 – Presentation of financial statements

a) Statement of compliance

These financial statements have been prepared in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil (Cosif), including accounting guidelines issued by the Brazilian Corporate Law in compliance with the rules and instructions of the Brazilian Securities Commission (Comissão de Valores Mobiliários - CVM), when applicable. All relevant information specific to the financial statements is highlighted and corresponds to that used by Management in its administration.

The consolidated financial statements, prepared and disclosed according to the accounting standard "Cosif", permitted by article 77 of the CMN Resolution 4,966/2021, are disclosed "in addition" to the financial statements consolidated according to the international accounting reporting standard - IFRS, which were prepared in accordance with the provisions of CMN Resolution No. 4,818/2020.

These individual and consolidated financial statements were approved by the Board of Directors and authorized for issuance on August 8, 2023.

b) Functional and presentation currency

These individual and consolidated financial statements are presented in Brazilian Reais, which is the Bank's functional and presentation currency. Unless otherwise indicated, the quantitative financial information is presented in thousands of Reais (R\$ thousand).

c) Going concern

Management has assessed the Bank's ability to continue its normal operations and is convinced that it has the resources to continue its business in the future. In addition, Management is not aware of any material uncertainty that could generate significant doubts about its ability to continue operating. Thus, these individual and consolidated financial statements were prepared based on the assumption of going concern.

d) Changes in accounting policies

These individual and consolidated financial statements were prepared using the same policies and accounting methods used to prepare the individual and consolidated financial statements for the year ended Dec 31, 2022, except in the cases indicated in item "g" of this Note.

e) Consolidated financial statements

The consolidated financial statements include the operations of the Bank performed by their domestic agencies and abroad and also include the operations of the Bank's controlled entities. The consolidated financial statements reflect the assets, liabilities, income and expenses of Banco do Brasil and its controlled entities, in accordance with CPC 36 (R3) – Consolidated financial statements.

In the preparation of the consolidated financial statements, amounts resulting from transactions between consolidated companies, including the equity interest held by one in another, balances of balance sheet accounts, revenues, expenses and unrealized profits, net of tax effects, were eliminated. Non-controlling interest in net equity and in income of the controlled entities were separately disclosed in the financial statements. Exchange gains and losses on branch operations are presented in the income groups in which the income and charges on these operations are recognized. Exchange gains and losses on the assets and liabilities of branches and subsidiaries abroad are presented in the grouping of Resources from financial institutions, aiming to hedge foreign exchange losses and gains on the passive financial instruments contracted to protect the Bank's net income over exchange rate fluctuations (Notes 14.a and 18.d).

In the consolidated financial statements, there was a reclassification of the Instrument qualifying as CET1 - hybrid capital and debt instrument to Shareholder's equity. This adjustment is also performed in the financial statements according to the International Financial Reporting Standards - IFRS to improve the quality and transparency of these consolidated financial statements.

**Equity interest included in the consolidated financial statements, segregated by business segments:**

	Activity	Country of incorporation	Functional currency	June 30, 2023	Dec 31, 2022
				% of Total Share	
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.	Holding	USA	Real	100.00%	100.00%
BB Cayman Islands Holding	Holding	Cayman Islands	Real	100.00%	100.00%
Banco do Brasil Americas	Banking	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%
Investment Funds					
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.



The consolidated financial statements also include securitization vehicles and investment funds controlled by the Bank, directly or indirectly, described below.

Dollar Diversified Payment Rights Finance Company (SPE Dollar)

SPE Dollar was organized under the laws of the Cayman Islands for the following purposes:

- fund raising by issuance of securities in the international market;
- use of resources obtained by issuing securities to pay for the purchase, with the Bank, of the rights to payment orders issued by banking correspondents located in the U.S. and by the agency of BB New York, in U.S. dollars, for any agency in Brazil (Rights on Consignment); and
- making payments of principal and interest on securities issued and other payments defined in the contract of issuance of these securities.

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.

Loans Finance Company Limited (SPE Loans)

SPE Loans was organized under the laws of the Cayman Islands for the following purposes:

- fund raising by issuance of securities in the international market;
- closing and booking repurchase agreements with the Bank;
- purchasing of protection against credit risk of the Bank through a credit derivative, which is actionable only in case of Bank's default in any of the obligations assumed in 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.

Information for comparability purposes

For comparison purposes, the reclassification was made hindsight approach was selected, so that CPC-50 rules were applied to invested companies which were impacted by such standard, which had been adopted from January 1st 2023, and whose impacts were reflected in the Bank's Financial statements, with effects seen on investments in equity interests and onto the net worth.

We demonstrate below the effects of the adjustments made on the balance sheet and income statements. Consequently, the comparative balances of Statement of comprehensive income, Statement of changes in shareholders' equity, Statement of cash flows and Statement of value added were adjusted, as well as the respective explanatory notes.

Balance sheet

2022	Banco do Brasil			Consolidated		
	Original report	Adjustments	Restarted balances	Original report	Adjustments	Restarted balances
Investments	35,750,416	292,395	36,042,811	18,353,643	440,629	18,794,272
Investments in subsidiaries, associates and joint ventures	35,783,073	292,395	36,075,468	18,359,395	440,629	18,800,024
Total Assets	2,062,674,549	292,395	2,062,966,944	2,028,958,136	440,629	2,029,398,765
Shareholders' Equity	153,546,924	292,395	153,839,319	163,588,214	440,629	164,028,843
Other comprehensive income	(8,095,198)	(129,363)	(8,224,561)	(8,095,198)	(129,363)	(8,224,561)
Retained earnings/accumulated losses	--	421,758	421,758	--	421,758	421,758
Non-controlling interest	--	--	--	3,309,533	148,234	3,457,767
Total liabilities and equity	2,062,674,549	292,395	2,062,966,944	2,028,958,136	440,629	2,029,398,765

**Statement of income**

1st half/2022	Banco do Brasil			Consolidated		
	Original report	Adjustments	Restarted balances	Original report	Adjustments	Restarted balances
Other Operating Income/Expenses	(2,923,942)	84,571	(2,839,371)	(2,859,924)	127,442	(2,732,482)
Net gains from equity method investments	5,523,130	84,571	5,607,701	2,476,729	127,442	2,604,171
Operating income	17,624,308	84,571	17,708,879	20,354,057	127,442	20,481,499
Profit Before Taxation and Profit Sharing	17,801,318	84,571	17,885,889	21,007,888	127,442	21,135,330
Non-controlling Interest	--	--	--	(1,086,134)	(42,871)	(1,129,005)
Net income	14,158,499	84,571	14,243,070	14,284,950	84,571	14,329,521
Net Income Attributable to Shareholders						
Shareholders of the bank	14,158,499	84,571	14,243,070	14,284,950	84,571	14,369,521
Non-controlling interests	--	--	--	1,086,134	42,871	1,129,005

f) Convergence to international accounting standards

The Accounting Pronouncements Committee (CPC) issues pronouncements and accounting interpretations aligned with international accounting standards and approved by the CVM. CMN approved the following pronouncements, fully observed by the Bank, when applicable:

CPC	Resolutions
CPC 00 (R2) - Conceptual framework for Financial Reporting	CMN Resolution 4,924/2021
CPC 01 (R1) - Impairment of Assets	CMN Resolution 4,924/2021
CPC 03 (R2) - Statement of Cash Flows	CMN Resolution 4,818/2020
CPC 05 (R1) - Related Party Disclosures	CMN Resolution 4,818/2020
CPC 10 (R1) - Share-based Payment	CMN Resolution 3,989/2011
CPC 23 - Accounting Policies, Changes in Accounting Estimates and Errors	CMN Resolution 4,924/2021
CPC 24 - Events after the Reporting Period	CMN Resolution 4,818/2020
CPC 25 - Provisions, Contingent Liabilities and Contingent Assets	CMN Resolution 3,823/2009
CPC 33 (R1) - Employee Benefits	CMN Resolution 4,877/2020
CPC 41 - Earnings per Share	CMN Resolution 4,818/2020
CPC 46 - Fair Value Measurement	CMN Resolution 4,924/2021
CPC 47 - Revenue from Contracts with Customers	CMN Resolution 4,924/2021

CMN also issued proprietary rules that partially incorporate the pronouncements issued by the CPC and are applicable to the individual and consolidated financial statements:

CMN Standard	Equivalent CPC Pronouncement
CMN Resolution 4,524/2016 - recognition of foreign exchange hedging transactions for investments abroad.	CPC 48
CMN Resolution 4,534/2016 - accounting recognition and measurement of intangible asset components.	CPC 04 (R1)
CMN Resolution 4,535/2016 - Recognition and accounting record of the components of property and equipment in use.	CPC 27
CMN Resolution 4,817/2020 - accounting measurement and recognition of investments in associates, subsidiaries and joint ventures.	CPC 18 (R2) and CPC 45

In addition, it was published the CMN Resolution 3,533/2008, whose term began in January 2012, which established procedures for classification, recording and disclosure of sales operations or transfer of financial assets.

The Bank also applied the following pronouncements that are not in conflict with Bacen rules, as determined by article 22, paragraph 2, of Law No. 6,385/1976:

CPC Pronouncement
CPC 09 - Statement of Added Value (DVA)
CPC 12 - Present Value Adjustment
CPC 22 - Operating Segments
CPC 36 (R3) - Consolidated Financial Statements



g) Recently issued standards, applicable or to be applied in future periods

Standards applicable from January 1st, 2023

CVM Resolution 42, of July 22, 2021. The standard makes it mandatory for publicly-held companies to adopt Technical Pronouncement CPC 50 – Insurance Contracts, which establishes the principles for recognition, measurement, and disclosure of insurance contracts, aiming to ensure that an entity provides relevant information that faithfully represents these contracts. In addition, the new standard seeks to resolve some existing inadequacies in the wide variety of accounting practices in the insurance market, which impaired the comparability of accounting information from insurers.

Although the standard is not applicable to financial institutions, since Bacen does not regulate the insurance market, the Bank has been monitoring the progress of its implementation in the operational companies of the BB Seguridade group, which have insurance contracts within the regulatory scope. The impacts on these companies were recognized in the Bank's financial statements through equity equivalence, since they do not conflict with Bacen regulations, as determined by art. 22, §2, of Law No. 6,385/1976.

Standards to be adopted in future periods

CMN Resolution 4,966, of November 25, 2021. The Resolution provides accounting concepts and criteria applicable to financial instruments, as well as designation and recognition of hedging (hedge accounting) by financial institutions and other institutions authorized to operate by Bacen, seeking to reduce the gaps between the accounting standards provided in Cosif and the international standards.

Resolution 4,966/2021 is effective as of January 1st, 2025, except for some normative items, which are effective as of January 1st, 2022.

The Bank started the assessment of the impacts of the adoption of the normative items in force as of January 1st, 2025, which will be subject to specific disclosure in the explanatory notes to the financial statements for the 2024 Results, as required by art. 78 of this Resolution, and has also prepared a plan for implementing the accounting regulation (plan), as required by article 76, being disclosed in the Financial Statements 2022.

CMN Resolution 4,975, of December 16, 2021. The standard establishes the accounting criteria applicable to leasing operations carried out by financial institutions and other institutions authorized to operate by Bacen as lessor and lessee. These institutions must observe CPC 06 (R2) – Leases, for the recognition, measurement, presentation and disclosure of leasing operations, according to specific regulations.

CPC 06 (R2) abandons the classification of leasing into operational and financial for lessees, and starts a single accounting model, which consists of the recognition of assets and liabilities arising from leasing operations. The standard does not require a lessee to recognize assets and liabilities of low-value and short-term leases.

For lessors, there will be change in the accounting of finance leasing, but without changing the form of disclosure, since these operations are already presented at the present value of the total amounts receivable provided for in the contract, including the allowance for losses associated with the credit risk, in compliance with BCB Resolution 2/2020.

CMN Resolution 4,975/2021 is effective as of January 1st, 2025.

The Bank has started to assess the impacts of the adoption of the new regulation, which will be concluded by the effective date.



3 – Description of significant accounting policies

The accounting practices adopted by Banco do Brasil are applied consistently in all periods presented in these financial statements and applied to all the entities of the Group Banco do Brasil.

a) Statement of income

In accrual basis accounting, revenues and expenses are reported in the closing process of the period in which they are incurred, regardless of receipt or payment. The operations with floating rates are adjusted pro rata die, based on the variation of the indexes agreed, and operations with fixed rates are recorded at future redemption value, adjusted for the unearned income or prepaid expenses for future periods. The operations indexed to foreign currencies are converted at the reporting date using current rates.

b) Present value measurement

Financial assets and liabilities are presented at present value due to the application of the accrual basis in the recognition of their interest income and expenses.

Non-contractual liabilities are primarily represented by provisions for lawsuit and legal obligations, for which the disbursement date is uncertain and is not under the Bank's control. They are measured at present value because they are initially recognized at estimated disbursement value on the valuation date and are updated monthly.

c) Cash and cash equivalents

They comprise cash and cash equivalents and short-term investments readily convertible into cash, with a maximum maturity of three months from the date of acquisition, to be used in short-term commitments, and subject to an insignificant risk of change in value. The balances of cash and cash equivalents in local currency, foreign currency, investments in repurchase agreements – bank position, investments in interbank deposits and investments in foreign currencies were considered.

d) Interbank investments

Interbank investments are recorded at their investment or acquisition amount, plus income accrued up to the balance sheet date and adjustments for allowance for losses.

e) Securities

Securities are recorded at the actually paid amount and are classified according to the intention of the Bank's Management into three different categories, according to Bacen Circular 3,068/2001:

Trading Securities: these are securities purchased to be actively and frequently traded. They are adjusted monthly to fair value. The increases and decreases in value are recorded in income and expense accounts for the period;

Securities available for sale: these are securities that may be traded at any time but are not acquired to be actively and frequently traded. They are adjusted monthly to market value and their increases and decreases in value are recorded, net of tax effects, in Accumulated other comprehensive income in Shareholders' equity; and

Securities held to maturity: these are securities that the Bank owns and has the financial capacity and intent to hold to maturity. These securities are not adjusted to market value. The Bank's financial capacity to hold to maturity is supported by a cash flow projection that does not consider the possibility of sale of these securities.

The fair value methodology used for securities was established following consistent, verifiable criteria, which consider the average price of trading on the day of calculation or, if not available, the indicative price reported by Anbima (Brazilian Financial and Capital Markets Association), or relationship between the unit price and the latest business value in the last 30 day, or the net expected realizable value obtained through pricing models, using credit risk curves, expected credit losses, future values of interest rates, foreign exchange rates, price and currency indices, and similar financial instruments.

Earnings from bonds and securities are appropriated to income for the period, observing the accrual basis of accounting until the date of maturity or final sale.

Impairment of securities classified as available for sale and held to maturity, if considered not to be temporary, are recorded directly in expense for the period and a new cost basis for the asset is determined.

Upon sale, the difference between the sale amount and the cost of purchase plus accrued income is considered as a result of the transaction and is recorded on the date of the transaction as a gain or loss on securities.



f) Derivative financial instruments

Derivative financial instruments are adjusted to market value at each monthly trial balance and balance sheet date. Increases or decreases in value are recorded in the appropriate income or expense accounts.

The fair value methodology used for derivative financial instruments was established following consistent and verifiable criteria, which consider the closing price, or adjustment, when applicable, on the day of calculation or, if not available, pricing models that estimate the expected net realizable value, or the price of a similar financial instrument, considering at least, the payment or maturity date, the currency or index, and the credit risk associated with the counterparty.

Derivative financial instruments used to offset, in whole or in part, the risks arising from exposure to variations in the fair value or asset cash flow or financial liabilities, commitment or future transaction, are considered hedge instruments and are classified according to their nature:

Market risk hedge: increases or decreases in value of the financial instruments, as well as of the hedged item, are recorded in income/expense accounts for the period;

Cash flow hedge: the effective portion of the increases or decreases in value of the derivative financial instruments classified in this category are recorded, net of tax effects, in Accumulated other comprehensive income in Shareholders' equity. The effective amount is that in which the variation of the hedged item, directly related to the corresponding risk, is offset by the variation in the financial instrument used for the hedge, considering the accumulated effect of the transaction. Other variations in these instruments are recorded directly in the statement of income for the period; and

Hedge of net investment abroad: the financial instruments classified in this category are intended to offset the risks arising from exposure to foreign exchange variation of investments abroad whose functional currency is different from the national currency and must be recorded in accordance with the accounting procedures defined for the hedge of cash flow.

g) Loan portfolio for loan losses associated with credit risk

The loan portfolio consists of loan operations, leases, advances on foreign exchange contracts and other receivables with loan characteristics which are classified according to Management's judgment with respect to the level of risk, taking into consideration market conditions, past experience and specific risks in relation to the transaction, to borrowers and guarantors, observing the parameters established by CMN Resolution 2,682/1999, which requires periodic analyses of the portfolio and its classification into nine levels, ranging from AA (minimum risk) to H (maximum risk), as well as the classification of transactions more than 15 days overdue as non-performing. For atypical transactions with a term of more than 36 months, there is a double counting on the days-past-due intervals defined for the nine levels of risk, as permitted by CMN Resolution 2,682/1999.

Income from loans overdue for more than 60 days, regardless of their risk level, will only be recognized as income when effectively received.

The operations classified as level H risk are written off against the existing allowance after six months of classification in this level of risk, and they are delayed more than 180 days.

Renegotiated transactions are maintained, at a minimum, at the same level at which they were rated on the date of renegotiation. The renegotiations of loans already written off against the allowance are rated as H level and any gains from renegotiation are recognized as income when effectively received. Reclassification to a lower risk category is allowed when there is significant amortization of the transaction or when new material facts justify a change in risk level, according to CMN Resolution 2,682/1999.

Allowance for loan losses, considered sufficient by management, satisfies the minimum requirement established by the aforementioned CMN Resolution 2,682/1999.

Financial leasing operations are presented at the present value of the total amounts receivable provided in the contract, including the provision for losses associated with credit risk.

**h) Taxes**

Taxes are calculated based on the rates shown in the table below:

Taxes	Rate
Income tax (15.00% + additional 10.00%)	25.00%
Social Contribution on Net Income – CSLL	20.00%
Social Integration Program/Public servant fund program(PIS/Pasep) ¹	0.65%
Contribution to Social Security Financing – (Cofins)	4.00%
Tax on services of any kind – (ISSQN)	Up to 5.00%

1 – For non-financial firms that have opted for the non-cumulative regime of calculation, the PIS/PASEP rate is 1.65% and the Cofins rate is 7.6%.

Deferred tax assets (tax credits) and deferred tax liabilities are recognized by applying the current tax rates on their respective bases. For the constitution, maintenance and write-off of the deferred tax assets, the criteria established by CMN Resolution No. 4,842/2020 are observed, supported by a study of realization capacity.

i) Investments, property, plant and equipment and intangible assets

Investments: investments in subsidiaries, associates and joint ventures in which the Bank has significant influence or an ownership interest of 20% or more of the voting shares, and in other companies which are part of a group or are under common control are accounted for by the equity method based on the Shareholders' equity of the subsidiaries, associates and joint ventures.

The cash flows related to dividends and interest on equity received are presented separately in the statement of cash flows, being consistently classified, from period to period, as arising from investment activities.

In the consolidated financial statements, the subsidiaries are fully consolidated, and the associates and joint ventures are accounted under the equity method.

Property and equipment: property and equipment are stated at acquisition cost less the impairment losses and depreciation, calculated using the straight-line method by the useful life of the asset. Depreciation of property and equipment in use is recorded in the Other administrative expenses account.

Intangible: intangible assets consist of rights over intangible assets used in the running of the Bank, including acquired goodwill.

An asset meets the criteria for identification as an intangible asset, when it is separable, i.e, it can be separated from the entity and sold, transferred or licensed, rented or exchanged, individually or jointly with a contract, related assets or liabilities, regardless of the intention for use by the entity; or results from contractual rights or other legal rights, regardless of whether these rights are transferable or separable from the entity or other rights and obligations.

Goodwill based on expected future profitability is amortized against the income for the period, in accordance with the annual income projections contained in the economic-financial studies that supported the purchase price of the businesses and are annually to the impairment test of the recoverable value of assets.

The other intangible assets with finite useful lives compromise: disbursements for the acquisition of rights to provide banking services (rights to managing payrolls), amortized over the terms of contracts; software, amortized on a straight-line basis by the useful life from the date it is available for use. Intangible assets are adjusted by allowance for impairment losses, if applicable. The amortization of intangible assets is recorded in the Other administrative expenses account.

j) Impairment of non-financial assets

Non-financial assets are reviewed to see if there is any indication that they may have depreciated, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

If there is any indication of devaluation, the Bank estimates the asset's recoverable value, which is the higher of its fair value, less costs to sell it, and its value in use.

If the recoverable amount of the asset is less than its carrying amount, the asset's carrying amount is reduced to its recoverable amount through a provision for impairment, which is recognized in the Income statement.



Methodologies in assessing the recoverable amount of the main non-financial assets:

Property and equipment in use

Land and buildings – To determine the recoverable amounts of land and buildings, data from market indices, statistical tests based on data from sales of owned properties and technical evaluations are used in accordance with the rules of the Brazilian Association of Technical Standards – ABNT.

Data processing equipment – when available, the Bank uses market values to determine the recoverable amount of relevant data processing equipment, considering market rates for similar goods, substitutes or the same type of goods, based on internal or external sources. If Banco do Brasil cannot obtain reliable data to estimate the market price, the Bank assesses whether the expected benefits from the use of these assets still justify its best recovery value, qualifying the information that justifies this analysis.

Other items of property and equipment – these items are individually insignificant or fully depreciated. Although subject to evaluation of impairment indicators, the Bank does not determine their recoverable amount on an individual basis due to cost benefit considerations. However, the Bank controls these assets through a systematized register and conducts an annual inventory counts and writes off assets that are lost or showing signs of deterioration.

Intangible

Rights due to the acquisition of payrolls – the recoverability of acquired payroll contracts is determined based on the contribution margin of the client relationships generated under each contract. The objective is to determine if the projections that justified the initial acquisition correspond to actual performance. An impairment loss is recognized on underperforming contracts.

Software – the Bank continuously invests in the modernization and adequacy of its internally developed software to accompany new technologies and meet the demands of the business. Since there is no similar software in the market, and because of the significant cost associated with developing models to calculate value in use, the Bank evaluates the ongoing utility of its software to test for impairment, that consists of evaluating its usefulness for the company so that, whenever a software goes out of use, its value is written off in accounting.

The losses recorded in the Statement of Income to adjust the recoverable value of these assets, if any, are stated in the respective notes.

Investments and goodwill on the acquisition of investments

The methodology for determining the recoverable amount of investments and goodwill based on expected future profitability consists of measuring the expected result of the investment through discounted cash flow. To measure this result, the assumptions adopted are based on i) projections of the companies' operations, results and investment plans; ii) macroeconomic scenarios developed by the Bank; and iii) internal methodology for calculating the cost of capital based on the Capital Asset Pricing Model – CAPM.

k) Employee benefits

Employee benefits related to short-term benefits for current employees are recognized on the accrual basis as the services are provided. Post-employment benefits, comprising supplementary retirement benefits and medical assistance for which the Bank is responsible, are assessed in accordance with criteria established by CPC 33 (R1) – Employee benefits, approved by CVM Resolution 110/2022 and by the CMN Resolution 4,877/2020. The evaluations are carried out at least every six months or less when applicable.

In defined-contribution plans, the actuarial risk and the investment risk are borne by the plan participants. Accordingly, cost accounting is based on each period's contribution amount representing the Bank's obligation. Consequently, no actuarial calculation is required when measuring the obligation or expense, and there are neither actuarial gains nor losses.

In defined benefit plans, the actuarial risk and the investment risk value of plan assets fall substantially on the sponsoring entity. Accordingly, cost accounting requires the measurement of plan obligations and expenses, with a possibility of actuarial gains and losses, leading to the register of a liability when the amount of the actuarial obligation exceeds the value of plan assets, or an asset when the amount of assets exceeds the value of plan obligations. In the latter instance, the asset should be recorded only when there is evidence that it can effectively reduce the contributions from the sponsor or will be refundable in the future.

The Bank recognizes the components of defined benefit cost in the period in which the actuarial valuation was performed, in accordance with criteria established by CPC 33 (R1), as follows:



- the current service cost and the net interest on the net defined benefit liability (asset) are recognized in profit or loss; and
- the remeasurements of the net defined benefit liability (asset) resulting from changes in actuarial assumptions are recognized in Accumulated other comprehensive income in Shareholders' equity, net of tax effects. And, according to the normative provision, these effects recognized directly in equity should not be reclassified to the result in subsequent periods.

Contributions to be paid by the Bank to medical assistance plans in some cases will continue after the employee's retirement. Therefore, the Bank's obligations are evaluated by the present actuarial value of the contributions to be paid over the expected period in which the plan participants and beneficiaries will be covered by the plan. Such obligations are evaluated and recognized under the same criteria used for defined benefit plans.

l) Deposits and Securities sold under repurchase agreements

Deposits and Securities sold under repurchase agreements are recorded at the amount of the liabilities and include, when applicable, related charges up to the balance sheet date, on a daily pro rata die basis.

m) Provisions, contingent assets and liabilities and legal obligations

The Bank recognizes a provision when:

- the Bank has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the obligation can be reasonably estimated.

The Bank recognizes provisions based on its best estimate of the probable losses.

The Bank continually monitors lawsuits in progress to evaluate, among other factors:

- the nature and complexity;
- the progress of the proceedings;
- the opinion of the Bank's lawyers; and
- the Bank's experience with similar proceedings.

In determining whether a loss is probable, the Bank considers:

- the likelihood of loss resulting from claims that occurred prior to or on the reporting date that were identified after that date but prior to issuance of the financial statements; and
- the need to disclose claims or events occurring after the reporting date but prior to the issuance of the financial statements.

Contingent assets are not recognized in the financial statements. However, when there is evidence assuring their realization, usually represented by the final judgment of the lawsuit and by the confirmation of the capacity for its recovery by receipt or offsetting by another receivable, they are recognized as assets.

The Bank recognizes tax liabilities for taxes that are the object of legal discussions regarding their constitutionality. In these cases, the Bank recognizes an obligation to the government and a judicial deposit in the same amount, however, no payment is made until the Courts reach a final decision.

n) Debt instrument issue expense

Expenses related to transactions involving the issue of debt instruments are capitalized and presented as a reduction of the corresponding liability. The expenses are recognized in the income statement over the term of the transaction.



o) Assets held for sale

Investments held for sale

They refer to investments in associates, subsidiaries and joint ventures that the Bank expects to realize through their sale, are available for immediate sale and their disposal is highly probable. From the moment the Bank decides to sell them, these assets are measured at the lower of:

- (i) the net book value, less provisions for impairment losses; and
- (ii) fair value, measured in accordance with specific regulations, net of selling expenses.

Any difference between the net book value of the asset and the fair value less costs to sell is recognized in profit or loss for the period.

Non-financial assets held for sale

These not covered by the concept of financial assets, according to specific regulations, and refer mainly to properties not in use received in the settlement of credit operations that are difficult or doubtful to resolve.

They are initially recognized in the appropriate account grouping item of current or noncurrent assets realizable in the long term, according to the expected sale term, on the date of their receipt by the Bank, being valued at the lowest value between:

- (i) the gross book value of the respective credit operation that is difficult or doubtful to resolve; and
- (ii) the fair value of the asset, assessed in accordance with specific regulations, net of selling expenses.

Any difference between the book value of the respective difficult or doubtful financial instrument, net of provisions, and the fair value is recognized in the income statement for the period.

p) Other assets and liabilities

Other assets are stated at their realizable amounts, including, when applicable, related income and monetary and exchange variations on a pro rata die basis, and allowance for losses, when deemed appropriate. Other liabilities are stated at their known and measurable amounts, plus, when applicable, related charges and monetary and exchange variations on a pro rata die basis.

q) Earnings per share

Two different methods are used to calculate earnings per share:

- basic earnings per share: calculated by dividing net income attributable to the Bank's shareholders by the weighted average number of common shares outstanding during each of the periods presented; and
- diluted earnings per share: calculated by dividing net income attributed to the Bank's shareholders by the weighted average of outstanding common shares, adjusted to reflect the effect of all dilutable common shares.

r) Conversion of operations in foreign currency

Functional and presentation currency – These individual and consolidated 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 of the Group entities, the functional currency is the Real (except for BB Americas and Banco Patagonia).

The financial statements of branches and subsidiaries abroad follow the accounting criteria in force in Brazil and are converted into the Real currency, preliminarily under the equity method, as provided for in CMN Resolution 4,817/2020.

The investees abroad whose Real is the functional currency have their financial statements translated based on the daily balances of each accounting sub-heading, considering the daily variation of the exchange rate, and their effects are recognized in contra-entry to the investee's income.



For investees abroad whose functional currency is other than the Brazilian Real, assets and liabilities are translated at the exchange rate on the respective balance sheet date and income and expenses are translated at the average exchange rate for the period, and their effects are recognized in Other Comprehensive Income, in the investor's Shareholders' Equity.

s) Non-recurring results

As defined by BCB Resolution 2/2020, non-recurring results are those that are not related or are only incidentally related to the institution's typical activities and are not expected to occur frequently in future years. The information on the recurring and non-recurring results is included in Note 31.



4 – Significant Judgments and accounting estimates

The preparation of financial statements requires the application of certain relevant assumptions and judgments that involve a high degree of uncertainty and that may have a material impact on these statements. Accordingly, it requires Management to make judgments and use estimates that affect the recognized amounts of assets, liabilities, income and expenses. These adopted estimates and assumptions are reviewed on an ongoing basis, with the revisions recognized in the period in which the estimate is reassessed, with prospective effects. It should be noted that actual results may differ from these estimates.

There are certain alternatives to accounting treatments. The Bank's results may differ if alternative accounting principles had been used. Management believes its choice of accounting principles to be appropriate and that the individual and consolidated financial statements present fairly, in all material respects, the consolidated financial position and results of the Bank's operations.

Significant classes of assets and liabilities subject to estimates and the use of assumptions cover items for which fair value valuation is required. The following components of the consolidated financial statements require the highest degree of judgment and use of estimates:

a) Fair value of financial instruments

When it is impossible to determine the fair value of financial assets and liabilities based on price derivatives from an active market, they are measured using valuation techniques based on mathematical models. The inputs to these models come from observable market data, whenever available. If there is not enough information to apply the aforementioned criteria, other technical and judgmental parameters are adopted, duly approved by the Organization's Risk Governance.

The methodologies used to assess the fair value of certain financial instruments are shown in Note 30.a.

b) Allowance for losses associated with credit risk of the loan portfolio

The loan portfolio is classified according to Management's judgment on the risk level. Economic situation, past experience and specific risks in relation to the operation, to debtors and guarantors, are taken into account, observing the parameters established by CMN Resolution 2,682/1999, which requires periodic portfolio analysis and its classification into nine risk levels (rating), AA (minimum risk) and H (maximum risk), as well as the classification of operations overdue for more than 15 days as non-performing. For non-performing loan with a maturity of more than 36 months, double counting over the delay intervals defined for the nine risk levels is carried out, as provided by CMN Resolution 2,682/1999.

Allowance for losses is constituted or reversed according to the risk levels established by CMN Resolution 2,682/1999, considering the risk levels attributed to the operations.

The allowance is considered sufficient by Management and meets the minimum requirement established by CMN Resolution 2,682/1999.

c) Permanent loss of securities

Securities are subject to periodic evaluation by the Permanent Loss Assessment Forum, which is responsible for identifying problematic assets, pursuant to CMN Resolution 4,557/2017, proposing the marking of new problematic assets, assessing the need of an asset to be subject to impairment test and the impact of any loss within the scope of the Conglomerate.

A problematic asset is characterized when there is a pending settlement for more than ninety days or there are indications that the asset will not be realized without the need to resort to guarantees and collateral. Indications that the asset will not be realized are: when the Bank considers that the debtor no longer has the financial capacity to honor its obligation, if the Bank recognizes a significant deterioration in the credit quality of the debtor, if the operation is subject to renegotiation that implies a concession of advantages to the debtor as a result of the deterioration of its creditworthiness or of its mitigators (debt restructuring), if the Bank asks for bankruptcy or other similar attitude towards the debtor, or if the debtor requests any type of judicial measure that limits, delay or prevent the fulfillment of its obligations under the agreed conditions.



The problematic assets can be reverted to the condition of normal course assets as long as there is evidence that the debtor has resumed its ability to honor its obligations under the agreed conditions. It is analyzed whether the debtor is not responsible for any pending arrears for more than ninety days, whether the asset no longer meets the criteria of problematic assets, whether continuous and effective payments have occurred in a period of not less than 3 months and whether the debtor's financial situation has improved to such an extent that the realization of the asset is probable.

d) Impairment of non-financial assets

At each reporting date, based on internal and external sources of information, the Bank determines if there are any indicators that a non-financial asset may be impaired. If an indicator does exist, the Bank calculates the asset's recoverable amount, which is the highest of: (i) its fair value less costs to sell it; and (ii) its value in use.

Regardless any indicator of impairment, the Bank tests the recoverable value of intangible assets not yet available for use and of goodwill in the acquisition of investments, at least annually, always at the same period.

If the asset's recoverable amount is less than its carrying amount, the carrying amount is reduced to its recoverable amount by recording an impairment loss.

Determining the recoverable amount of non-financial assets requires Management to exercise judgment and make assumptions. These estimates are based on market prices, present value calculations, other pricing techniques, or a combination of these methods.

e) Income taxes

Income and gains generated by the Bank are subject to income taxes in the jurisdictions in which the Bank operates. The determination of income taxes requires interpretation and the use of estimates. In the ordinary course of business, the final amount of income tax payable is uncertain for many different types of transactions and calculations. In these cases, the use of different interpretations and estimates may have resulted in different tax amounts being recorded.

Brazilian tax authorities can review the calculations made by the Bank and its subsidiaries for up to five years subsequent to the date on which a tax becomes due. During this process, the tax authorities may question the procedures adopted by the Bank, mainly with respect to the interpretation of tax legislation. However, Management believe that will not be required any significant adjustments to the income tax recorded in these financial statements.

f) Recognition and assessment of deferred taxes

Deferred tax assets are calculated on temporary differences and tax loss carryforwards. They are only recognized when the Bank expects to generate sufficient taxable income in the future to offset the amounts. The expected realization of the Bank's deferred tax assets is based on projections of future income and technical analyses in line with current tax legislation

The Bank reviews the estimates involved in the recognition and valuation of deferred tax assets based on current expectations and projections about future events and trends. The most important assumptions affecting these estimates relate to:

- (i) changes in the amounts deposited, delinquencies and customer base;
- (ii) changes in tax law;
- (iii) changes in interest rates;
- (iv) changes in inflation rates;
- (v) legal claims with an adverse impact on the Bank;
- (vi) credit, market and other risks associated with lending and investing activities;
- (vii) changes in the fair value of Brazilian securities, especially Brazilian government securities; and
- (viii) changes in domestic and global economic conditions.



g) Pensions and other employee benefits

The Bank sponsors defined contribution and defined benefit pension plans, accounted for in accordance with CPC 33 (R1). Actuarial valuations for defined benefit plans are based on a series of assumptions, including:

- (i) interest rates;
- (ii) mortality tables;
- (iii) annual rate applied to the revision of retirement benefits;
- (iv) inflation index;
- (v) annual salary adjustment; and
- (vi) the method used to calculate vested benefit obligations for active employees.

Changes in these assumptions can have significant impact on the amounts determined.

h) Provisions, contingent assets and liabilities and legal obligations

The recognition, measurement and disclosure of provisions, contingent assets and liabilities and legal obligations are carried out in accordance with the criteria defined by CPC 25.

Contingent assets are not recognized in the financial statements, however, they are recognized as assets when there is evidence assuring their realization, usually represented by the final judgment of the lawsuit and by the confirmation of the capacity for its recovery by receipt or offsetting by another receivable.

Contingent liabilities are recognized in the financial statements when, based on the opinion of legal advisor and Management, the risk of loss of legal or administrative proceedings is considered probable, with a probable outflow of financial resource for the settlement of the obligation and when the amounts involved are measurable with sufficient assurance, being quantified when judicial noticed and revised monthly as follows:

Aggregated Method: cases that are similar and recurring in nature and whose values are not considered individually significant. Provisions are based on statistical data. It covers civil or labor judicial proceedings (except labor claims filed by trade unions and all proceedings classified as strategic) with probable value of award, estimated by legal advisors, up to R\$ 1 million. The aggregated method covers all processes, regardless of the assessment carried out by the legal advisors.

Individual Method: cases considered unusual or whose value is considered relevant by our legal advisor. Provisions are based on the amount claimed; probability of an unfavorable decision; evidence presented; evaluation of legal precedents; other facts raised during the process; judicial decisions made during the course of the case; and the classification and the risk of loss of legal actions.

Contingent liabilities subject to individual method considered as possible losses are not recognized in the financial statements, they are disclosed in notes, while those classified as remote do not require any provision or disclosure.

Legal obligations (fiscal and social security) are derived from tax obligations provided in the legislation are fully recognized in the financial statements.



5 – 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 04, 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 the Consolidated Income, net of tax effects (1+2)	222,981

1 - Recognized in the Statement of Income as "Non-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.

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, in the financial statements of the 1st half/2022, 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 the Consolidated income, net of tax effects (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 "Non-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 wich 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.



6 – Information by segment

The segment information was prepared based on internal reports used by the Executive Board of Directors to assess performance and make decision about the allocation of fund for investment and other purposes. The framework also takes into account the regulatory environment and the similarities between goods and services. The information was prepared based on internal management reports (Management Information), reviewed regularly by Management.

The Bank's operations were mainly in Brazil, divided into five segments: banking, investments, fund management, insurance (insurance, pension and capitalization) and payment methods. The Bank also engages in other activities, including consortium business and other services aggregated in "Other Segments".

The measurement of managerial income and of managerial assets and liabilities by segment takes into account all income and expenses as well as all assets and liabilities recorded by the controlled companies (Note 2). There were no common income or expenses nor common assets or liabilities allocated between the segments, for any distribution criteria.

Transactions between segments were eliminated in the column "Intersegment transactions". They were 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 income.

a) Banking segment

The result was mainly from operations in Brazil with a wide array of products and services, including deposits, loans and services provided to customers through different distribution channels, located in the country and abroad.

The banking segment includes business with the retail, wholesale and public sector, which were carried out by the Bank's network and customer service teams. It also engages in business with micro-entrepreneurs and low-income population, undertaken through banking correspondents.

b) Investments segment

This segment was responsible for operations in the domestic capital markets, acting in intermediation and distribution of debts in the primary and secondary markets, as well as being responsible for equity investments and the rendering of some financial services.

The income from financial intermediation of this segment were the accrued interest on securities investments net of interest expenses from third party funding costs. The principal equity investments were those in the associates, subsidiary companies and joint ventures. Financial service fee income were from economic/financial advisory services and the underwriting of fixed and variable income.

c) Fund management segment

This segment comprises purchase, sale and custody of securities, portfolio management, and management of investment funds and clubs. Income consists mainly of commissions and management fees for services charged to investors.

d) Insurance, pension and capitalization segment

In this segment, products and services offered were related to life, property and automobile insurance, private pension and capitalization plans.

The income were mainly from revenues from insurance premiums issued, contributions to private pension plans, capitalization bonds and investments in securities. The amounts offset by selling cost, technical insurance provision and expenses related to benefits and redemptions.

e) Payment method segment

This segment comprises funding, transmission, processing and settlement of operations via electronic means.

Revenues were mainly from commissions and management fees charged to businesses and financial institutions for the services rendered, as well as income from rent, installation and maintenance of electronic terminals.

**f) Other segments**

Other segments comprise the consortium management and other services segments, which have been aggregated as they were not individually significant.

Their revenues were originated mainly from rendering services not covered in previous segments, such as: credit recovery; consortium management; development, manufacturing, sale, lease and integration of digital electronic systems and equipment, peripherals, programs, inputs and computing supplies.

g) Information of external customers by geographic region

	1st half/2023		1st half/2022	
	Brazil	Abroad	Brazil	Abroad
Income from external customers	141,616,109	9,587,800	120,917,799	12,587,341
Income from financial intermediation	116,575,608	8,665,485	97,610,662	11,728,580
Loan portfolio	64,539,063	741,983	49,923,043	8,285,435
Interbank investments	27,732,149	2,273,750	29,163,820	178,164
Securities	21,769,597	5,145,926	16,823,089	2,478,153
Derivative financial instruments	(740,515)	99,902	(1,555,805)	185,092
Reserve requirement	3,715,645	--	2,600,555	--
Other financial assets	(440,331)	403,924	655,960	601,736
Other income	25,040,501	922,315	23,307,137	858,761
Service fee income	15,640,702	776,927	14,702,781	668,950
Share of earnings (losses) of associates and joint ventures	3,487,349	--	2,604,171	--
Other	5,912,450	145,388	6,000,185	189,811
Non current assets¹	40,373,196	130,566	33,912,438	235,595

1 - Except for financial instruments, deferred tax assets and post-employment benefit assets.

Revenues from abroad were mainly obtained by operations held by the branches in South America in the 1st half/2023 (Europe in the 1st half/2022).



In thousands of Reais, unless otherwise stated

h) Breakdown of managerial income by segment and reconciliation with accounting income

	1st half/2023							
	Managerial Information by Segment							
	Banking	Investments	Fund Management	Insurance, pension and capitalization	Payment methods	Other segments	Intersegment transactions	BB Consolidated
Income from financial intermediation	124,658,819	628,644	164,742	58,229	238,597	283,091	(791,029)	125,241,093
Loan portfolio	65,290,036	--	--	--	--	--	(8,990)	65,281,046
Interbank investments	30,391,114	202	110,535	--	--	286,087	(782,039)	30,005,899
Securities	25,745,679	821,831	54,203	58,229	238,597	(3,016)	--	26,915,523
Derivative financial instruments	(447,408)	(193,389)	--	--	--	184	--	(640,613)
Reserve requirement	3,715,645	--	--	--	--	--	--	3,715,645
Other financial assets	(36,247)	--	4	--	--	(164)	--	(36,407)
Expenses from financial intermediation	(81,339,795)	(397,299)	--	--	--	(320,179)	1,194,534	(80,862,739)
Financial institutions resources	(36,997,063)	(397,299)	--	--	--	--	1,194,534	(36,199,828)
Customers resources	(32,448,918)	--	--	--	--	--	--	(32,448,918)
Resources from issuance of debt securities	(11,363,591)	--	--	--	--	(320,179)	--	(11,683,770)
Other funding expenses	(530,223)	--	--	--	--	--	--	(530,223)
Allowance for losses associated with credit risk	(12,751,256)	(12,649)	--	--	(630)	(19,928)	--	(12,784,463)
Loan portfolio	(12,643,789)	--	--	--	--	--	--	(12,643,789)
Other financial assets	(107,467)	(12,649)	--	--	(630)	(19,928)	--	(140,674)
Other income	17,034,001	162,528	1,642,378	4,987,609	1,203,824	2,761,216	(1,828,740)	25,962,816
Service fee income	11,052,482	106,427	1,636,471	2,400,442	24,167	2,001,499	(803,859)	16,417,629
Share of earnings (losses) of associates and joint ventures	279,242	(12,833)	--	2,293,453	927,487	--	--	3,487,349
Other	5,702,277	68,934	5,907	293,714	252,170	759,717	(1,024,881)	6,057,838
Other expenses	(28,206,653)	(95,129)	(266,405)	(542,208)	(125,814)	(1,464,108)	1,425,235	(29,275,082)
Personnel expenses	(11,053,555)	(71,721)	(41,458)	(229,147)	3,146	(11,409,187)	--	(11,409,187)
Other administrative expenses	(5,686,293)	(20,083)	(32,893)	(58,867)	(672)	(307,449)	812,466	(5,293,791)
Amortization	(1,166,797)	--	--	(415)	--	(2,214)	--	(1,169,426)
Depreciation	(777,001)	--	--	(10)	--	(18,383)	--	(795,394)
Tax expenses	(3,232,989)	(24,700)	(117,991)	(295,915)	(38,702)	(285,721)	--	(3,996,018)
Other	(6,290,018)	(37,066)	(43,800)	(145,543)	(83,268)	(621,194)	609,623	(6,611,266)
Provisions	(3,623,214)	(4)	(14,104)	(11,065)	(118)	(19,278)	--	(3,667,783)
Provisions for civil, tax and labor claims	(3,682,428)	(4)	(14,104)	(11,065)	(118)	(18,877)	--	(3,726,596)
Other	59,214	--	--	--	--	(401)	--	58,813
Profit before taxation and profit sharing	15,771,902	286,091	1,526,611	4,492,565	1,315,859	1,220,814	--	24,613,842
Income tax and social contribution	(2,234,653)	(133,654)	(601,325)	(740,123)	(167,658)	(388,614)	--	(4,266,027)
Employee and directors profit sharing	(2,113,818)	--	(1,211)	--	--	(6,354)	--	(2,121,383)
Non-controlling interest	(397,823)	--	--	(1,255,808)	--	(11,932)	--	(1,665,563)
Net income	11,025,608	152,437	924,075	2,496,634	1,148,201	813,914	--	16,560,869
Balance sheet								
Interbank investments	436,877,453	2,051	1,138,063	4,353,880	1,728,273	6,332,542	(17,919,761)	432,512,501
Securities and derivative financial instruments	435,998,807	4,299,721	1,663,931	1,401,822	3,502,809	484,766	(939,974)	446,411,882
Loan portfolio net of provisions	871,002,899	--	--	--	--	--	(119,604)	870,883,295
Investments	26,950,622	1,032,991	--	7,970,209	4,880,597	23	(20,823,221)	20,011,221
Other assets	329,597,548	932,710	782,544	2,744,989	723,999	8,585,904	(10,034,250)	333,333,444
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
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
Customers resources	768,604,126	--	--	--	--	--	(73,400)	768,530,726
Financial institutions resources	675,630,042	4,593,792	--	--	--	119,604	(18,038,679)	662,304,759
Resources from issuance of debt securities	252,793,641	--	--	--	--	9,218,916	--	262,012,557
Provisions	26,007,185	804	56,902	27,355	173	373,332	(45,235)	26,420,516
Other liabilities	211,985,128	787,958	2,097,283	8,093,658	230,833	2,205,322	(9,196,644)	216,203,538
Shareholders' equity	165,407,207	884,919	1,430,353	8,349,887	10,604,672	3,486,061	(22,482,852)	167,680,247
Total liabilities and equity	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



Banco do Brasil S.A. – Financial Statements – June 30, 2023

In thousands of Reais, unless otherwise stated

	1st half/2022							
	Managerial Information by Segment							
	Banking	Investments	Fund Management	Insurance, pension and capitalization	Payment methods	Other segments	Intersegment transactions	BB Consolidated
Income from financial intermediation	109,076,180	265,435	128,681	1,866	197,328	143,903	(474,151)	109,339,242
Loan portfolio	58,216,512	--	--	--	--	--	(8,034)	58,208,478
Interbank investments	29,547,886	3,680	108,167	--	--	148,368	(466,117)	29,341,984
Securities	18,821,821	264,148	20,514	1,866	197,328	(4,435)	--	19,301,242
Derivative financial instruments	(1,368,320)	(2,393)	--	--	--	--	--	(1,370,713)
Reserve requirement	2,600,555	--	--	--	--	--	--	2,600,555
Other financial assets	1,257,726	--	--	--	--	(30)	--	1,257,696
Expenses from financial intermediation	(73,337,031)	(206,002)	--	--	--	(95,294)	738,980	(72,899,347)
Financial institutions resources	(41,556,407)	(206,002)	--	--	--	--	738,980	(41,023,429)
Customers resources	(23,461,749)	--	--	--	--	--	--	(23,461,749)
Resources from issuance of debt securities	(7,866,608)	--	--	--	--	(95,294)	--	(7,961,902)
Other funding expenses	(452,267)	--	--	--	--	--	--	(452,267)
Allowance for losses associated with credit risk	(9,107,807)	(15,018)	(4)	--	--	(3,881)	--	(9,126,710)
Loan portfolio	(9,067,329)	--	--	--	--	--	--	(9,067,329)
Other financial assets	(40,478)	(15,018)	(4)	--	--	(3,881)	--	(59,381)
Other income	16,401,375	258,194	1,637,796	3,848,300	1,234,498	2,071,893	(1,286,158)	24,165,898
Service fee income	10,523,256	185,198	1,632,213	2,137,160	24,257	1,532,925	(663,278)	15,371,731
Share of earnings (losses) of associates and joint ventures	424,542	10,997	--	1,505,174	663,458	--	--	2,604,171
Other	5,453,577	61,999	5,583	205,966	546,783	538,968	(622,880)	6,189,996
Other expenses	(25,204,257)	(66,465)	(233,745)	(503,630)	(54,332)	(1,203,449)	1,021,329	(26,244,549)
Personnel expenses	(10,224,628)	(9,791)	(57,107)	(33,938)	(3,009)	(207,488)	2,379	(10,533,582)
Other administrative expenses	(5,305,577)	(19,517)	(31,946)	(50,967)	(1,987)	(288,153)	659,207	(5,038,940)
Amortization	(576,082)	--	--	(428)	--	(2,213)	--	(578,223)
Depreciation	(708,956)	--	--	(9)	--	(14,574)	--	(723,539)
Tax expenses	(2,643,553)	(19,800)	(114,895)	(253,739)	(27,306)	(222,428)	--	(3,281,721)
Other	(5,745,461)	(17,357)	(29,797)	(164,549)	(22,030)	(468,593)	359,743	(6,088,044)
Provisions	(4,098,225)	751	9,771	43	--	(11,544)	--	(4,099,204)
Provisions for civil, tax and labor claims	(3,991,117)	751	9,771	43	--	(11,544)	--	(3,992,096)
Other	(107,108)	--	--	--	--	--	--	(107,108)
Profit before taxation and profit sharing	13,730,235	236,895	1,542,499	3,346,579	1,377,494	901,628	--	21,135,330
Income tax and social contribution	(1,892,311)	(96,838)	(614,952)	(627,619)	(273,264)	(303,789)	--	(3,808,773)
Employee and directors profit sharing	(1,823,079)	--	(1,363)	--	--	(3,589)	--	(1,828,031)
Non-controlling interest	(213,877)	--	--	(914,475)	--	(653)	--	(1,129,005)
Net income	9,800,968	140,057	926,184	1,804,485	1,104,230	593,597	--	14,369,521
Balance sheet								
Interbank investments	543,528,683	5,226	2,060,630	4,019,065	1,997,461	6,046,167	(17,995,883)	539,661,349
Securities and derivative financial instruments	404,477,863	3,868,621	642,533	17,033	3,484,340	313,588	(964,597)	411,839,381
Loan portfolio net of provisions	769,500,151	--	--	--	--	--	(133,186)	769,366,965
Investments	25,321,449	997,682	--	7,329,427	4,572,058	25	(19,421,363)	18,799,278
Other assets	349,189,588	832,888	462,511	2,128,242	649,163	4,531,672	(5,426,731)	352,367,333
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
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
Customers resources	718,670,496	--	--	--	--	--	(210,012)	718,460,484
Financial institutions resources	772,100,514	4,023,046	--	--	--	133,186	(18,128,846)	758,127,900
Resources from issuance of debt securities	209,732,375	--	--	--	--	5,852,060	--	215,584,435
Provisions	38,260,865	839	6,756	17,839	60	303,837	(1,749)	38,588,447
Other liabilities	199,248,971	816,891	1,812,548	5,914,907	323,492	1,427,386	(4,690,654)	204,853,541
Shareholders' equity	154,004,513	863,641	1,346,370	7,561,021	10,379,470	3,174,983	(20,910,499)	156,419,499
Total liabilities and equity	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



In thousands of Reais, unless otherwise stated

7 – Cash and due from banks

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Cash and due from banks	18,574,583	12,808,085	22,541,168	18,310,546
Local currency	10,788,908	8,405,499	10,791,808	8,407,179
Foreign currency	7,785,675	4,402,586	11,749,360	9,903,367
Interbank investments ¹	47,201,134	55,083,119	42,719,195	50,515,733
Securities purchased under resale agreements – guaranteed by securities not repledged/re-sold	--	9,999	2,128,967	4,107,564
Interbank deposits	46,479,146	55,073,120	39,868,240	46,408,169
Foreign currency	721,988	--	721,988	--
Total	65,775,717	67,891,204	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.



8 – Compulsory deposits with Bacen

a) Breakdown

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Savings deposits	41,126,478	40,035,817	41,126,478	40,035,817
Demand deposits	17,650,372	20,204,006	17,650,372	20,204,006
Time deposits	35,086,793	32,959,214	35,086,793	32,959,214
Instant payment account	2,082,221	1,394,199	2,082,221	1,394,199
Electronic currency deposits	348,134	472,046	348,134	472,046
Resources for microfinance	141,231	53,803	141,231	53,803
Discretionary deposits at the Central Bank	699,998	--	699,998	--
Current assets	97,135,227	95,119,085	97,135,227	95,119,085
Non-current assets	--	--	--	--
Total	97,135,227	95,119,085	97,135,227	95,119,085

b) Reserve requirement

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Savings deposits	1,593,809	1,381,079	1,593,809	1,381,079
Time deposit requirements	2,121,836	1,219,476	2,121,836	1,219,476
Total	3,715,645	2,600,555	3,715,645	2,600,555



9 – Interbank investments

a) Breakdown

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Securities purchased under resale agreement	381,662,035	356,434,683	383,702,744	360,620,668
Reverse repos - own resources	--	378,662	2,276,054	4,564,647
Treasury financial bills	--	9,999	3,036	13,635
National Treasury bills	--	368,663	194,133	368,662
National Treasury notes	--	--	41,444	--
Other securities	--	--	2,037,441	4,182,350
Reverse repos - financed position	381,662,035	356,056,021	381,426,690	356,056,021
National Treasury notes	217,616,434	247,312,465	217,575,076	247,312,465
Treasury financial bills	79,838,702	--	79,838,702	--
National Treasury bills	83,126,363	107,411,310	82,932,376	107,411,310
Other securities	1,080,536	1,332,246	1,080,536	1,332,246
Interbank deposits ¹	108,598,804	122,026,512	48,809,757	55,252,770
Total	490,260,839	478,461,195	432,512,501	415,873,438
Current assets	452,067,761	423,567,157	429,052,445	412,684,827
Non-current assets	38,193,078	54,894,038	3,460,056	3,188,611

1 - It includes, in the Consolidated, the amount of R\$ 2.552.248 thousand (R\$ 3.192.995 thousand on Dec 31, 2022) related to investments abroad determined by the local monetary authorities.

b) Income from short-term interbank investments

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Income from securities purchased under resale agreement	27,326,228	29,043,533	28,640,497	29,247,096
Funded position	27,288,406	28,984,157	27,288,406	28,984,157
Own portfolio position	37,822	59,376	1,352,091	262,939
Income from investments in interbank deposits	4,000,150	2,129,441	1,365,402	94,888
Total	31,326,378	31,172,974	30,005,899	29,341,984



In thousands of Reais, unless otherwise stated

10 – Securities

a) Portfolio of securities by classification category, quantity, type of paper and maturity ranges:

a.1) Summary by category and completion period

Classification Category	Banco do Brasil							
	June 30, 2023				Dec 31, 2022			
	Current	Non-current	Total	Portfolio Participation	Current	Non-current	Total	Portfolio Participation
1 - Trading securities ¹	5,360,722	--	5,360,722	1%	2,285,510	--	2,285,510	1%
2 - Available for sale securities	28,257,136	324,910,602	353,167,738	86%	33,241,159	321,691,442	354,932,601	88%
3 - Held to maturity securities	19,714,437	31,969,685	51,684,122	13%	17,661,521	28,347,372	46,008,893	11%
Portfolio book value	53,332,295	356,880,287	410,212,582	100%	53,188,190	350,038,814	403,227,004	100%
Mark to market - held to maturity	(38,931)	(127,672)	(166,603)		(169,873)	(378,183)	(548,056)	
Portfolio fair value	53,293,364	356,752,615	410,045,979		53,018,317	349,660,631	402,678,948	

1 - Trading securities are presented in current assets, regardless of maturity, in accordance with Bacen Circular 3,068/2001.



In thousands of Reais, unless otherwise stated

a.2) Breakdown of the portfolio by category, type of bonds and maturity

Maturity in days	Banco do Brasil									
	June 30, 2023							Dec 31, 2022		
	Fair value				Total			Total		
	0 to 30	31 to 180	181 to 360	More than 360	Cost value	Fair value	Fair value	Cost value	Fair value	Fair value
1 - Trading securities	5,721	31,911	79,828	5,243,262	5,357,905	5,360,722	2,817	2,328,089	2,285,510	(42,579)
Federal government bonds	5,334	30,113	79,828	4,375,763	4,469,063	4,491,038	21,975	572,246	573,384	1,138
Treasury financial bills	--	1,479	--	2,426,332	2,427,286	2,427,811	525	12,895	12,906	11
National Treasury bills	5,334	28,634	79,828	1,005,908	1,110,286	1,119,704	9,418	505,337	506,340	1,003
National Treasury notes	--	--	--	943,523	931,491	943,523	12,032	54,014	54,138	124
Private securities	387	1,798	--	867,499	888,842	869,684	(19,158)	1,755,843	1,712,126	(43,717)
Debentures	--	--	--	121,217	137,972	121,217	(16,755)	478,868	443,139	(35,729)
Shares in investment funds	387	--	--	--	6	387	381	10	418	408
Real estate receivables certificates	--	--	--	290,499	284,575	290,499	5,924	503,385	504,612	1,227
Agrobusiness receivable certificates	--	1,798	--	455,783	466,289	457,581	(8,708)	773,580	763,957	(9,623)
2 - Available for sale securities	5,728,945	5,574,095	16,954,096	324,910,602	354,625,877	353,167,738	(1,458,139)	357,733,552	354,932,601	(2,800,951)
Federal government bonds	2,350,050	3,703,324	15,255,592	278,629,688	301,745,240	299,938,654	(1,806,586)	309,014,604	305,577,965	(3,436,639)
Treasury financial bills	--	2,988,695	8,568,593	254,760,697	266,045,937	266,317,985	272,048	272,032,990	272,089,972	56,982
National Treasury bills	2,248,848	--	4,331,360	3,974,974	10,743,236	10,555,182	(188,054)	16,130,519	15,549,177	(581,342)
National Treasury notes	--	--	--	11,060,977	11,701,699	11,060,977	(640,722)	6,744,032	5,477,265	(1,266,767)
Agricultural debt securities	--	--	15	--	34	15	(19)	139	101	(38)
Brazilian foreign debt securities	--	--	--	8,239,618	9,327,247	8,239,618	(1,087,629)	9,319,635	7,881,685	(1,437,950)
Foreign Government bonds	101,202	714,629	2,355,624	547,757	3,878,545	3,719,212	(159,333)	4,732,787	4,529,247	(203,540)
Other	--	--	--	45,665	48,542	45,665	(2,877)	54,502	50,518	(3,984)
Private securities	3,378,895	1,870,771	1,698,504	46,280,914	52,880,637	53,229,084	348,447	48,718,948	49,354,636	635,688
Debentures	--	939,507	1,345,209	37,675,516	41,089,701	39,960,232	(1,129,469)	37,429,419	37,174,513	(254,906)
Promissory notes	--	196,721	--	3,432,888	3,676,503	3,629,609	(46,894)	3,829,534	3,832,957	3,423
Shares in investment funds	3,266,483	--	--	1,794,199	3,250,158	5,060,682	1,810,524	2,886,210	4,346,580	1,460,370
Shares	112,412	--	--	--	92,007	112,412	20,405	98,661	94,403	(4,258)
Certificate of Deposit	--	734,543	244,952	--	970,446	979,495	9,049	--	--	--
Eurobonds	--	--	108,343	3,215,693	3,643,103	3,324,036	(319,067)	4,412,106	3,844,736	(567,370)
Real estate receivables certificates	--	--	--	263	287	263	(24)	314	258	(56)
Agrobusiness receivable certificates	--	--	--	104,988	100,508	104,988	4,480	--	--	--
Other	--	--	--	57,367	57,924	57,367	(557)	62,704	61,189	(1,515)



Banco do Brasil S.A. – Financial Statements – June 30, 2023

In thousands of Reais, unless otherwise stated

Maturity in days	Banco do Brasil									
	June 30, 2023							Dec 31, 2022		
	Fair value				Total			Total		
	0 to 30	31 to 180	181 to 360	More than 360	Cost value	Fair value	Fair value	Cost value	Fair value	Fair value
3 - Held to maturity securities	8,385,097	6,962,844	4,327,565	31,842,013	51,684,122	51,517,519	(166,603)	46,008,893	45,460,837	(548,056)
Federal government bonds	7,594,561	--	3,989,707	3,978,158	15,687,180	15,562,426	(124,754)	15,474,960	14,933,950	(541,010)
National Treasury bills	7,594,561	--	2,824,800	2,689,606	13,258,510	13,108,967	(149,543)	12,832,079	12,279,951	(552,128)
Brazilian foreign debt securities	--	--	1,164,907	1,288,552	2,428,670	2,453,459	24,789	2,642,881	2,653,999	11,118
Private securities	790,536	6,962,844	337,858	27,863,855	35,996,942	35,955,093	(41,849)	30,533,933	30,526,887	(7,046)
Debentures	3,937	276,979	225,763	5,340,790	6,270,741	5,847,469	(423,272)	6,848,656	6,687,147	(161,509)
Rural product bills - commodities	762,105	6,602,598	38,299	11,309,556	18,276,049	18,712,558	436,509	11,895,475	12,058,186	162,711
Certificate of Deposit	24,494	24,185	--	--	48,432	48,679	247	20,926	21,038	112
Certificates of agribusiness credit rights	--	59,082	73,796	11,213,507	11,401,717	11,346,385	(55,332)	11,768,873	11,760,514	(8,359)
Real estate receivables certificates	--	--	--	2	3	2	(1)	3	2	(1)
Total	14,119,763	12,568,850	21,361,489	361,995,877	411,667,904	410,045,979	(1,621,925)	406,070,534	402,678,948	(3,391,586)

a.3) Breakdown of the portfolio by financial statement classification and maturity date

Maturity in days	Banco do Brasil									
	June 30, 2023							Dec 31, 2022		
	Fair value				Total			Total		
	0 to 30	31 to 180	181 to 360	More than 360	Cost value	Fair value	Fair value	Cost value	Fair value	Fair value
Total by portfolio	14,119,763	12,568,850	21,361,489	361,995,877	411,667,904	410,045,979	(1,621,925)	406,070,534	402,678,948	(3,391,586)
Own portfolio	14,095,268	10,455,202	10,069,140	152,611,881	188,089,301	187,231,491	(857,810)	160,935,865	158,661,955	(2,273,910)
Subject to repurchase agreements	--	2,089,463	10,238,495	201,966,382	215,053,495	214,294,340	(759,155)	235,475,294	234,556,389	(918,905)
Pledged in guarantee	24,495	24,185	1,053,854	7,417,614	8,525,108	8,520,148	(4,960)	9,659,375	9,460,604	(198,771)

a.4) Summary of the consolidated by category and completion period

Classification Category	Consolidated							
	June 30, 2023				Dec 31, 2022			
	Current	Non-current	Total	Portfolio Participation	Current	Non-current	Total	Portfolio Participation
1 - Trading securities ¹	11,624,753	--	11,624,753	3%	10,330,260	--	10,330,260	1%
2 - Available for sale securities	45,263,311	331,531,366	376,794,677	85%	44,909,992	324,970,445	369,880,437	88%
3 - Held to maturity securities	20,060,694	33,052,663	53,113,357	12%	19,045,821	29,190,579	48,236,400	11%
Portfolio book value	76,948,758	364,584,029	441,532,787	100%	74,286,073	354,161,024	428,447,097	100%
Mark to market - held to maturity	(41,040)	(140,814)	(181,854)		(180,699)	(393,346)	(574,045)	
Portfolio fair value	76,907,718	364,443,215	441,350,933		74,105,374	353,767,678	427,873,052	

1 - Trading securities are presented in current assets, regardless of maturity, in accordance with Bacen Circular 3,068/2001.



In thousands of Reais, unless otherwise stated

a.5) Breakdown of the consolidated portfolio by category, type of bonds and maturity

Maturity in days	Consolidated									
	June 30, 2023							Dec 31, 2022		
	Fair value				Total			Total		
	0 to 30	31 to 180	181 to 360	More than 360	Cost value	Fair value	Fair value	Cost value	Fair value	Fair value
1 - Trading securities	524,590	104,394	157,043	10,838,726	11,349,503	11,624,753	275,250	10,349,834	10,330,260	(19,574)
Federal government bonds	176,794	102,596	149,621	6,225,668	6,455,795	6,654,679	198,884	2,143,133	2,258,875	115,742
Treasury financial bills	509	2,547	--	4,139,209	4,080,454	4,142,265	61,811	1,194,920	1,199,103	4,183
National Treasury bills	5,334	28,634	79,828	1,005,908	1,110,286	1,119,704	9,418	505,337	506,340	1,003
National Treasury notes	--	--	--	943,523	931,491	943,523	12,032	135,787	137,934	2,147
Brazilian foreign debt securities	--	--	23,559	96,585	121,920	120,144	(1,776)	154,677	150,672	(4,005)
Foreign Government bonds	170,951	71,415	46,234	40,443	211,644	329,043	117,399	152,412	264,826	112,414
Private securities	347,796	1,798	7,422	4,613,058	4,893,708	4,970,074	76,366	8,206,701	8,071,385	(135,316)
Debentures	--	--	--	547,017	583,345	547,017	(36,328)	2,109,240	2,008,139	(101,101)
Shares in investment funds	278,999	--	--	--	191,428	278,999	87,571	351,121	442,450	91,329
Shares	68,797	--	--	--	68,745	68,797	52	54,935	54,974	39
Eurobonds	--	--	7,422	262,287	272,339	269,709	(2,630)	248,703	246,331	(2,372)
Real estate receivables certificates	--	--	--	2,121,369	2,096,783	2,121,369	24,586	2,491,726	2,433,845	(57,881)
Agrobusiness receivable certificates	--	1,798	--	1,586,814	1,585,497	1,588,612	3,115	2,946,169	2,880,839	(65,330)
Other	--	--	--	95,571	95,571	95,571	--	4,807	4,807	--
2 - Available for sale securities	15,000,866	7,801,371	22,461,074	331,531,366	378,316,562	376,794,677	(1,521,885)	372,898,765	369,880,437	(3,018,328)
Federal government bonds	12,238,503	5,665,392	16,312,620	281,082,190	317,194,220	315,298,705	(1,895,515)	318,942,879	315,329,345	(3,613,534)
Treasury financial bills	--	3,687,695	9,240,739	255,028,877	267,684,518	267,957,311	272,793	272,372,872	272,430,113	57,241
National Treasury bills	2,248,848	--	4,331,360	3,974,974	10,743,236	10,555,182	(188,054)	16,130,519	15,549,177	(581,342)
National Treasury notes	--	--	--	11,060,977	11,701,699	11,060,977	(640,722)	6,744,032	5,477,265	(1,266,767)
Agricultural debt securities	--	--	15	--	34	15	(19)	139	101	(38)
Brazilian foreign debt securities	--	--	50,417	8,658,638	9,843,388	8,709,055	(1,134,333)	9,878,395	8,388,834	(1,489,561)
Foreign Government bonds	9,989,655	1,977,697	2,690,089	2,311,996	17,171,733	16,969,437	(202,296)	13,761,396	13,432,313	(329,083)
Other	--	--	--	46,728	49,612	46,728	(2,884)	55,526	51,542	(3,984)
Private securities	2,762,363	2,135,979	6,148,454	50,449,176	61,122,342	61,495,972	373,630	53,955,886	54,551,092	595,206
Debentures	--	1,101,276	4,685,629	38,190,097	45,110,042	43,977,002	(1,133,040)	41,274,278	41,026,492	(247,786)
Promissory notes	--	196,721	--	3,432,888	3,676,503	3,629,609	(46,894)	3,829,534	3,832,957	3,423
Shares in investment funds	2,633,931	83,542	113,975	1,985,688	2,831,866	4,817,136	1,985,270	2,294,090	3,870,703	1,576,613
Shares	127,886	--	--	--	122,499	127,886	5,387	138,408	109,683	(28,725)
Certificate of Deposit	--	754,253	244,952	--	990,157	999,205	9,048	18,752	18,752	--
Eurobonds	--	--	108,343	3,371,858	3,825,593	3,480,201	(345,392)	4,618,831	4,024,409	(594,422)
Real estate receivables certificates	--	--	--	2,579	2,882	2,579	(303)	2,833	2,429	(404)
Agrobusiness receivable certificates	--	187	--	105,604	101,318	105,791	4,473	1,316	1,297	(19)
Other	546	--	995,555	3,360,462	4,461,482	4,356,563	(104,919)	1,777,844	1,664,370	(113,474)



In thousands of Reais, unless otherwise stated

Maturity in days	Consolidated									
	June 30, 2023							Dec 31, 2022		
	Fair value				Total			Total		
	0 to 30	31 to 180	181 to 360	More than 360	Cost value	Fair value	Fair value	Cost value	Fair value	Fair value
3 - Held to maturity securities	8,385,098	7,066,191	4,568,365	32,911,849	53,113,357	52,931,503	(181,854)	48,236,400	47,662,355	(574,045)
Federal government bonds	7,594,561	103,347	4,230,507	5,224,370	17,294,214	17,152,785	(141,429)	17,975,810	17,405,106	(570,704)
National Treasury bills	7,594,561	--	2,824,800	2,689,606	13,258,510	13,108,967	(149,543)	12,832,079	12,279,951	(552,128)
Brazilian foreign debt securities	--	--	1,164,907	1,288,552	2,428,671	2,453,459	24,788	2,642,881	2,654,000	11,119
Foreign Government bonds	--	103,347	240,800	1,246,212	1,607,033	1,590,359	(16,674)	2,500,850	2,471,155	(29,695)
Private securities	790,537	6,962,844	337,858	27,687,479	35,819,143	35,778,718	(40,425)	30,260,590	30,257,249	(3,341)
Debentures	3,937	276,979	225,763	5,164,414	6,092,942	5,671,093	(421,849)	6,575,312	6,417,508	(157,804)
Rural product bills - commodities	762,105	6,602,598	38,299	11,309,556	18,276,049	18,712,558	436,509	11,895,475	12,058,186	162,711
Certificate of Deposit	24,495	24,185	--	--	48,432	48,680	248	20,927	21,039	112
Certificates of agribusiness credit rights	--	59,082	73,796	11,213,507	11,401,717	11,346,385	(55,332)	11,768,873	11,760,514	(8,359)
Real estate receivables certificates	--	--	--	2	3	2	(1)	3	2	(1)
Total	23,910,554	14,971,956	27,186,482	375,281,941	442,779,422	441,350,933	(1,428,489)	431,484,999	427,873,052	(3,611,947)

a.6) Breakdown of the consolidated portfolio by financial statement classification and maturity date

Maturity in days	Consolidated									
	June 30, 2023							Dec 31, 2022		
	Fair value				Total			Total		
	0 to 30	31 to 180	181 to 360	More than 360	Cost value	Fair value	Fair value	Cost value	Fair value	Fair value
Total by portfolio	23,910,554	14,971,956	27,186,482	375,281,941	442,779,422	441,350,933	(1,428,489)	431,484,999	427,873,052	(3,611,947)
Own portfolio	23,809,056	12,857,750	15,888,770	183,288,837	236,508,152	235,844,413	(663,739)	208,348,628	205,853,400	(2,495,228)
Subject to repurchase agreements	--	2,089,464	10,243,863	184,228,998	197,321,352	196,562,325	(759,027)	212,635,779	211,717,369	(918,410)
Pledged in guarantee	101,498	24,742	1,053,849	7,764,106	8,949,918	8,944,195	(5,723)	10,500,592	10,302,283	(198,309)

**b) Securities**

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Fixed-income securities	21,996,186	17,456,858	28,146,545	19,921,450
Variable-income securities	(1,156,356)	(620,427)	(1,231,022)	(620,208)
Total	20,839,830	16,836,431	26,915,523	19,301,242

c) Reclassification of securities

There was no reclassification of securities in the 1st half/2023.

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

- from category I – securities for trading to Category II – securities available for sale: R\$ 11,476,114 thousand, basically in foreign government securities. The adjustment did not have an impact on the result nor on shareholders' equity.
- from category II – securities available for sale to Category III – securities held to maturity: R\$ 10,953,163 thousand in Agribusiness Credit Rights Certificates (CDCA) and R\$ 10,154,455 thousand in Rural Product Notes – Commodities (CPR). The financial capacity to maintain these assets until their respective maturities is attested. The adjustment did not have an 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\$ 3,142 thousand, net of taxes.



11 – Derivative financial instruments

The Bank uses derivative financial instruments to manage, at the consolidated level, credit risk and to meet clients' needs, classifying its own positions as hedge (market risk and investment abroad) and trading, both within limits approved by committees of the Bank. The hedge strategy of the equity positions is in line with macroeconomic analyses, and it is approved by the Executive Board of Directors.

The derivative financial instruments used by the Bank are compatible with the defined objectives, observing the best risk and return ratio and considering the economic scenario. The risk categories of the derivative financial instruments are considered in the management of these instruments and the consolidated view of different risk factors are adopted.

The Bank assesses the liquidity of derivative financial instruments and identifies, in advance, means of reversing positions. Systems and processes that allow the recording, monitoring and controlling of operations with derivative financial instruments are used.

In the options market, long positions have the Bank as holder, while short positions have the Bank as writer.

The main risks inherent to derivative financial instruments resulting from the business of the Bank and its subsidiaries are credit, market, liquidity and operational, which has its management process presented in note 30. The hedge accounting strategies are intended to mitigate market risks, such as changes in interest rates and changes in exchange rates.

The models used to manage derivatives' risks are reviewed periodically and the decisions made follow the best risk/return relationship, estimating possible losses based on the analysis of macroeconomic scenarios.

The Bank uses appropriate tools and systems to manage the derivatives. New derivatives trades standardized or not, are subjected to a prior risk analysis.

Positioning strategies comply with established limits and risk exposure. Positions are reassessed daily and at the beginning of each day an evaluation of strategies and performances is conducted.

Strategies are developed based on:

- analysis of economic scenarios;
- technical analysis (graphical) and fundamental analysis;
- simulation of expected results;
- Value-at-risk simulation (VaR, EVE, Stress).

The Bank carries out transactions with derivative financial instruments to hedge its own positions to meet the needs of our clients and to take intentional positions, according to limits, accountability and previously established procedures.

The objectives to be achieved with hedge operations are defined on a consolidated basis, ensuring the effectiveness of each operation and observing the regulations of each jurisdiction. Mechanisms for evaluating and monitoring the effectiveness of hedge operations are used in order to offset the effects of changes in market value, cash flow or exchange rate changes of the hedged item.

The risk assessment of the subsidiaries is undertaken on an individual basis and its management is done on a consolidated basis.

The Bank uses statistical methods and simulations to measure the risks of its positions, including derivatives, using values at risk, sensibility and stress analysis models.

The VaR is used to estimate the potential loss, under usual market conditions, daily measured in monetary values, considering a confidence interval of 99.21%, a 10-day time horizon and a historical series of 252 business days.

In order to calculate the VaR, the Bank uses the Historical Simulation methodology, which assumes that the retrospective behavior of observed (historical) returns of risk factors constitutes relevant information to the measurement of market risks.

Accordingly, the calculated VaR for the Bank derivatives portfolio, on June 30, 2023, was R\$ 133,585 thousand (R\$ 156,176 thousand on December 31, 2022).

Total credit exposure from swap is R\$ 802,891 thousand on June 30, 2023 (R\$ 834,639 thousand on December 31, 2022).



In thousands of Reais, unless otherwise stated

a) Compositions

a.1) Breakdown of the portfolio of derivatives for trading by index

By Index	Banco do Brasil						BB Consolidated					
	June 30, 2023			December 31, 2022			June 30, 2023			December 31, 2022		
	Notional value	Cost value	Fair value	Notional value	Cost value	Fair value	Notional value	Cost value	Fair value	Notional value	Cost value	Fair value
Futures												
Purchase commitments	11,344,217	--	--	12,147,162	--	--	12,051,281	--	--	12,495,923	--	--
Interbank deposits	9,435,928	--	--	7,633,088	--	--	9,435,928	--	--	7,633,088	--	--
Currencies	1,245,493	--	--	1,373,069	--	--	1,952,557	--	--	1,721,830	--	--
Commodities	59,417	--	--	61,016	--	--	59,417	--	--	61,016	--	--
Bovespa Index	--	--	--	3,889	--	--	--	--	--	3,889	--	--
On-shore USD rates	600,772	--	--	3,076,100	--	--	600,772	--	--	3,076,100	--	--
T-Note	2,607	--	--	--	--	--	2,607	--	--	--	--	--
Sales commitments	31,227,648	--	--	22,992,210	--	--	31,674,036	--	--	23,172,978	--	--
Interbank deposits	7,022,003	--	--	7,184,693	--	--	7,022,003	--	--	7,184,693	--	--
Currencies	13,572,704	--	--	3,067,181	--	--	14,019,092	--	--	3,247,949	--	--
Libor	6,716,244	--	--	4,776,315	--	--	6,716,244	--	--	4,776,315	--	--
Commodities	2,309,422	--	--	1,435,281	--	--	2,309,422	--	--	1,435,281	--	--
On-shore USD rates	1,607,275	--	--	3,355,606	--	--	1,607,275	--	--	3,355,606	--	--
T-Note	--	--	--	3,173,134	--	--	--	--	--	3,173,134	--	--
Forwards												
Asset position	17,965,574	2,607,088	2,471,283	14,811,098	721,247	371,489	18,389,013	2,612,639	2,476,834	15,281,186	744,683	395,025
Term securities	1,451,588	1,451,588	1,451,588	--	--	--	1,451,588	1,451,588	1,451,588	--	--	--
Term currencies	15,227,044	1,072,538	933,562	13,820,009	629,387	301,499	15,650,483	1,078,089	939,113	14,290,097	652,823	325,035
Term commodities	1,286,942	82,962	86,133	991,089	91,860	69,990	1,286,942	82,962	86,133	991,089	91,860	69,990
Liability position	22,674,810	(3,230,449)	(2,947,513)	23,635,787	(1,971,278)	(1,072,640)	22,735,904	(3,230,914)	(2,947,978)	23,681,976	(1,972,065)	(1,073,427)
Term securities	1,451,588	(1,451,588)	(1,451,588)	--	--	--	1,451,588	(1,451,588)	(1,451,588)	--	--	--
Term currencies	19,740,087	(1,646,038)	(1,363,207)	22,530,604	(1,742,394)	(824,185)	19,801,181	(1,646,503)	(1,363,672)	22,576,793	(1,743,181)	(824,972)
Term commodities	1,483,135	(132,823)	(132,718)	1,105,183	(228,884)	(248,455)	1,483,135	(132,823)	(132,718)	1,105,183	(228,884)	(248,455)
Options												
Purchase commitments - long position	3,638,335	212,555	7,420	4,924,396	260,830	77,997	3,638,335	212,555	7,420	4,924,396	260,830	77,997
Foreign currency	3,638,335	212,555	7,420	4,924,396	260,830	77,997	3,638,335	212,555	7,420	4,924,396	260,830	77,997
Sale commitments - long position	650,774	19,262	32,678	303,582	11,246	11,045	650,774	19,262	32,678	303,582	11,246	11,045
Foreign currency	650,774	19,262	32,678	303,582	11,246	11,045	650,774	19,262	32,678	303,582	11,246	11,045
Purchase commitments - short position	1,135,727	(29,080)	(29,381)	906,949	(23,735)	(39,849)	957,873	(26,737)	(25,880)	444,308	(19,173)	(27,825)
Foreign currency	665,110	(21,068)	(17,909)	334,992	(15,122)	(23,945)	665,110	(21,068)	(17,692)	334,992	(15,122)	(23,945)
Pre-fixed	177,854	(2,343)	(3,284)	462,641	(4,562)	(12,024)	--	--	--	--	--	--
Bovespa Index	21,309	(1,278)	(2,342)	34,007	(1,905)	(2,022)	21,309	(1,278)	(2,342)	34,007	(1,905)	(2,022)
Commodities	271,454	(4,391)	(5,846)	75,309	(2,146)	(1,858)	271,454	(4,391)	(5,846)	75,309	(2,146)	(1,858)



Banco do Brasil S.A. – Financial Statements – June 30, 2023

In thousands of Reais, unless otherwise stated

By Index	Banco do Brasil						Consolidated					
	June 30, 2023			December 31, 2022			June 30, 2023			December 31, 2022		
	Notional value	Cost value	Fair value	Notional value	Cost value	Fair value	Notional value	Cost value	Fair value	Notional value	Cost value	Fair value
Sale commitments - short position	4,492,274	(405,182)	(757,097)	5,678,150	(733,241)	(953,597)	4,314,420	(229,670)	(582,733)	5,215,508	(270,205)	(497,751)
Foreign currency	3,569,483	(206,071)	(563,841)	4,860,396	(257,306)	(489,982)	3,569,483	(206,071)	(559,333)	4,860,396	(257,306)	(489,982)
Pre-fixed	177,854	(175,512)	(169,856)	462,642	(463,036)	(455,846)	--	--	--	--	--	--
Bovespa Index	7,800	(230)	(31)	23,964	(739)	(628)	7,800	(230)	(31)	23,964	(739)	(628)
Interbank deposit	--	--	--	7,302	(52)	--	--	--	--	7,302	(52)	--
Commodities	737,137	(23,369)	(23,369)	323,846	(12,108)	(7,141)	737,137	(23,369)	(23,369)	323,846	(12,108)	(7,141)
Swap												
Asset position	22,138,421	1,966,113	2,337,576	22,869,098	1,001,555	1,134,782	22,138,421	1,966,113	2,337,576	22,401,501	1,001,538	1,134,779
Interbank deposits	16,733,315	1,723,285	1,911,901	12,848,783	810,085	775,695	16,733,315	1,723,285	1,911,901	12,848,783	810,085	775,695
Foreign currency	4,233,534	156,075	308,810	8,299,526	110,174	289,198	4,233,534	156,075	308,810	8,299,526	110,174	289,198
Pre-fixed	1,171,572	86,753	116,865	1,720,789	81,296	69,889	1,171,572	86,753	116,865	1,253,192	81,279	69,886
Liability position	13,267,764	(1,120,048)	(1,445,703)	8,869,326	(1,021,623)	(1,305,602)	13,089,910	(1,120,048)	(1,445,701)	8,869,326	(1,021,623)	(1,305,602)
Interbank deposits	5,181,283	(360,785)	(450,046)	1,475,272	(118,414)	(130,415)	5,003,429	(360,785)	(450,044)	1,475,272	(118,414)	(130,415)
Foreign currency	5,357,250	(522,930)	(675,099)	5,578,198	(793,673)	(1,053,142)	5,357,250	(522,930)	(675,099)	5,578,198	(793,673)	(1,053,142)
Pre-fixed	1,622,965	(106,548)	(141,980)	969,776	(35,606)	(30,033)	1,622,965	(106,548)	(141,980)	969,776	(35,606)	(30,033)
IPCA	1,106,266	(129,785)	(178,578)	846,080	(73,930)	(92,012)	1,106,266	(129,785)	(178,578)	846,080	(73,930)	(92,012)
Other Derivatives¹												
Asset position												
Foreign currency	2,381,413	19,065	36,410	1,663,993	39,087	26,703	2,381,413	19,065	24,587	1,099,157	39,087	19,223
Liability position												
Foreign currency	4,130,741	(97,784)	(109,704)	6,130,599	(115,844)	(140,845)	3,899,300	(97,784)	(107,856)	6,130,599	(115,849)	(140,858)

1 - Related to transactions carried out in the Forex market abroad, recorded as Non Deliverable Forwards (NDF) which object is an exchange rate of a specific currency and is traded in the over-the-counter (OTC) market.

a.2) Breakdown of the derivatives portfolio by maturity (notional value)

Maturity in days	Banco do Brasil						Consolidated					
	0 to 30	31 to 180	181 to 360	More than 360	June 30, 2023	December 31, 2022	0 to 30	31 to 180	181 to 360	More than 360	June 30, 2023	December 31, 2022
Futures	12,878,147	12,249,694	8,860,516	8,583,508	42,571,865	35,139,372	14,031,598	12,249,695	8,860,516	8,583,508	43,725,317	35,668,901
Forwards	9,247,667	18,212,377	9,102,230	4,078,110	40,640,384	38,446,885	9,732,200	18,212,377	9,102,230	4,078,110	41,124,917	38,963,162
Options	1,931,250	5,100,801	953,352	1,931,707	9,917,110	11,813,077	1,931,250	4,745,093	953,352	1,931,707	9,561,402	10,887,794
Swap	9,565,939	8,679,951	5,519,615	11,640,680	35,406,185	31,738,424	9,565,939	8,502,097	5,519,615	11,640,680	35,228,331	31,270,827
Other	1,945,523	3,517,909	1,031,604	17,118	6,512,154	7,794,592	1,714,082	3,517,909	1,031,604	17,118	6,280,713	7,229,756

**a.3) Breakdown of the derivative portfolio by trading market and counterparty (notional value on June 30, 2023)**

	Banco do Brasil					Consolidated				
	Futures	Forwards	Options	Swaps	Other	Futures	Forwards	Options	Swaps	Other
Stock Exchange										
B3	28,473,675	--	1,008,591	--	--	28,473,675	--	1,008,591	--	--
Abroad	14,098,190	--	--	--	--	15,251,642	--	--	--	--
Over-the-counter										
Financial Institutions	--	2,903,176	355,708	27,404,621	6,512,154	--	3,387,709	--	27,226,767	6,280,713
Clients	--	37,737,208	8,552,811	8,001,564	--	--	37,737,208	8,552,811	8,001,564	--

a.4) Breakdown of margin given as guarantee for transactions with derivative financial instruments

	Banco do Brasil		Consolidated	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Treasury financial bills	2,430,911	1,730,237	2,430,911	1,730,237

a.5) Derivative financial instruments segregated by current and non-current

	Banco do Brasil				Consolidated			
	June 30, 2023		December 31, 2022		June 30, 2023		December 31, 2022	
	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
Assets								
Forwards	2,392,179	79,104	352,548	18,941	2,397,730	79,104	376,084	18,941
Options	39,308	790	69,490	19,552	39,308	790	69,490	19,552
Swap	1,671,496	666,080	763,110	371,672	1,671,496	666,080	763,107	371,672
Credit derivatives	36,410	--	26,639	64	24,587	--	19,159	64
Other Derivatives	4,139,393	745,974	1,211,787	410,229	4,133,121	745,974	1,227,840	410,229
Liabilities								
Forwards	(2,687,213)	(260,300)	(938,096)	(134,544)	(2,687,678)	(260,300)	(938,883)	(134,544)
Options	(625,986)	(160,492)	(960,863)	(32,583)	(479,702)	(128,911)	(492,993)	(32,583)
Swap	(454,228)	(991,475)	(120,131)	(1,185,471)	(454,226)	(991,475)	(120,131)	(1,185,471)
Other Derivatives	(108,929)	(775)	(140,710)	(135)	(107,081)	(775)	(140,723)	(135)
Total	(3,876,356)	(1,413,042)	(2,159,800)	(1,352,733)	(3,728,687)	(1,381,461)	(1,692,730)	(1,352,733)

b) Income from derivative financial instruments

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Futures	841,938	(10,456)	645,509	(32,257)
Forwards	(1,039,211)	(2,612,869)	(1,014,100)	(2,586,563)
Options	(475,403)	(34,508)	(460,335)	14,780
Swaps	168,306	1,278,401	168,310	1,278,319
Credit derivatives	11	10,638	11	10,638
Other Derivatives	40,587	(15,883)	19,992	(55,630)
Total	(463,772)	(1,384,677)	(640,613)	(1,370,713)



c) Hedge accounting

The Bank carries out fair value hedge and a net investment hedge in order to manage interest rate risk and exchange rate risk presented by own operations. The Bank documents the identification of the hedged item, the hedging instrument and the methodology to be used to assess its effectiveness from the conception of the accounting hedge structure.

The structure of risk limits extends to risk factor level, with specific limits aimed at improving the monitoring and understanding process, as well as avoiding the concentration of these risks.

The structures designated for the interest rate risk and exchange rate risk categories are carried out considering the risks in their entirety when there are compatible hedging instruments. By Management decision, in some cases, the risks are hedged by the term and risk factor limit of the hedging instrument.

In order to protect the fair value and exchange rate risk of instruments designated as the hedge item, the Bank uses derivative financial instruments (Futures and Swap).

At the beginning of the hedging relationship and continuously, the Bank evaluates and monitors their strategies to ensure that they are highly effective, i.e, the hedging instruments offset the changes in fair value attributed to the respective hedged items during the period established for the hedging relationship.

The evaluation of the effectiveness of hedge structures is carried out prospectively and retrospectively (in the course of operations). For this, some methodologies are used, such as:

- Dollar Offset Method (or Ratio Analysis), based on comparing the variation in the fair value of the hedging instrument with the variation in the fair value of the hedge item;
- Correlation coefficient between the variation in the present value of the hedging instrument and the variations in the present value of the hedge item;
- Beta coefficient of the regression between the regressor (represented by the change in the present value of the hedging instrument) and the regression (represented by the change in the present value of the hedge item).

In risk management, hedging instruments and hedge items are expected to move in opposite directions and in the same proportions, with the objective of neutralizing risk factors. Currently, the designated coverage ratio is 100% of the risk factor that is eligible for coverage. The sources of ineffectiveness, in general, are related to counterparty credit risk, the risk of early settlement of the hedge item and possible term mismatches between the hedging instrument and the hedge item.

c.1) Fair value hedge

The Bank's fair value hedging strategy consists of protecting exposure to changes in the fair value of interest payments and receipts relating to recognized assets and liabilities.

The fair value management methodology adopted by the Bank segregates transactions by risk factor (e.g. exchange rate risk, risk interest, inflation risk, etc.). Transactions generate exposures that are consolidated by risk factor and compared to pre-established internal limits.

The Bank uses interest rate swap contracts related to fixed assets and liabilities to protect the fair value variation in the receipt and payment of interest.

The Bank applies the fair value hedge as follows:

- The Bank has pre-fixed interest rate risk generated by Federal Public Securities (LTN) classified as "available for sale" and "held to maturity". The Bank contracts DI futures or interest rate swaps and designates them as a hedging instrument in an accounting hedge structure, changing the exposure from fixed to post-fixed interest rates.
- The Bank has Fixed Consumer Direct Credit (CDC) loans on its portfolio. To manage this risk, interest rate futures (DI) operations are contracted and designated as fair value hedge of the corresponding loans, changing the exposure from fixed to post-fixed interest rates.
- The Bank has interest rate risk and foreign currency exposure generated by liabilities from issuance of securities and loans to financial institutions carried out abroad. The Bank designates swap operations (cross currency interest rate swap) as a hedging instrument in accounting hedge structure, changing exposure between foreign currencies and interest rates to manage this risk.

**Portfolio of derivatives designated as fair value hedge**

	Banco do Brasil		Consolidated	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Hedge instruments ¹				
Liabilities	(13,344,702)	(13,207,111)	(13,344,702)	(13,207,111)
Swaps	(7,732,822)	(7,966,434)	(7,732,822)	(7,966,434)
Futures	(5,611,880)	(5,240,677)	(5,611,880)	(5,240,677)
Hedged items				
Assets	15,581,765	15,189,252	15,581,765	15,189,252
Securities	13,161,075	12,579,618	13,161,075	12,579,618
Interbank deposits	2,371,696	2,563,590	2,371,696	2,563,590
Loans	48,994	46,044	48,994	46,044
Liabilities	(2,038,922)	(1,816,981)	(2,038,922)	(1,816,981)
Obrigações por títulos e valores mobiliários no exterior	(2,038,922)	(1,816,981)	(2,038,922)	(1,816,981)

1 – It refers to the notional amount of derivative financial instruments.

In fair value protection structures, gains or losses, both on hedging instruments and on hedge items (attributable to the type of risk being protected) are recognized directly in profit or loss.

Income gains and losses with hedging instruments and hedged items

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Hedge items gains/(losses)	188,684	239,676	188,684	239,676
Hedging instruments (losses)/gains	(155,101)	(201,672)	(155,101)	(201,672)
Net effect	33,583	38,004	33,583	38,004

c.2) Hedge of net investment in a foreign operation

The hedging strategy for net investment in a foreign operation consists of protecting exposure to the exchange variation of the US dollar against the real due to the Bank's investment in BB Americas, whose functional currency is different from the real. The hedging instrument used is US dollar futures contracts. These operations are renewed monthly and the designated amount is updated every six months in view of changes in the investment amount considered in the hedge structure.

Portfolio of derivatives designated as hedge of net investment in a foreign operation

	Banco do Brasil		Consolidated	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Hedge instruments				
Liabilities	(959,701)	(702,764)	(959,701)	(702,764)
Futures	(959,701)	(702,764)	(959,701)	(702,764)
Hedged items				
Assets	961,231	701,011	961,231	701,011
Investment abroad	961,231	701,011	961,231	701,011

In structures for hedge of net investment in a foreign operation, the effective portion of the variation in the value of the hedging instrument is recognized in a separate account in shareholders' equity – "Other Comprehensive Income – Hedge of net investment in a foreign operation" (note 23.h). The ineffective portion is recognized directly in profit or loss.

**Income gains and losses with hedging instruments and hedged items**

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Hedge items (losses)/gains	(72,583)	(24,686)	(72,583)	(24,686)
Hedging instruments gains/(losses)	72,583	24,686	72,583	24,686
Net effect ¹	--	--	--	--

1 – In the 1st half/2023, the amount of R\$ 14,331 thousand (R\$ 332 thousand in the 1st half/2022) was recognized in the result of derivative financial instruments due to the ineffective portion of the accounting hedge structure.



12 – Loan portfolio

a) Loan portfolio by modality

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Loans	809,034,685	785,045,939	820,915,760	797,071,709
Loans and discounted credit rights	339,439,011	325,323,165	345,399,710	332,007,261
Financing	134,488,805	129,166,304	135,355,611	130,219,409
Rural financing	287,161,536	283,439,401	287,161,536	283,439,401
Real estate financing	47,799,092	46,955,266	52,852,662	51,243,835
Loan operations linked to assignment ¹	146,241	161,803	146,241	161,803
Other receivables with loan characteristics	98,517,855	92,018,105	100,116,949	93,796,888
Credit card operations	47,763,310	47,723,600	49,362,404	49,502,383
Advances on exchange contracts (Note 13.d)	24,922,258	23,910,738	24,922,258	23,910,738
Receivables acquisition	12,008,533	10,160,141	12,008,533	10,160,141
Other receivables purchase under assignment ²	10,582,385	7,411,448	10,582,385	7,411,448
Guarantees honored	75,686	31,023	75,686	31,023
Sundry	3,165,683	2,781,155	3,165,683	2,781,155
Leasing	--	--	525,538	414,726
Total loan portfolio	907,552,540	877,064,044	921,558,247	891,283,323
Current assets	380,728,430	380,417,858	387,190,553	387,613,409
Non-current assets	526,824,110	496,646,186	534,367,694	503,669,914
Allowance for losses associated with credit risk	(50,490,045)	(50,513,636)	(50,674,952)	(50,697,155)
Loan operations	(48,136,612)	(47,673,426)	(48,299,811)	(47,831,412)
Allowance for other losses - other receivables with loan characteristics	(2,353,433)	(2,840,210)	(2,371,129)	(2,862,338)
Allowance for lease losses	--	--	(4,012)	(3,405)
Total loan portfolio net of provisions	857,062,495	826,550,408	870,883,295	840,586,168

1 - Loan operations assigned with retention of the risks and benefits of the financial assets involved in the transaction.

2 - Loans acquired with retention of the risks and benefits by the assignor of the financial assets.

**b) Loan portfolio**

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Loans income	63,802,957	50,932,985	64,875,799	57,994,089
Loans and discounted credit rights	36,854,299	30,066,470	37,324,499	36,575,195
Rural financing	12,945,189	8,087,098	12,945,189	8,087,098
Recovery of loans previously written-off as loss ¹	3,675,922	3,869,255	4,038,966	4,246,520
Financing	2,763,777	1,389,244	2,791,269	1,426,806
Equalization of rates - agricultural crop- Law 8,427/1992	2,767,185	2,724,586	2,767,185	2,724,586
Real estate financing	2,015,134	1,833,154	2,201,450	1,950,010
Export financing	1,768,734	1,408,666	1,768,734	1,408,666
Receivables acquisition	904,290	655,852	904,290	655,852
Advances to depositors	162,445	99,835	185,918	113,917
Guarantees honored	926	5,921	926	5,921
Income from foreign currency financing ²	(147,971)	741,821	(145,654)	748,435
Other	93,027	51,083	93,027	51,083
Leasing transactions income/(expenses)	--	--	47,533	24,756
Transfer of financial assets income/(expenses) ³	396,543	189,633	357,714	189,633
Total	64,199,500	51,122,618	65,281,046	58,208,478

1 - It was received from assignments without recourse of written off credits to entities outside the financial system the amount of R\$ 546,523 thousand in the 1st half/2023 (with impact on the income of R\$ 300,587 thousand, net of taxes) and R\$ 255,859 thousand in the 1st half/2022 (with impact on the income of R\$ 140,722 thousand, net of taxes), in accordance with CMN Resolution 2,836/2001. The book value of these transactions was R\$ 901,510 thousand and R\$ 670,018 thousand, respectively.

2 - Includes negative foreign exchange variation, related to Foreign operations, in the amount of R\$ 366,252 thousand in the 1st half/2023 and positive foreign exchange variation in the amount of R\$ 731,196 thousand in the 1st half/2022.

3 - In the 1st half/2023 includes the amount of R\$ 243,829 thousand (R\$ 128,911 thousand, net of taxes) and the amount of R\$ 23,581 thousand (R\$ 12,366 thousand, net of taxes) in the 1st half/2022, the result of credit operations assignments without recourse to entities outside of the financial system, in accordance with CMN Resolution 2,836/2001. These assignments generated a positive impact on the result of R\$ 27,212 thousand (R\$ 6,404 thousand in the 1st half/2022), net of allowance for loan losses. The book value of these transactions was R\$ 308,528 thousand and R\$ 34,991 thousand respectively.



In thousands of Reais, unless otherwise stated

c) Breakdown of the loan portfolio by sector

	Banco do Brasil				Consolidated			
	June 30, 2023	%	Dec 31, 2022	%	June 30, 2023	%	Dec 31, 2022	%
Public sector	57,956,455	6.5	57,312,373	6.6	58,148,435	6.4	57,543,027	6.5
Public administration	53,135,932	5.9	52,611,541	6.0	53,309,888	5.8	52,816,209	5.9
Oil sector	2,616,388	0.3	2,625,600	0.3	2,616,388	0.3	2,625,600	0.3
Electric power	837,206	0.1	846,818	0.1	837,206	0.1	846,818	0.1
Services	634,491	0.1	539,490	0.1	634,491	0.1	539,490	0.1
Other activities	732,438	0.1	688,924	0.1	750,462	0.1	714,910	0.1
Private sector	849,596,085	93.5	819,751,671	93.4	863,409,812	93.6	833,740,296	93.5
Individuals	578,875,000	63.8	561,431,074	63.9	583,096,789	63.3	565,735,713	63.5
Companies	270,721,085	29.7	258,320,597	29.5	280,313,023	30.3	268,004,583	30.0
Agribusiness of plant origin	39,172,781	4.3	38,320,954	4.4	40,224,206	4.4	39,441,363	4.4
Services	28,956,929	3.2	30,515,894	3.5	30,745,181	3.3	32,044,525	3.6
Mining and metallurgy	19,502,287	2.1	18,969,630	2.2	20,223,004	2.2	19,739,757	2.2
Electric power	16,573,859	1.8	13,442,627	1.5	16,694,095	1.8	13,563,642	1.5
Retail commerce	16,249,531	1.8	16,005,395	1.8	16,428,741	1.8	16,260,340	1.8
Agribusiness of animal origin	15,816,187	1.7	13,810,246	1.6	16,202,445	1.8	14,291,895	1.6
Transportation	14,921,811	1.6	14,599,737	1.7	15,125,786	1.6	14,795,926	1.7
Financial services	13,657,504	1.5	11,933,408	1.4	14,198,099	1.5	12,511,545	1.4
Automotive sector	12,855,137	1.4	12,322,553	1.4	13,217,147	1.4	12,955,178	1.5
Agricultural inputs	12,324,262	1.4	11,637,687	1.3	12,414,384	1.3	11,716,655	1.3
Fuel	10,878,290	1.2	10,296,060	1.2	11,386,653	1.2	10,829,193	1.2
Electronics	10,242,906	1.1	9,798,005	1.1	10,266,553	1.1	9,842,819	1.1
Specific activities of construction	9,741,048	1.1	9,647,623	1.1	9,912,507	1.1	9,857,040	1.1
Chemical	8,936,495	1.0	8,493,827	1.0	9,566,309	1.0	9,234,899	1.0
Wholesale and various industries	7,990,305	0.9	7,934,975	0.9	8,834,907	1.0	8,583,571	1.0
Real estate agents	7,526,028	0.8	6,212,892	0.7	8,549,830	0.9	7,136,047	0.8
Textile and clothing	7,303,166	0.8	7,059,904	0.8	7,365,282	0.8	7,101,570	0.8
Woodworking and furniture market	5,546,151	0.6	5,202,494	0.6	5,568,764	0.6	5,220,448	0.6
Pulp and paper	3,920,579	0.4	3,863,295	0.4	4,031,110	0.4	3,984,616	0.4
Heavy construction	2,931,553	0.3	2,517,630	0.3	3,421,879	0.4	2,986,726	0.3
Telecommunications	2,426,905	0.3	2,133,451	0.2	2,542,417	0.3	2,248,711	0.3
Other activities	3,247,371	0.4	3,602,310	0.4	3,393,724	0.4	3,658,117	0.4
Total	907,552,540	100.0	877,064,044	100.0	921,558,247	100.0	891,283,323	100.0



In thousands of Reais, unless otherwise stated

d) Loan portfolio by risk level and maturity

	Banco do Brasil										
	AA	A	B	C	D	E	F	G	H	June 30, 2023	Dec 31, 2022
Loans not past due											
Installments falling due											
01 to 30	33,016,496	15,541,418	12,636,024	11,077,992	1,351,974	127,387	61,225	38,785	259,968	74,111,269	65,590,882
31 to 60	23,336,397	5,156,399	5,185,553	4,057,323	430,444	104,117	58,390	55,473	285,958	38,670,054	32,376,024
61 to 90	24,517,401	4,521,092	4,338,593	3,359,103	386,999	201,833	33,725	67,383	224,240	37,650,369	27,984,508
91 to 180	59,967,761	11,338,659	8,944,985	7,781,747	1,037,454	310,275	360,075	200,968	808,924	90,750,848	89,914,871
181 to 360	74,214,964	13,510,540	14,464,748	11,990,535	1,675,854	633,109	669,774	135,576	1,236,772	118,531,872	144,458,517
More than 360	317,877,192	62,349,006	55,618,246	43,744,983	8,936,732	5,412,244	1,644,804	2,195,470	13,108,277	510,886,954	482,477,019
Installments overdue											
Up to 14 days	213,365	57,410	128,111	243,937	70,749	20,799	5,512	62,824	38,933	841,640	1,236,918
Subtotal	533,143,576	112,474,524	101,316,260	82,255,620	13,890,206	6,809,764	2,833,505	2,756,479	15,963,072	871,443,006	844,038,739
Loans past due											
Installments falling due											
01 to 30	--	--	69,763	451,347	261,006	141,105	128,790	119,536	487,998	1,659,545	1,816,607
31 to 60	--	--	31,013	125,406	95,883	61,881	55,933	45,899	171,568	587,583	573,091
61 to 90	--	--	26,210	113,648	88,054	58,198	53,167	39,587	166,155	545,019	481,337
91 to 180	--	--	64,297	257,314	230,983	166,222	131,827	107,116	447,236	1,404,995	1,300,745
181 to 360	--	--	132,708	412,788	406,019	281,547	218,312	222,969	818,829	2,493,172	2,255,134
More than 360	--	--	1,123,357	2,424,163	2,426,446	2,015,877	1,356,953	1,302,613	5,287,747	15,937,156	14,133,933
Installments overdue											
01 to 14	--	--	9,151	43,357	41,885	33,679	20,718	17,861	73,234	239,885	201,343
15 to 30	--	--	197,449	340,654	158,931	49,048	37,731	28,740	116,689	929,242	940,802
31 to 60	--	--	19,632	605,209	236,323	130,350	77,916	52,670	256,527	1,378,627	1,294,398
61 to 90	--	--	1	28,846	657,724	131,354	82,462	91,147	263,465	1,254,999	1,124,623
91 to 180	--	--	--	11,500	67,864	601,480	863,802	1,193,464	884,286	3,622,396	3,198,486
181 to 360	--	--	--	586	3	44,193	80,606	103,767	5,345,189	5,574,344	5,277,586
More than 360	--	--	295	1,120	228	149	867	3,283	476,629	482,571	427,220
Subtotal	--	--	1,673,876	4,815,938	4,671,349	3,715,083	3,109,084	3,328,652	14,795,552	36,109,534	33,025,305
Total	533,143,576	112,474,524	102,990,136	87,071,558	18,561,555	10,524,847	5,942,589	6,085,131	30,758,624	907,552,540	877,064,044



In thousands of Reais, unless otherwise stated

	Consolidated										June 30, 2023	Dec 31, 2022
	AA	A	B	C	D	E	F	G	H			
Loans not past due												
Installments falling due												
01 to 30	33,074,732	17,586,399	14,350,224	11,079,398	1,353,115	127,510	61,278	38,804	260,806	77,932,266	70,232,531	
31 to 60	23,491,249	5,458,669	5,212,838	4,057,778	430,459	104,209	58,395	55,480	286,020	39,155,097	32,997,620	
61 to 90	24,643,729	4,743,642	4,353,932	3,359,602	387,030	201,888	33,740	67,411	224,345	38,015,319	28,256,028	
91 to 180	60,078,545	11,882,877	8,991,957	7,783,482	1,037,599	310,429	363,724	201,080	809,270	91,458,963	90,565,177	
181 to 360	74,484,999	13,956,134	14,589,588	11,994,117	1,676,253	633,352	669,962	135,767	1,237,988	119,378,160	145,205,704	
More than 360	318,997,565	63,278,671	60,974,133	43,763,918	8,939,246	5,519,288	1,646,577	2,196,682	13,114,372	518,430,452	489,478,907	
Installments overdue												
Up to 14 days	213,365	61,108	247,402	244,194	70,901	20,949	5,519	62,825	38,946	965,209	1,376,466	
Subtotal	534,984,184	116,967,500	108,720,074	82,282,489	13,894,603	6,917,625	2,839,195	2,758,049	15,971,747	885,335,466	858,112,433	
Loans past due												
Installments falling due												
01 to 30	--	--	69,763	451,347	261,006	141,109	128,790	119,536	488,002	1,659,553	1,816,637	
31 to 60	--	--	31,013	125,406	95,883	61,886	55,933	45,899	171,572	587,592	573,122	
61 to 90	--	--	26,210	113,648	88,054	58,202	53,167	39,587	166,159	545,027	481,367	
91 to 180	--	--	64,297	257,314	230,983	166,234	131,827	107,116	447,248	1,405,019	1,300,824	
181 to 360	--	--	132,708	412,788	406,019	281,569	218,312	222,969	818,851	2,493,216	2,255,178	
More than 360	--	--	1,123,357	2,424,163	2,426,446	2,015,934	1,356,955	1,302,614	5,287,773	15,937,242	14,134,047	
Installments overdue												
01 to 14	--	--	9,151	43,357	41,885	33,679	20,718	17,861	73,238	239,889	201,343	
15 to 30	--	--	245,002	341,439	159,479	49,298	37,803	28,761	116,780	978,562	1,012,471	
31 to 60	--	--	19,632	616,716	236,870	130,607	78,152	52,695	256,664	1,391,336	1,315,118	
61 to 90	--	--	1	28,846	661,539	131,718	82,670	91,341	263,599	1,259,714	1,134,347	
91 to 180	--	--	--	11,500	67,864	609,137	866,787	1,196,164	886,129	3,637,581	3,213,316	
181 to 360	--	--	--	586	3	44,193	80,606	103,767	5,356,479	5,585,634	5,277,792	
More than 360	--	--	295	1,120	228	149	867	3,283	496,474	502,416	455,328	
Subtotal	--	--	1,721,429	4,828,230	4,676,259	3,723,715	3,112,587	3,331,593	14,828,968	36,222,781	33,170,890	
Total	534,984,184	116,967,500	110,441,503	87,110,719	18,570,862	10,641,340	5,951,782	6,089,642	30,800,715	921,558,247	891,283,323	



In thousands of Reais, unless otherwise stated

e) Allowance for loan losses by risk level

Level of risk	% Minimum provision	Banco do Brasil							
		June 30, 2023				Dec 31, 2022			
		Value of loans	Minimum required allowance	Supplementary allowance ¹	Total	Value of loans	Minimum required allowance	Supplementary allowance ¹	Total
AA		533,143,576	--	--	--	436,399,915	--	--	--
A	0.5	112,474,524	(562,372)	(38,275)	(600,647)	106,608,756	(533,044)	(49,428)	(582,472)
B	1.0	102,990,136	(1,029,901)	(351,981)	(1,381,882)	171,618,246	(1,716,182)	(736,256)	(2,452,438)
C	3.0	87,071,558	(2,612,146)	(2,484,756)	(5,096,902)	91,129,069	(2,733,872)	(2,432,222)	(5,166,094)
D	10.0	18,561,555	(1,856,156)	(383,697)	(2,239,853)	19,908,361	(1,990,836)	(473,670)	(2,464,506)
E	30.0	10,524,847	(3,157,454)	-	(3,157,454)	10,181,043	(3,054,313)	(199)	(3,054,512)
F	50.0	5,942,589	(2,971,295)	(23,796)	(2,995,091)	6,608,658	(3,304,329)	(50,590)	(3,354,919)
G	70.0	6,085,131	(4,259,592)	--	(4,259,592)	3,904,338	(2,733,037)	--	(2,733,037)
H	100.0	30,758,624	(30,758,624)	--	(30,758,624)	30,705,658	(30,705,658)	--	(30,705,658)
Total		907,552,540	(47,207,540)	(3,282,505)	(50,490,045)	877,064,044	(46,771,271)	(3,742,365)	(50,513,636)

1 - It refers to the supplementary allowance over and above the minimum required by CMN Resolution 2,682/1999. This provision is established based on the internal scale of risk level.

Level of risk	% Minimum provision	Consolidated							
		June 30, 2023				Dec 31, 2022			
		Value of loans	Minimum required allowance	Supplementary allowance ¹	Total	Value of loans	Minimum required allowance	Supplementary allowance ¹	Total
AA		534,984,184	--	--	--	438,682,871	--	--	--
A	0.5	116,967,500	(584,838)	(38,380)	(623,218)	111,424,928	(557,125)	(49,545)	(606,670)
B	1.0	110,441,503	(1,104,415)	(352,458)	(1,456,873)	178,500,365	(1,785,004)	(736,716)	(2,521,720)
C	3.0	87,110,719	(2,613,321)	(2,485,204)	(5,098,525)	91,171,254	(2,735,138)	(2,432,314)	(5,167,452)
D	10.0	18,570,862	(1,857,086)	(383,697)	(2,240,783)	19,926,696	(1,992,670)	(473,671)	(2,466,341)
E	30.0	10,641,340	(3,192,402)	--	(3,192,402)	10,302,684	(3,090,805)	(199)	(3,091,004)
F	50.0	5,951,782	(2,975,891)	(23,796)	(2,999,687)	6,614,094	(3,307,047)	(50,590)	(3,357,637)
G	70.0	6,089,642	(4,262,749)	--	(4,262,749)	3,913,666	(2,739,566)	--	(2,739,566)
H	100.0	30,800,715	(30,800,715)	--	(30,800,715)	30,746,765	(30,746,765)	--	(30,746,765)
Total		921,558,247	(47,391,417)	(3,283,535)	(50,674,952)	891,283,323	(46,954,120)	(3,743,035)	(50,697,155)

1 - It refers to the supplementary allowance over and above the minimum required by CMN Resolution 2,682/1999. This provision is established based on the internal scale of risk level.

**f) Changes in allowance for losses associated with credit risk**

Includes loans, leases and other receivables with characteristics of credit.

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Opening balance	(50,513,636)	(44,470,150)	(50,697,155)	(44,665,729)
(Addition)/reversal	(12,575,338)	(9,063,877)	(12,643,789)	(9,067,329)
Minimum required allowance	(13,035,198)	(9,355,869)	(13,103,289)	(9,360,532)
Supplementary allowance ¹	459,860	291,992	459,500	293,203
Exchange fluctuation - foreign allowances	31,621	52,873	85,777	51,276
Write off	12,567,308	9,562,435	12,580,215	9,580,593
Closing balance	(50,490,045)	(43,918,719)	(50,674,952)	(44,101,189)

1 – It refers to the supplementary allowance over and above the minimum required by CMN Resolution 2,682/1999. This provision is established based on the internal scale of risk level.

g) Leasing portfolio by maturity

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Up to 1 year ¹	--	--	173,339	139,655
More than 1 year and up to 5 years	--	--	344,605	273,152
over 5 years	--	--	7,594	1,919
Total present value	--	--	525,538	414,726

1 – It includes amounts related to overdue installments.

h) Concentration of loans

	June 30, 2023	% of credit portfolio	Dec 31, 2022	% of credit portfolio
Largest debtor	8,984,762	1.0	10,190,482	1.1
10 largest debtors	49,222,395	5.3	49,248,817	5.5
20 largest debtors	72,264,688	7.8	72,798,377	8.2
50 largest debtors	107,008,389	11.6	105,856,445	11.9
100 largest debtors	128,525,550	13.9	126,661,450	14.2

i) Renegotiated credits

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Credits renegotiated during the period	48,830,573	38,135,788	48,830,573	38,135,788
Renegotiated when past due ¹	11,189,315	6,959,358	11,189,315	6,959,358
Renovated ²	37,641,258	31,176,430	37,641,258	31,176,430
Changes on credits renegotiated when past due				
Opening balance	32,689,826	28,512,842	32,689,826	28,512,842
Contracts ¹	11,189,315	6,959,358	11,189,315	6,959,358
Interest (received) and appropriated ³	(7,763,521)	(3,480,430)	(7,763,521)	(3,480,430)
Write off	(1,997,184)	(2,047,584)	(1,997,184)	(2,047,584)
Closing balance ⁴	34,118,436	29,944,186	34,118,436	29,944,186
Allowance for loan losses of the portfolio renegotiated when past due	17,241,876	16,342,526	17,241,876	16,342,526
(%) Allowance for loan losses on the portfolio	50.5%	54.6%	50.5%	54.6%
90 days default of the portfolio renegotiated when past due	4,439,171	2,115,556	4,439,171	2,115,556
(%) Portfolio default	13.0%	7.1%	13.0%	7.1%

1 – Renegotiated credit under debt composition as a result of payment delay by the clients.

2 – Renegotiated current credits (i.e. not past due) in the form of the extension or renewal of the credit or the granting of new loans for partial or full settlement of previous contracts or any other type of agreement that changes the maturity or the payment terms, originally agreed.

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

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



In thousands of Reais, unless otherwise stated

j) Supplementary information

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Undrawn credit lines	197,708,823	188,245,045	197,889,468	188,489,507
Guarantees provided ¹	12,552,199	12,490,464	11,693,283	11,775,904
Contracted credit opened for import	1,671,727	1,012,264	1,803,919	1,047,202
Confirmed export credit	636,141	621,031	636,141	621,031
Linked resources	1,399,931	295,316	1,399,931	295,316

1 - For these operations, the Bank maintains an allowance recorded in Provisions (Note 21.c).

k) Loans by line of credit from Fund for Workers' Assistance (Fundo de Amparo ao Trabalhador - FAT)

	TADE ¹	June 30, 2023	Dec 31, 2022
Loans and discounted credit rights		730	1,505
Proger Urbano Capital de Giro	01/2016 e 01/2020	730	1,505
Financing		275,665	336,580
Proger Urbano Investimento	18/2005	255,495	307,479
FAT Taxista	02/2009	20,170	29,101
Rural financing		202	186
Pronaf Investimento	05/2005	46	22
Pronaf Custeio	04/2005	156	163
Proger Rural Investimento	13/2005	--	1
Total		276,597	338,271

1 - TADE - Allocation Term of Special Deposits.



In thousands of Reais, unless otherwise stated

l) Programs established to deal with the effects of COVID-19

The CMN Resolution 4,846/2020 allows financial institutions to participate in the government emergency employment support program (Programa Emergencial de Suporte a Empregos – Pese), under Law 14,043/2020.

According to this Program, financial institutions can provide funding to payroll of entrepreneurs, business companies and cooperative companies, except credit companies. Every financing operation have 85% of resources coming from the national Treasury Secretariat (STN) and the remaining 15% from the Financial Institution counterparty. The same percentage will be applied to the risk of default on credit operations and to possible financial losses.

Law 14,042/2020 established the Emergency Program for Credit Access in the form of receivables guarantee (Peac-Maquinhhas). The program is intended to grant loans guaranteed by fiduciary assignment of receivables. In this modality, operations will be carried out entirely with resources from the Federal Government.

In accordance with CMN Resolution 4,855/2020, the Bank presents the balances of credit operations contracted within the scope of programs established to deal with the effects of COVID-19, whose credit risk is partially or fully assumed by the Federal Government, as well as the classification by risk level and the amount of allowance constituted for each level.



In thousands of Reais, unless otherwise stated

Level of risk	% Minimum provision	June 30, 2023				Dec 31, 2022			
		Value of loans	Minimum required allowance	Supplementary allowance ¹	Total	Value of loans	Minimum required allowance	Supplementary allowance ¹	Total
AA ²		287,022	--	--	--	611,769	--	--	--
A	0.5	2,399	(12)	(3)	(15)	11,882	(59)	(15)	(74)
B	1.0	1,853	(19)	(12)	(31)	8,635	(86)	(65)	(151)
C	3.0	1,489	(45)	(55)	(100)	6,997	(210)	(256)	(466)
D	10.0	96	(10)	(1)	(11)	233	(23)	(4)	(27)
E	30.0	52	(16)	--	(16)	433	(130)	--	(130)
F	50.0	105	(53)	--	(53)	114	(57)	--	(57)
G	70.0	149	(104)	--	(104)	327	(229)	--	(229)
H	100.0	1,167	(1,167)	--	(1,167)	1,995	(1,995)	--	(1,995)
Total		294,332	(1,426)	(71)	(1,497)	642,385	(2,789)	(340)	(3,129)

1 - Refers to the supplementary allowance over and above the minimum required by CMN Resolution 2,682/1999. This provision is established based on the internal scale of risk level.

2 - Basically, refers to operations whose credit risk is assumed by the Federal Government.



13 – Other assets

a) Breakdown

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Financials	99,088,057	94,265,671	100,803,627	93,072,415
Sundry debtors from escrow deposits	36,196,703	34,975,776	37,070,635	35,713,450
Foreign exchange portfolio (Note 13.d)	30,978,380	28,876,176	31,111,446	28,986,562
Fund of allocation of surplus – Previ (Note 29.f)	11,579,611	11,315,371	11,579,611	11,315,371
Accrued income	7,621,924	9,786,343	5,805,337	5,458,198
Notes and credits receivable ¹	2,925,978	2,988,819	4,532,897	4,576,765
Fundo de Compensação de Variações Salariais	3,259,413	3,129,805	3,259,413	3,129,805
Other	6,526,048	3,193,381	7,444,288	3,892,264
Current assets	66,329,150	61,068,678	65,872,396	57,882,675
Non-current assets	32,758,907	33,196,993	34,931,231	35,189,740
Non-financial	26,790,702	33,684,686	27,584,234	34,174,900
Actuarial assets (Note 29.e)	21,176,808	28,830,246	21,176,808	28,830,246
Sundry debtors	3,997,137	3,136,680	4,305,244	3,426,316
Held for sale – Received	437,770	542,241	439,080	543,813
Prepaid expenses	520,810	529,205	567,492	583,778
Held for sale – Own	27,870	38,754	37,617	45,755
Assets not for own use and materials in stock	3,889	4,511	37,219	52,431
Other	626,418	603,049	1,020,774	692,561
Current assets	5,538,420	4,757,584	6,206,765	5,177,038
Non-current assets	21,252,282	28,927,102	21,377,469	28,997,862

1 - It includes sundry receivables from the Brazilian National Treasury, in the amount of R\$ 428,922 thousand (R\$ 446,270 thousand on December 31, 2022). Mainly refers to amounts of subsidies in operations with funds MCR 6-2, MCR 6-4 (Rural Credit Manual) and are supported by specific legislation, such as CMN resolutions, the Bahia Cocoa Agriculture Recovery Program (CMN Resolution 2,960/2002) and regional funds (FDNE and FDCO). It also includes receivables from the National Treasury from interest rate equalization of agricultural crops Law 8,427/1992, of R\$ 1,214,457 thousand (R\$ 1,358,911 thousand on December 31, 2022).

b) Allowance for losses associated with credit risk

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Notes and credits receivable	(1,555,532)	(1,567,983)	(1,850,309)	(1,830,569)
Sundry debtors	(711,068)	(739,029)	(711,276)	(739,237)
Accrued income	(872,316)	(758,027)	(872,316)	(758,027)
Other	(25,717)	(23,475)	(25,717)	(23,475)
Total	(3,164,633)	(3,088,514)	(3,459,618)	(3,351,308)



In thousands of Reais, unless otherwise stated

c) Changes in allowance for losses associated with credit risk

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Opening balance	(3,088,514)	(2,936,741)	(3,351,308)	(3,246,817)
(Addition)/reversal	(106,352)	(27,742)	(140,674)	(59,381)
Exchange fluctuation - foreign allowances	--	--	1,525	101,185
Write-off/other adjustments	30,233	(2,005)	30,839	(1,939)
Closing balance	(3,164,633)	(2,966,488)	(3,459,618)	(3,206,952)

d) Foreign exchange portfolio

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Asset position				
Exchange purchases pending settlement	26,888,710	28,464,575	26,970,656	28,464,575
Receivables from sales of foreign exchange	24,113,077	26,267,604	24,164,197	26,377,990
Foreign currency receivables	1,098	1,018	1,098	1,018
(Advances received in national/foreign currency)	(20,024,505)	(25,857,021)	(20,024,505)	(25,857,021)
Total	30,978,380	28,876,176	31,111,446	28,986,562
Current assets	29,402,039	27,087,296	29,535,105	27,197,682
Non-current assets	1,576,341	1,788,880	1,576,341	1,788,880
Liability position				
Exchange purchase liabilities	28,375,890	28,313,228	28,409,974	28,345,035
Exchange sales pending settlement	23,444,779	26,728,740	23,543,596	26,798,262
Foreign currency payables	1,562	1,401	56,889	62,295
Subtotal (Note 20.a)	51,822,231	55,043,369	52,010,459	55,205,592
(Advances on exchange contracts) (Note 12.a)	(24,922,258)	(23,910,738)	(24,922,258)	(23,910,738)
Total	26,899,973	31,132,631	27,088,201	31,294,854
Current liabilities	23,011,915	28,930,687	23,200,143	29,092,910
Non-current liabilities	3,888,058	2,201,944	3,888,058	2,201,944
Net foreign exchange portfolio	4,078,407	(2,256,455)	4,023,245	(2,308,292)
Off balance accounts				
Credit opened for imports	1,981,916	1,458,847	2,114,107	1,493,785
Confirmed export credit	636,141	621,031	636,141	621,031

e) Other financial assets

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Foreign exchange results	(463,406)	835,190	(169,385)	954,736
Other	132,978	302,960	132,978	302,960
Total	(330,428)	1,138,150	(36,407)	1,257,696



In thousands of Reais, unless otherwise stated

14 – Investments

a) Changes in subsidiaries, associates and joint ventures

Banco do Brasil	Share capital	Adjusted shareholders' equity ¹	Net income/(loss) ¹	Number of shares (in thousands)		Ownership interest in share capital %	Book value	Changes – 1st half/2023			Book value	Equity income
			1st half/2023	Common	Preferred		Dec 31, 2022	Dividends	Other events ²	Equity income	June 30, 2023	1st half/2022
Domestic							29,374,268	(4,013,632)	223,771	5,915,566	31,499,973	5,099,336
BB Elo Cartões Participações S.A.	7,734,513	10,563,570	1,131,433	17,703	--	100.00%	9,438,903	--	(6,766)	1,131,433	10,563,570	1,087,978
BB Seguridade Participações S.A. ^{3 4}	6,269,692	8,349,886	3,732,835	1,325,000	--	66.36%	4,914,650	(2,130,119)	259,637	2,496,635	5,540,803	1,804,485
BB Leasing S.A. – Arrendamento Mercantil	3,261,860	4,807,811	176,268	3,000	--	100.00%	4,798,998	(167,455)	--	176,268	4,807,811	138,892
Banco Votorantim S.A.	8,480,372	12,904,218	528,571	1,096,653	600,952	50.00%	6,459,314	(190,000)	(84,149)	264,289	6,449,454	400,136
BB Banco de Investimento S.A.	417,788	884,919	231,755	3,790	--	100.00%	853,239	(231,754)	31,679	231,755	884,919	234,358
BB Tecnologia e Serviços	218,635	397,332	70,040	248,458	248,586	99.99%	321,592	--	--	70,977	392,569	30,218
BB Administradora de Consórcios S.A.	727,543	894,465	580,597	14	--	100.00%	727,543	(413,675)	--	580,597	894,465	441,068
BB Gestão de Recursos – Distribuidora de Títulos e Valores Mobiliários S.A.	1,191,207	1,430,353	923,903	100,000	--	100.00%	1,385,469	(880,629)	1,610	923,903	1,430,353	923,624
BB Administradora de Cartões de Crédito S.A.	9,300	41,100	16,767	398,158	--	100.00%	24,333	--	--	16,767	41,100	16,368
Other investments							450,227	--	21,760	22,942	494,929	22,209
Overseas ⁵							6,701,200	(218,306)	(1,618,485)	1,560,695	6,425,104	508,365
Banco Patagonia S.A.	13,506	3,897,058	2,028,612	578,117	--	80.39%	3,221,752	(218,306)	(1,501,414)	1,630,790	3,132,822	876,744
BB Cayman Islands Holding	1,187,451	1,006,778	26,007	211,023	--	100.00%	1,216,880	--	(236,109)	26,007	1,006,778	(20,893)
Banco do Brasil AG	403,143	930,797	(43,725)	638	--	100.00%	1,027,450	--	(52,928)	(43,725)	930,797	(60,008)
BB Securities LLC	27,903	363,081	8,629	5,000	--	100.00%	438,870	--	(84,418)	8,629	363,081	528
Banco do Brasil Americas	778,301	890,287	112,968	11,086	--	100.00%	650,027	--	127,292	112,968	890,287	11,954
BB USA Holding Company	--	748	(46)	--	--	100.00%	857	--	(63)	(46)	748	--
Goodwill on acquisition of investments abroad							145,364		(44,773)	--	100,591	--
Profit/(loss) with foreign exchange in the affiliates and associates ⁵							--	--	173,928	(173,928)	--	(299,960)
Total investments in subsidiaries, associates and joint ventures							36,075,468	(4,231,938)	(1,394,714)	7,476,261	37,925,077	5,607,701
(Allowance for losses)							(34,777)	--	34	--	(34,743)	

1 - It includes harmonization adjustments in accounting and considers the unrealized profits on transactions with the Banco do Brasil.

2 - These basically refer to the exchange fluctuation and equity valuation adjustments of available-for-sale securities and the foreign exchange variation on investments abroad.

3 - The investment value considering the quoted market price is R\$ 40,770,250 thousand (R\$ 44,665,750 thousand on December/2022).

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

5 - The net income and equity income of subsidiaries abroad are stated without the effects of foreign exchange variation. These investments are subject to structural hedge and their foreign exchange impacts are reclassified to expenses with funds from financial institutions (Note 18.d.) in the consolidation process.



Banco do Brasil S.A. – Financial Statements – June 30, 2023

In thousands of Reais, unless otherwise stated

BB Consolidated	Share capital	Adjusted shareholders' equity ¹	Net income/(loss) ¹	Number of shares (in thousands)		Ownership interest in share capital %	Book value	Changes - 1st half/2023			Book value	Equity income
			1st half/2023	Common	Preferred		Dec 31, 2022	Dividends	Other events ²	Equity income	June 30, 2023	1st half/2022
Associates ³ and joint ventures ⁴												
Banco Votorantim S.A.	8,480,372	12,904,218	528,571	1,096,653	600,952	50.00%	6,459,314	(190,000)	(84,149)	264,289	6,449,454	400,136
Cateno Gestão de Contas de Pagamento S.A. ⁵	414,000	9,397,377	670,281	1,878,028	939,014	30.00%	2,865,938	(247,810)	--	201,085	2,819,213	136,723
Cielo S.A. ⁶	5,699,993	11,674,576	1,149,362	778,320	--	28.89%	3,156,938	(113,721)	(2,647)	332,032	3,372,602	227,031
Brasilprev Seguros e Previdência S.A. ⁷	3,529,492	7,527,142	1,150,634	879	1,759	74.99%	4,813,026	(374,975)	343,694	862,860	5,644,605	664,816
BB Mapfre Participações S.A. ⁷	1,469,848	2,488,290	1,782,930	944,858	1,889,339	74.99%	1,693,724	(1,217,088)	52,313	1,337,019	1,865,968	753,685
Brasilcap Capitalização S.A. ⁷	353,827	664,622	125,926	107,989	159,308	66.77%	433,843	(97,592)	23,288	84,213	443,752	78,239
Elo Participações Ltda. ⁸	347,309	2,396,319	788,895	173,620	--	49.99%	1,254,088	(486,475)	35,937	394,369	1,197,919	299,703
UBS BB Serviços de Assessoria Financeira e Participações S.A.	1,425,605	1,445,708	(18,334)	1,954,245	--	49.99%	734,280	--	(2,406)	(9,165)	722,709	6,388
Other investments							537,929	(12,772)	31,368	20,647	577,172	37,450
Unrealized gains ⁹							(3,149,056)	--	80,727	--	(3,068,329)	--
Total							18,800,024	(2,740,433)	478,125	3,487,349	20,025,065	2,604,171
(Allowance for losses)							(8,544)	--	(7,983)	--	(16,527)	--

1 - It includes harmonization adjustments in accounting and considers the unrealized profits on transactions with the Banco do Brasil.

2 - It refers basically to equity valuation adjustments of available-for-sale securities.

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

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

5 - Indirect interest of the Bank in Cateno, through its subsidiary BB Elo Cartões Participações S.A. The total share of the Bank is 50.22 % (Cielo S.A. holds 70.00 % of direct interest in Cateno).

6 - it refers to the percentage of the equity interest, considering the acquisition of shares by the invested entity held in treasury. The investment value considering the quoted market price is R\$ 3,572,489 thousand (R\$ 4,078,397 thousand on December/2022).

7 - Equity interest held by BB Seguros Participações S.A. It includes harmonization adjustments in accounting practices.

8 - The equity of Elo Participações Ltda. is calculated in proportion to the monthly contribution of BB Elo Cartões in the business of the company, according to agreement of November 01, 2017, between BB Elo Cartões and Bradescard. In 2022, the participation held in Banco Digio S.A. was sold to Bradescard.

9 - Unrealized profit arising from a new 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 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.	Brasil	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.	Brasil	São Paulo (SP)	Commercializes life insurance with survivor coverage and with private retirement and benefit plans.	Insurance	Yes
Cielo S.A.	Brasil	Barueri (SP)	Provides services related to credit and debit cards and payments services.	Electronic payments	Yes
Cateno Gestão de Contas de Pagamentos S.A.	Brasil	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.	Brasil	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.	Brasil	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.	Brasil	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.	Brasil	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) Summarized financial information of associates and joint ventures, not adjusted for the equity interest percentage held by the Bank

June 30, 2023	Banco Votorantim S.A.	Brasilprev Seguros e Previdência S.A.	Cielo S.A.	Cateno Gestão de Contas de Pagamento S.A.	BB Mapfre Participações S.A.	Elo Participações Ltda.	UBS BB S.A.	Brasilcap S.A.
Current assets	55,556,066	354,597,732	92,840,134	2,066,803	22,685,538	673,513	253,805	9,372,338
Non-current assets	78,422,291	19,148,322	9,343,250	8,360,263	555,219	2,240,332	1,339,463	3,244,552
Current liabilities	80,132,675	42,000,154	87,121,760	1,029,689	20,267,725	223,613	147,560	10,762,895
Non-current liabilities	40,941,464	325,304,506	3,386,061	--	--	162,532	--	1,189,373
Contingent Liabilities	699,753	34,622	306,272	4,554	741,145	92,150	355	1,176,812
Income from financial intermediation	1,709,279	466,722	(135,982)	--	443,386	--	4,131	204,623
Service fee income	624,971	1,668,665	3,615,269	2,261,133	--	--	14,436	--
Other operating income/expenses	(764,092)	2,666,768	5,127,590	3,276,646	1,962,393	885,672	(13,283)	6,206
Income taxes	189,975	(582,583)	(112,340)	(345,233)	(607,368)	(3,705)	6,248	(81,671)
Net income - 1st half/2023	564,748	876,727	1,149,362	670,281	1,782,930	860,785	(18,334)	125,926
Harmonization adjustments in accounting and unrealized profit	(36,177)	273,907	--	--	--	(71,890)	--	--
Adjusted net income - 1st half/2023	528,571	1,150,634	1,149,362	670,281	1,782,930	788,895	(18,334)	125,926
Ownership percentage	50.00%	74.99%	28.89%	30.00%	74.99%	49.99%	49.99%	66.77%
Equity income	264,289	862,860	332,032	201,085	1,337,019	394,369	(9,165)	84,213
Other comprehensive income	(84,151)	12,202	(2,560)	--	39,867	--	(2,406)	23,287
Total comprehensive income	444,420	1,162,836	1,146,802	670,281	1,822,797	788,895	(20,740)	149,213
Shareholders' equity	12,904,218	6,441,394	11,675,563	9,397,377	2,973,032	2,527,700	1,445,708	664,622
Harmonization adjustments in accounting	--	1,085,748	(987)	--	(484,742)	(131,381)	--	--
Adjusted shareholders' equity	12,904,218	7,527,142	11,674,576	9,397,377	2,488,290	2,396,319	1,445,708	664,622
Ownership percentage	50.00%	74.99%	28.89%	30.00%	74.99%	49.99%	49.99%	66.77%
Carrying amount of the investment	6,452,109	5,644,605	3,372,602	2,819,213	1,865,968	1,197,919	722,709	443,752
Unrealized profit	(2,655)	--	--	(2,509,136)	--	--	(559,193)	--



In thousands of Reais, unless otherwise stated

December 31, 2022	Banco Votorantim S.A.	Brasilprev Seguros e Previdência S.A.	Cielo S.A.	Cateno Gestão de Contas de Pagamento S.A.	BB Mapfre Participações S.A.	Elo Participações Ltda.	UBS BB S.A.	Brasilcap S.A.
Current assets	54,495,025	332,103,907	103,862,851	2,174,296	15,303,319	1,030,474	274,734	7,419,202
Non-current assets	69,247,459	19,536,891	11,155,265	8,554,026	7,983,730	2,235,890	1,388,809	4,072,526
Current liabilities	72,906,936	39,358,053	98,946,425	1,175,150	13,260,125	461,727	194,688	9,702,087
Non-current liabilities	37,913,582	305,795,400	5,143,098	--	7,283,582	164,576	--	1,140,908
Contingent Liabilities	663,938	24,175	2,060,146	12,858	708,942	87,808	10,255	1,129,821
Income from financial intermediation	3,293,585	--	--	--	--	--	--	--
Service fee income	1,394,109	3,244,640	3,733,623	4,445,328	--	--	89,481	--
Other operating income/expenses	(3,052,194)	(974,582)	(2,877,880)	(1,486,266)	3,884,099	1,399,953	(61,215)	302,351
Income taxes	(55,838)	(763,227)	(15,314)	(523,584)	(1,058,694)	40,873	16,205	(121,960)
Net income - 2022	1,494,934	1,679,756	1,569,528	1,010,735	2,732,334	1,387,419	44,472	180,391
Harmonization adjustments in accounting and unrealized profit	730	(3,063)	--	--	--	(113,205)	--	--
Adjusted net income - 2022	1,495,664	1,676,693	1,569,528	1,010,735	2,732,334	1,274,214	44,472	180,391
Ownership percentage	50.00%	74.99%	28.89%	30.00%	74.99%	49.99%	49.99%	66.77%
Equity income	748,562	1,257,352	453,604	303,212	2,048,977	636,980	22,231	120,478
Other comprehensive income	(364,242)	(1,017)	--	--	6,075	--	(3,230)	14,175
Total comprehensive income	1,131,422	1,675,676	1,569,528	1,010,735	2,738,409	1,274,214	41,242	194,565
Shareholders' equity	12,921,966	6,487,345	10,928,592	9,553,172	2,743,342	2,640,061	1,468,855	648,733
Harmonization adjustments in accounting	--	(68,814)	--	--	(484,742)	(131,384)	--	--
Adjusted shareholders' equity	12,921,966	6,418,531	10,928,592	9,553,172	2,258,600	2,508,677	1,468,855	648,733
Ownership percentage	50.00%	74.99%	28.89%	30.00%	74.99%	49.99%	49.99%	66.77%
Carrying amount of the investment	6,460,983	4,813,026	3,156,938	2,865,938	1,693,724	1,254,088	734,280	433,843
Unrealized profit	(1,667)	--	--	(2,567,039)	--	--	(582,017)	--



In thousands of Reais, unless otherwise stated

15 - Property for use

	Banco do Brasil							
		Dec 31, 2022	1st half/2023		June 30, 2023			
	Annual depreciation rate	Book value	Changes	Depreciation	Cost value	Accumulated depreciation	Impairment losses	Book value
Buildings	4 to 10%	3,338,402	296,433	(220,940)	9,083,490	(5,668,195)	(1,400)	3,413,895
Data processing systems	10 to 20%	1,600,984	904,265	(339,689)	5,839,056	(3,673,496)	--	2,165,560
Furniture and equipment	10%	2,068,798	184,962	(173,627)	4,442,634	(2,362,463)	(38)	2,080,133
Constructions in progress	--	860,745	70,598	--	931,343	--	--	931,343
Land	--	314,244	(132)	--	314,112	--	--	314,112
Communication and security equipment	10%	250,767	28,062	(24,090)	747,508	(487,714)	(5,055)	254,739
Facilities	10%	99,083	6,399	(11,491)	1,019,220	(925,229)	--	93,991
Vehicles	10%	858	195	(204)	8,393	(7,544)	--	849
Furniture and equipment in stock	--	818	(3)	--	815	--	--	815
Total		8,534,699	1,490,779	(770,041)	22,386,571	(13,124,641)	(6,493)	9,255,437

	Consolidated								
		Dec 31, 2022	1st half/2023			June 30, 2023			
	Annual depreciation rate	Book value	Changes	Depreciation	Reversal of the provision	Cost value	Accumulated depreciation	Impairment losses	Book value
Buildings	4 to 10%	3,383,758	282,950	(223,000)	--	9,149,645	(5,702,221)	(3,716)	3,443,708
Data processing systems	10 to 20%	1,654,856	921,616	(348,341)	3	5,990,834	(3,762,699)	(1)	2,228,134
Furniture and equipment	10%	2,202,771	198,778	(186,427)	--	4,681,871	(2,466,593)	(156)	2,215,122
Constructions in progress	--	896,898	41,383	--	--	938,281	--	--	938,281
Land	--	318,764	(1,159)	--	--	317,605	--	--	317,605
Communication and security equipment	10%	259,417	26,261	(25,206)	--	759,297	(493,770)	(5,055)	260,472
Facilities	10%	105,517	6,370	(11,914)	--	1,028,250	(928,277)	--	99,973
Vehicles	10%	3,119	759	(506)	--	11,612	(8,240)	--	3,372
Furniture and equipment in stock	--	818	(3)	--	--	815	--	--	815
Total		8,825,918	1,476,955	(795,394)	3	22,878,210	(13,361,800)	(8,928)	9,507,482



In thousands of Reais, unless otherwise stated

16 – Intangible

a) Changes and breakdown

	Banco do Brasil				BB Consolidated				
	Rights to manage payroll	Software	Other intangible assets	Total	Rights to manage payroll	Software	Goodwill	Other intangible assets ¹	Total
Annual amortization rate	Contract	10%	Contract		Contract	10%	Technical study	Contract	
Balances at Dec 31, 2022	7,169,459	3,807,131	--	10,976,590	7,169,459	3,837,724	76,020	7,442	11,090,645
Changes									
Additions	202,625	917,478	--	1,120,103	202,625	921,870	--	--	1,124,495
Exchange fluctuation	--	(4,573)	--	(4,573)	--	(6,593)	(26,683)	(2,712)	(35,988)
Write offs	--	(24,665)	--	(24,665)	--	(24,667)	--	--	(24,667)
Amortization	(930,696)	(228,397)	--	(1,159,093)	(930,696)	(234,326)	(4,404)	--	(1,169,426)
Balances at June 30, 2023	6,441,388	4,466,974	--	10,908,362	6,441,388	4,494,008	44,933	4,730	10,985,059
Cost value	9,817,277	8,345,553	38,596	18,201,426	9,817,277	8,451,293	443,223	43,326	18,755,119
Accumulated amortization	(2,910,920)	(3,861,961)	(14,499)	(6,787,380)	(2,910,920)	(3,940,667)	(368,399)	(14,499)	(7,234,485)
Impairment losses	(464,969)	(16,618)	(24,097)	(505,684)	(464,969)	(16,618)	(29,891)	(24,097)	(535,575)
Estimate for amortization	6,441,388	4,466,974	--	10,908,362	6,441,388	4,494,008	44,933	--	10,980,329
2023	939,025	223,349	--	1,162,374	939,025	224,700	3,381	--	1,167,106
2024	1,842,698	446,697	--	2,289,395	1,842,698	449,401	6,761	--	2,298,860
2025	1,381,811	446,697	--	1,828,508	1,381,811	449,401	6,761	--	1,837,973
2026	1,283,291	446,697	--	1,729,988	1,283,291	449,401	6,761	--	1,739,453
2027	910,785	446,697	--	1,357,482	910,785	449,401	6,761	--	1,366,947
After 2027	83,778	2,456,837	--	2,540,615	83,778	2,471,704	14,508	--	2,569,990

¹ - Includes the value related to the intangible asset with an undefined useful life.

**b) Goodwill impairment test**

The recoverable amount of goodwill based on expected future profitability is determined by the value in use, which is the discounted value of the cash flow projections of the invested entity (cash-generating unit). For the evaluation of the banks, the free cash flow for shareholders discounted by the cost of equity capital calculated for each institution was used.

Assumptions used to project these cash flows are based on public information, budgets and/or business plans of the purchased entities. These assumptions consider current and past performance, as well as expected market and macroeconomic growth.

The cash flow of the entity below was actively projected for five years and considered perpetual from the last period with fixed growth rates. For the periods that exceed the terms of the budget or business plan, the growth estimates are in line with those adopted by the entity. The nominal discount rate is determined annually based on the CAPM (Capital Asset Pricing Model) adjusted for the market and the currency of each country.

Entity (cash-generating unit)	Growth rate p.a. ¹	Discount rate p.a. ²
Banco Patagonia	20.30 %	28.08 %

1 - Nominal growth in perpetuity.

2 - Geometric average used in economic evaluations.

According to the sensitivity analysis performed, there is no indication that changes in the assumptions would cause the book value of the cash-generating units to exceed the recoverable amount.

In the periods presented, there was no impairment loss on goodwill based on expected future profitability.



17 – Customers resources

a) Deposits

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Demand deposits	96,396,878	99,190,849	105,334,153	107,860,381
Individuals	45,780,125	48,798,924	52,000,525	54,726,166
Corporations	31,430,302	38,806,649	34,084,878	41,753,015
Restricted ¹	14,152,039	6,842,535	14,302,317	6,974,301
Associated	341,147	626,841	327,025	399,495
Government	2,861,775	2,657,506	2,861,775	2,657,506
Foreign currency	512,975	373,940	512,975	373,940
Financial system institutions	805,336	676,442	735,052	573,841
National Treasury Special	294,937	89,504	294,937	89,504
Domiciled abroad	102,931	147,738	99,358	141,843
Other	115,311	170,770	115,311	170,770
Savings deposits	205,952,535	213,435,806	205,952,535	213,435,806
Individuals	197,272,347	205,138,491	197,272,347	205,138,491
Corporations	8,289,982	7,888,637	8,289,982	7,888,637
Associated	375,805	393,359	375,805	393,359
Financial system institutions	14,401	15,319	14,401	15,319
Time deposits	432,102,956	409,472,691	456,907,918	431,550,384
Judicial	230,803,486	213,653,955	230,961,968	213,827,828
National currency	178,975,147	170,561,047	178,975,147	170,561,047
Foreign currency	11,608,877	14,890,470	36,255,357	36,794,290
Special Regime ²	5,938,181	5,782,821	5,938,181	5,782,821
Third party collaterals ³	2,537,543	2,266,895	2,537,543	2,266,895
Fundo de Amparo ao Trabalhador – FAT (Note 17.d)	387,122	459,744	387,122	459,744
Funproger (Note 17.e)	614,522	565,502	614,522	565,502
Other	1,238,078	1,292,257	1,238,078	1,292,257
Other deposits	336,120	416,476	336,120	416,476
Total	734,788,489	722,515,822	768,530,726	753,263,047
Current liabilities	573,267,297	563,624,485	605,821,550	593,072,021
Non-current liabilities	161,521,192	158,891,337	162,709,176	160,191,026

1 – It includes the amount of R\$ 1,505,355 thousand (R\$ 2,084,491 thousand as of December 31, 2022) relating to DAF resources – Demonstrativos da Distribuição de Arrecadação Federal e Ordens Bancárias do Tesouro.

2 – Special deposits for the Justice Courts, to comply with the Constitutional Transitory Acts pursuant to Constitutional Amendment No. 99/2017.

3 – Cooperation agreements made between the Court houses or councils to attend Brazilian Justice National Council Resolution No. 98/2009.

b) Segregation of deposits by repayment date

	Banco do Brasil						
	Without maturity	up to 90 days	from 91 to 360 days	1 to 3 years	3 to 5 years	June 30, 2023	Dec 31, 2022
Time deposits ¹	238,063,547	8,876,766	23,641,451	91,845,640	69,675,552	432,102,956	409,472,691
Savings deposits	205,952,535	--	--	--	--	205,952,535	213,435,806
Demand deposits	96,396,878	--	--	--	--	96,396,878	99,190,849
Other deposits	336,120	--	--	--	--	336,120	416,476
Total	540,749,080	8,876,766	23,641,451	91,845,640	69,675,552	734,788,489	722,515,822

1 – It includes the amount of R\$ 111,259,868 thousand (R\$ 101,050,296 thousand as of December 31, 2022), of time deposits with early repurchase clause (liquidity commitment), classified based on the contractual maturity dates.

	Consolidated						
	Without maturity	up to 90 days	from 91 to 360 days	1 to 3 years	3 to 5 years	June 30, 2023	Dec 31, 2022
Time deposits ¹	238,063,547	29,387,410	26,747,786	92,560,631	70,148,544	456,907,918	431,550,384
Savings deposits	205,952,535	--	--	--	--	205,952,535	213,435,806
Demand deposits	105,334,153	--	--	--	--	105,334,153	107,860,381
Other deposits	336,120	--	--	--	--	336,120	416,476
Total	549,686,355	29,387,410	26,747,786	92,560,631	70,148,544	768,530,726	753,263,047

1 – Includes the amount of R\$ 111,259,868 thousand (R\$ 101,050,296 thousand as of December 31, 2022), of time deposits with early repurchase clause (liquidity commitment), classified based on the contractual maturity dates.

**c) Expenses with customers resources**

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Savings deposits	(7,888,202)	(7,498,810)	(7,888,202)	(7,498,810)
Time deposits	(19,631,612)	(14,017,821)	(24,560,716)	(15,962,939)
Judicial	(11,676,241)	(8,425,011)	(11,680,739)	(8,428,280)
Other	(7,955,371)	(5,592,810)	(12,879,977)	(7,534,659)
Total	(27,519,814)	(21,516,631)	(32,448,918)	(23,461,749)

d) Workers Assistance Fund (FAT)

	Resolution /TADE ¹	Repayment of FAT Funds		June 30, 2023			Dec 31, 2022		
		Type ²	Initial date	Available TMS ³	Invested TJLP and TLP ⁴	Total	Available TMS ³	Invested TJLP and TLP ⁴	Total
Proger Rural and Pronaf				14	85	99	771	104	875
Pronaf Custeio	04/2005	RA	11/2005	2	77	79	5	81	86
Pronaf Investimento	05/2005	RA	11/2005	12	8	20	747	22	769
Rural Investimento	13/2005	RA	11/2005	--	--	--	19	1	20
Proger Urbano				61,586	296,498	358,084	69,202	352,970	422,172
Urbano Investimento	18/2005	RA	11/2005	61,147	295,665	356,812	68,557	351,395	419,952
Urbano Capital de Giro 2020	01/2020	RA	04/2020	439	833	1,272	645	1,575	2,220
Other				6,422	22,517	28,939	4,971	31,726	36,697
FAT Taxista	02/2009	RA	09/2009	6,422	22,517	28,939	4,971	31,726	36,697
Total				68,022	319,100	387,122	74,944	384,800	459,744

1 - TADE - Allocation Term of Special Deposits.

2 - RA - Automatic Return (monthly, 2% of the total balance).

3 - Funds remunerated by the Taxa Média Selic (average selic rate - TMS).

4 - Funds remunerated by Long-term interest rate (TJLP) for resources released until Dec 31, 2017 and Long-Term Rate (TLP) for those released as of Jan 1st, 2018.

FAT is a special accounting and financial fund, established by Law 7,998/1990, associated with the Ministério do Trabalho e Emprego (Ministry of Labor and Employment) and managed by the Executive Council of the Fundo de Amparo ao Trabalhador (Fund for Workers' Assistance) – Codefat. Codefat is a collective, tripartite, equal level organization, composed of representatives of workers, employers and government, who acts as manager of the FAT.

The main actions to promote employment using FAT funds are structured around the Employment and Earnings Generating Program (Proger), which resources are invested through special deposits, established by Law 8,352/1991, in official federal financial institutions. These programs include, among others, the urban Proger program (Investment and Working Capital), Popular Entrepreneur, the National Program for Strengthening Family Farming – Pronaf, in addition to special lines such as FAT Taxista, FAT Turismo Investimento and FAT Turismo Capital de Giro.

The FAT special deposits invested in Banco do Brasil are daily accrued the Average Selic Rate (TMS), when not lent out. As they are invested in the financing, they will be remunerated by the Long Term Rate (TLP) as of January 1, 2018 and TJLP (Long Term Interest Rate) for funds released through December 31, 2017, until maturity. The accruals are paid to FAT on a monthly basis, as established in Codefat Resolutions 439/2005, 489/2006 and 801/2017.

e) Endorsement fund for the generation of employment and income (Funproger)

The Endorsement fund for the generation of employment and income (Funproger) is a special accounting fund established on November 23, 1999 by Law 9,872/1999, amended by Law 10,360/2001 and by Law 11,110/2005 and regulated by Codefat Resolution 409/2004, and its amendments. It is managed by Banco do Brasil under the supervision of Codefat.

The objective of Funproger is to provide endorsement to entrepreneurs who do not have the necessary guarantees to contract financing by Proger Urbano and Programa Nacional de Microcrédito Produtivo Orientado, through the payment of a commission. The Funproger equity where incorporated from the spread between TMS and TJLP accrued over FAT special deposits. Other sources of funds are the operations accruals and the income paid by Banco do Brasil, the fund manager.



18 – Financial institutions resources

a) Breakdown

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Securities sold under repurchase agreements (Note 18.b)	592,738,506	587,256,553	574,831,776	564,453,599
Borrowings and onlendings (Note 18.c)	118,986,828	126,040,364	62,495,048	64,386,265
Interbank deposits	25,241,424	23,431,548	24,831,616	23,921,286
Liabilities for operations linked to assignments	146,319	161,571	146,319	161,571
Total	737,113,077	736,890,036	662,304,759	652,922,721
Current liabilities	667,736,890	646,829,144	630,572,428	616,608,090
Non-current liabilities	69,376,187	90,060,892	31,732,331	36,314,631

b) Securities sold under repurchase agreements

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Own portfolio	212,157,007	232,532,806	194,485,622	209,729,852
Treasury financial bills	196,392,437	212,925,699	182,679,240	194,439,807
National Treasury bills	--	7	--	7
Securities abroad	8,144,429	9,082,607	4,186,241	4,765,545
Private securities	7,620,141	10,524,493	7,620,141	10,524,493
Third-party portfolio	380,581,499	354,723,747	380,346,154	354,723,747
National Treasury notes	217,616,434	247,312,446	217,575,076	247,312,446
National Treasury bills	83,126,363	107,411,301	83,126,363	107,411,301
Treasury financial bills	79,838,702	--	79,644,715	--
Total	592,738,506	587,256,553	574,831,776	564,453,599
Current liabilities	576,962,600	567,116,216	563,014,058	548,630,323
Non-current liabilities	15,775,905	20,140,337	11,817,717	15,823,276

c) Borrowings and onlendings

Borrowings

	Banco do Brasil						
	up to 90 days	from 91 to 360 days	from 1 to 3 years	from 3 to 5 years	over 5 years	June 30, 2023	Dec 31, 2022
Overseas							
Borrowings from BB Group companies abroad	24,507	16,213,087	14,840,090	--	--	31,077,684	32,910,406
Borrowings from bankers abroad	2,721,143	10,644,707	4,873,843	1,475,626	--	19,715,319	19,747,625
Imports	130,676	150,402	33,821	47,481	9,965	372,345	382,413
Exports	--	--	--	--	--	--	3,286
Total	2,876,326	27,008,196	19,747,754	1,523,107	9,965	51,165,348	53,043,730
Current liabilities						29,884,522	18,700,197
Non-current liabilities						21,280,826	34,343,533

	Consolidated						
	up to 90 days	from 91 to 360 days	from 1 to 3 years	from 3 to 5 years	over 5 years	June 30, 2023	Dec 31, 2022
Overseas							
Borrowings from bankers abroad	2,863,179	10,646,354	4,895,791	1,475,626	--	19,880,950	20,009,370
Imports	130,676	150,402	33,821	47,481	9,965	372,345	382,413
Exports	--	--	--	--	--	--	3,286
Total	2,993,855	10,796,756	4,929,612	1,523,107	9,965	20,253,295	20,395,069
Current liabilities						13,790,611	14,445,189
Non-current liabilities						6,462,684	5,949,880



In thousands of Reais, unless otherwise stated

Onlendings**Domestic – official institutions**

Programs	Finance charges	Banco do Brasil		Consolidado	
		June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
National Treasury - rural credits resources		170,930	132,828	170,930	132,828
Pronaf	TMS (if available) or Fixed 0.50% p.a. to 4.00% p.a. (if applied)	40,369	6,900	40,369	6,900
Cacau (cocoa)	IGP-M + 8.00% p.a. or TJLP + 0.60% p.a. or Fixed 6.35% p.a.	106,691	111,388	106,691	111,388
Recoop	Fixed 5.75% p.a. to 8.25% p.a. or IGP-DI + 1.00% p.a. or IGP-DI + 2.00% p.a.	9,845	9,842	9,845	9,842
Other		14,025	4,698	14,025	4,698
BNDES	Fixed 0.00% p.a. to 8.12% p.a. TJLP + 0.50% p.a. to 1.13% p.a. IPCA + 4.20% p.a. to 7.77% p.a. IGPM + 2.00 p.a. to 7.26% p.a. Selic + 2.08% p.a. FX Variation + 1.40% p.a. to 2.30% p.a.	12,595,167	13,318,066	12,595,167	13,318,066
Caixa Econômica Federal	Fixed 4.85% p.a. (average)	27,129,287	27,332,771	27,129,287	27,332,771
Finame	Fixed 0.00% p.a. to 10.72% p.a. TJLP + 0.90% p.a. to 2.10% p.a. Selic + 1.70% p.a. to 2.45% p.a. IGPM + 5.00% p.a. to 6.50% p.a. FX Variation + 1.40% p.a. to 3.00% p.a.	2,068,964	2,933,975	2,068,964	2,933,975
Other official institutions		277,405	273,557	277,405	273,557
Funcafé	TMS (if available) Fixed 7.00% p.a. and 11.00% p.a. Funding 4.00% p.a. and 8.00% p.a.	277,379	273,530	277,379	273,530
Other		26	27	26	27
Total		42,241,753	43,991,197	42,241,753	43,991,197
Current liabilities		31,189,244	32,158,951	31,189,244	32,158,951
Non-current liabilities		11,052,509	11,832,246	11,052,509	11,832,246

Overseas

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Funds obtained under the terms of Resolution BCB 278/2022	25,579,727	29,005,438	--	--
Total	25,579,727	29,005,438	--	--
Current liabilities	6,845,127	7,776,584	--	--
Non-current liabilities	18,734,600	21,228,854	--	--

d) Expenses from financial institutions resources

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Securities sold under repurchase agreements	(41,153,125)	(37,548,732)	(40,071,241)	(36,785,483)
Third-party portfolio	(27,286,319)	(28,982,720)	(27,131,177)	(28,399,957)
Own portfolio	(13,866,806)	(8,566,012)	(12,940,064)	(8,385,526)
Interbank deposits ¹	156,109	(1,841,313)	1,290,034	(7,370,227)
Borrowings ¹	2,220,773	2,785,394	3,339,177	3,918,833
Onlendings ¹	(820,456)	(97,310)	403,791	608,542
Overseas ¹	743,227	1,416,064	1,967,474	2,121,916
Caixa Econômica Federal	(951,604)	(844,917)	(951,604)	(844,917)
BNDES	(515,987)	(557,741)	(515,987)	(557,741)
Finame	(43,213)	(73,032)	(43,213)	(73,032)
National Treasury	(4,551)	(7,736)	(4,551)	(7,736)
Other	(48,328)	(29,948)	(48,328)	(29,948)
Foreign exchange profit/(loss) on overseas investments ²	(987,661)	(1,095,134)	(1,161,589)	(1,395,094)
Total	(40,584,360)	(37,797,095)	(36,199,828)	(41,023,429)

1 - The credit balances presented arise from the negative exchange variation of the period (the appreciation of the Real against the Dollar).

2 - Foreign exchange on assets and liabilities of branches and subsidiaries abroad, reclassified to expenses with funds from financial institutions aiming to hedge foreign exchange variation on financial liability instruments contracted to protect the Bank's net income over exchange rate fluctuations.



In thousands of Reais, unless otherwise stated

19 - Resources from issuance of debt securities

a) Breakdown

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Funds from issuance of securities (Note 19.b)	213,373,782	166,468,848	222,591,920	174,913,838
Subordinated debt abroad (Note 19.c)	46,520,637	61,962,671	39,420,637	54,832,126
Total	259,894,419	228,431,519	262,012,557	229,745,964
Current liabilities	122,775,195	72,843,784	122,795,945	72,864,685
Non-current liabilities	137,119,224	155,587,735	139,216,612	156,881,279

b) Funds from issuance of securities

Funding	Currency	Issued value	Remuneration p.a.	Issue date	Maturity	Consolidated	
						June 30, 2023	Dec 31, 2022
Banco do Brasil						213,373,782	166,468,848
Global Medium - Term Notes Program ¹						20,222,183	21,530,405
	USD	1,000,000	4.63%	2017	2025	4,914,424	5,318,171
	BRL	293,085	10.15%	2017	2027	304,107	279,647
	USD	750,000	4.88%	2018	2023	--	3,951,059
	COL	160,000,00	8.51%	2018	2025	192,116	160,824
	USD	750,000	4.75%	2019	2024	3,661,527	3,963,523
	BRL	398,000	9.50%	2019	2026	400,566	373,471
	MXN	1,900,000	8.50%	2019	2026	547,523	516,440
	COL	520,000,00	6.50%	2019	2027	594,610	486,600
	USD	750,000	3.25%	2021	2026	3,548,720	3,826,343
	USD	500,000	4.88%	2022	2029	2,452,714	2,654,327
	USD	750,000	6.25%	2023	2030	3,605,876	--
Certificates of deposits ²						8,673,008	5,967,236
Short term			0 to 6.51%			7,514,456	5,826,764
Long term			0 to 6.52%		2026	1,158,552	140,472
Certificates of structured operations						16,183	38,486
Short term			9.39% to 14.37% of DI			15,771	38,156
Long term			11.65% to 12.75% of DI		2024	412	330
Letters of credit - real estate			70.00% to 98.00% of DI			13,974,361	12,197,438
Short term						3,076,609	2,167,110
Long term					2026	10,897,752	10,030,328
Letters of credit agribusiness			75.00% to 103.50% of			161,467,922	122,248,775
Short term						84,123,996	55,703,522
Long term					2025	77,343,926	66,545,253
Financial letters			98.25 of DI			9,020,125	4,486,508
Short term						4,791,274	--
Long term					2026	4,228,851	4,486,508
Banco Patagonia			Badlar			20,750	31,910
Short term						20,750	31,910
Special purpose entities SPE abroad ³						9,218,916	8,434,779
Securitization of future flow of payment orders							
	USD	200,000	Libor 3M + 1.20%	2019	2024	320,442	520,283
	USD	200,000	3.70%	2019	2026	579,088	727,813
	USD	750,000	Sofr 3m + 2.75%	2022/2023	2029	3,608,971	2,084,623
	USD	150,000	6.65%	2022	2032	721,838	784,998
Structured notes ³							
	USD	500,000	Libor 6m + 2.50%	2014/2015	2034	2,440,746	2,641,160
	USD	320,000	Libor 6m + 3.20%	2015	2030	1,547,831	1,675,902
Eliminated amount on consolidation ⁴						(21,528)	(21,699)
Total						222,591,920	174,913,838
Current liabilities						103,941,730	68,540,766
Non-current liabilities						118,650,190	106,373,072

1 - In September 2021, there was an exchange of securities with the repurchase of "Senior Notes" and an issue included in the "Global Medium - Term Notes" Program. The Issues are presented by their outstanding value since partial repurchases occurred.

2-Securities issued abroad in USD.

3-Information about SPEs may be found in Note 2.e.

4-Refers to securities issued by Banco do Brasil Conglomerate, which are in possession of overseas subsidiaries/entities.

**c) Subordinated debt abroad**

Borrowings	Currency	Issued value ¹	Remuneration p.a.	Issue date	Maturity	Consolidated	
						June 30, 2023	Dec 31, 2022
FCO - Resources from Fundo Constitucional do Centro-Oeste						17,602,139	20,535,828
Subordinated debt abroad						--	3,968,953
	USD mil	741,115	5.88%	2012	2023	--	3,968,953
Subordinated letters of credit						2,843,754	2,453,282
		20,000	100% of CDI + 2.75%	2021	Perpetual	21,194	21,250
		2,328,600	100% of CDI + 2.60%	2022	Perpetual	2,622,680	2,432,032
		199,800	100% of CDI + 2.50%	2023	Perpetuo	199,880	--
Perpetual bonds						26,074,744	35,004,608
	USD	1,285,950	9.25%	01 e 03/2012	Perpetual	--	6,853,656
	USD	1,764,000	6.25%	2013	Perpetual	8,609,468	9,709,989
	BRL	7,100,000	5.50%	2012	Perpetual	7,220,529	7,351,980
	USD	2,120,000	9.00%	2014	Perpetual	10,244,747	11,088,983
Total Banco do Brasil						46,520,637	61,962,671
Eliminated amount on consolidation						--	(30,545)
Total reclassified to shareholders' equity (Note 23.c)						(7,100,000)	(7,100,000)
Total BB Consolidated ²						39,420,637	54,832,126
Current liabilities						18,854,215	4,323,919
Non-current liabilities						20,566,422	50,508,207

1 - It refers in funding in US dollars, the outstanding value, as occurred partial repurchases of these instruments.

2 -The amount of R\$ 17,602,139 thousand (R\$ 20,535,828 thousand as of December 31, 2022) comprise the tier II of the Referential Equity (RE).

3 -Since August 28, 2014, the remuneration is fully variable (Note 23.c).

The amount of R\$ 21,266,173 thousand of the perpetual bonds and subordinated letters of perpetual is included in the Referential Equity (R\$ 29,350,198 thousand as of December 31, 2022), as supplementary capital, see PR calculation table presented in Note 30.c.

The bonds issued in January 2013 of USD 2,000,000 thousand (outstanding value USD 1,764,000 thousand), had their terms and conditions modified on September 27, 2013, in order to adjust them to the rules of Bacen which regulates the implementation of Basel III in Brazil. The changes were effective from October 1, 2013, when the instruments were submitted to Bacen to obtain authorization to be included in the Supplementary Capital (Tier I) of the Bank. The authorization was granted on October 30, 2013.

The bonds issued in June 2014 of USD 2,500,000 thousand (outstanding value USD 2,120,000 thousand), have the option of redemption at the discretion of the Bank from June 18, 2024 or on each subsequent, semi-annual interest payment date, as long as it has been previously authorized by the Central Bank of Brazil. If the Bank does not exercise the option to redeem in June 2024, the interest on the bonds will be adjusted to 6.362% plus the traded rate on 10-year North American Treasury bonds.

In April 2023, the Bank exercised the redemption option for the bonds issued in 2012. If the Bank does not exercise the redemption option in April 2024 for the bonds issued in 2013, and in June 2024 for the bonds issued in 2014, the rate of bond interest is adjusted on that date and every 10 years according to the 10-year North American Treasury bonds at the time plus the initial credit spread. The bonds have the following options of redemption, subject to prior authorization of Bacen:

- the Bank may, at its option, redeem the bonds in whole but not in part in April 2024 for the bonds issued in 2013, and in June 2024 for the bonds issued in 2014, and on each subsequent, semi-annual interest payment date, at the base redemption price;
- the Bank may, at its option, redeem the bonds in whole, but not in part, after five years from the date of issue, as long as it is before April 2024 for the bonds issued in 2013, and before April 2024 for the bonds issued in 2014, as a result of a tax event, at the base redemption price;
- the Bank may, at its option, redeem the bonds in whole but not in part, after five years from the date of issue, as long as it is before in April 2024 for the bonds issued in 2013, on the occurrence of a regulatory event, at the higher value between the base redemption price and the Make-whole amount;
- the Bank may, at its option, redeem the bonds in whole but not in part, after five years from the date of issue as long as it is before June 2024 for the bonds issued in 2014, on the occurrence of a regulatory event at the base redemption price.

The bonds issued in January 2013 and in June 2014 determine that the Bank suspend the semi-annual payments of interest and/or accessories on those securities issued (which will not be due or accrued) if:



- (i) distributable income for the period is not sufficient for making the payment (discretionary condition of the Bank);
- (ii) the Bank does not comply, or the payment of such charges does not allow the Bank to comply with the levels of capital adequacy, operating limits, or its financial indicators are under the minimum level required by Brazilian regulations applicable to banks;
- (iii) Bacen or the regulatory authorities determine the suspension of payment of such charges;
- (iv) any event of insolvency or bankruptcy occurs; or
- (v) a default occurs.

According to Basel III rules, the bonds issued in January 2013 and in June 2014 have mechanisms of loss absorption. Moreover, if the item (i) occurs, the payment of dividends by Bank to its shareholders will be limited to the minimum required determined by applicable law until the semi-annual interest payments and / or accessories on those titles have been resumed in full. Finally, these bonds will expire permanently and at the minimum value corresponding to the balance recorded in the Tier I capital of the Bank if:

- (i) the main capital of the Bank is less than 5.125% of the amount of risk-weighted assets (RWA);
- (ii) the decision to make a capital injection from the public sector or an equivalent capital contribution to the Bank is taken, in order to maintain the bank's viability;
- (iii) the Central Bank, on a discretionary assessment regulated by the CMN, sets out, in writing, the expiration of the bonds to enable the continuity of the Bank.

d) Expenses from issuance of debt securities

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Funds from acceptance and issuance of securities	(10,257,427)	(6,464,385)	(10,716,551)	(6,693,864)
Letters of credit – agribusiness	(8,173,948)	(4,748,372)	(8,173,948)	(4,748,371)
Financial Bills	(659,927)	(285,051)	(659,927)	(285,051)
Securities issued abroad	(761,592)	(852,275)	(1,220,716)	(1,081,755)
Letters of credit – real estate	(660,331)	(577,970)	(660,331)	(577,970)
Certificates of structured operations	(1,629)	(717)	(1,629)	(717)
Subordinated debt abroad	(1,087,749)	(1,400,539)	(967,219)	(1,268,038)
Perpetual bonds and letters of credit	(1,076,156)	(1,253,434)	(955,627)	(1,120,933)
Other	(11,593)	(147,105)	(11,592)	(147,105)
Total	(11,345,176)	(7,864,924)	(11,683,770)	(7,961,902)



20 – Other liabilities

a) Breakdown

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Other financial liabilities	153,483,320	145,443,248	150,256,018	143,049,849
Foreign exchange portfolio (Note 13.d)	51,822,231	55,043,369	52,010,459	55,205,592
Credit/debit card operations	45,522,126	46,245,411	46,016,332	46,760,558
Financial and development funds (Note 20.b)	40,143,914	34,475,895	40,143,914	34,475,895
Securities trading	5,326,972	4,323,132	1,417,236	1,252,363
Other	10,668,077	5,355,441	10,668,077	5,355,441
Current liabilities	107,907,809	109,515,011	109,171,790	110,390,509
Non-current liabilities	45,575,511	35,928,237	41,084,228	32,659,340
Other non-financial liabilities	37,895,356	30,452,907	44,715,299	36,652,409
Actuarial liabilities (Note 29.e)	12,979,017	10,895,695	12,979,017	10,895,695
Sundry creditors	8,859,248	7,486,016	9,505,780	8,154,449
Shareholders and statutory distributions	4,506,525	4,551,829	5,658,292	5,841,534
Billing and collection of taxes and contributions	4,276,767	438,881	4,296,303	460,206
Third party payment obligations	4,223,059	3,860,783	4,223,060	3,860,783
Unearned commissions	--	--	4,021,964	3,548,020
Liabilities for official agreements	1,178,606	984,770	1,178,606	984,770
Unearned revenues	45,482	43,201	980,344	682,401
Other	1,826,652	2,191,732	1,871,933	2,224,551
Current liabilities	37,820,299	30,362,676	41,693,596	34,266,174
Non-current liabilities	75,057	90,231	3,021,703	2,386,235

b) Financial and development funds

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Fundo Constitucional do Centro Oeste - FCO ¹	29,737,279	24,151,159	29,737,279	24,151,159
Marinha Mercante	5,272,630	5,895,208	5,272,630	5,895,208
Fundo de Desenvolvimento do Nordeste - FDNE	3,476,519	2,898,220	3,476,519	2,898,220
Fundo de Desenvolvimento da Amazônia - FDA	907,640	919,219	907,640	919,219
Pasep	343,103	191,804	343,103	191,804
Fundo de Desenvolvimento do Centro Oeste - FDCO	198,334	150,672	198,334	150,672
Funds from Governo do Estado de São Paulo	108,157	106,752	108,157	106,752
Other	100,252	162,861	100,252	162,861
Total	40,143,914	34,475,895	40,143,914	34,475,895
Current liabilities	5,827,225	6,361,626	5,827,225	6,361,626
Non-current liabilities	34,316,689	28,114,269	34,316,689	28,114,269

1 - CMN Resolution 4,955/2021 limited FCO resources to be considered as tier II of the Referential Equity - RE (Note 19.c), thus the amount disclosed refers to what exceed this value. The amount of R\$ 29,314,949 thousand refers to funds applied (remunerated at the rates on the loans funded with these amounts less the del credere of the financial institution, according to article 9 of Law 7,827/1989) and R\$ 422,330 thousand refers resources available (remunerated based on extra-market rate announced by the Banco Central do Brasil, according to article 9 of Law 7,827/1989).



In thousands of Reais, unless otherwise stated

c) Other funding expenses

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Financial and development funds ¹	(146,293)	(114,073)	(146,293)	(114,073)
Other	(504,439)	(470,675)	(383,930)	(338,194)
Total	(650,732)	(584,748)	(530,223)	(452,267)

1 – It includes the interest payment about FCO financial intermediation, according to Law 7,827/1989 (Note 20.b) in the amount of R\$ 1,949,819 thousand in 1st half/2023 (R\$ 2,548,764 thousand in 1st half/2022).



21 – Provisions and contingent liabilities

a) Breakdown

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Civil, tax and labor claims	18,707,205	18,131,863	18,968,259	18,372,705
Demandas cíveis	11,488,595	11,918,781	11,623,515	12,015,464
Demandas trabalhistas	6,306,305	5,350,814	6,354,995	5,431,614
Demandas fiscais	912,305	862,268	989,749	925,627
Other provisions	6,811,011	6,736,768	7,452,257	7,345,181
Provisions for pending payments	4,686,911	4,547,049	5,318,536	5,146,587
Financial guarantees	291,136	404,098	291,343	404,322
Other	1,832,964	1,785,621	1,842,378	1,794,272
Total	25,518,216	24,868,631	26,420,516	25,717,886

b) Provisions, contingent assets and liabilities

Contingent assets

Contingent assets are not recognized in the financial statements according to CPC 25 – Provisions, Contingent Liabilities and Contingent Assets.

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, 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.

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.

The Bank is a defendant in claims seeking the payment and refunding the overpayment of the difference between the actual inflation rate and the inflation rate used for the adjustment of financial investments and rural credit when Economic Plans (Bresser Plan, Verão Plans and Collor Plans I and II) were implemented in the late 1980's and early 1990's.

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 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. In 2015, 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%) 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. Considering the conclusion of the judgment of RE 1,101,937/SP with the establishment of the thesis of unconstitutionality of art. 16, of Law 7,347/1985, and the consequent possibility of national coverage of the collective judgment.

On March 24, 2021, the Vice President of the STJ revoked the suspensive effect previously attributed to the Extraordinary Appeal filed by the Bank and dismissed it on June 22, 2021. On February 01, 2023, the Special Court of STJ admitted the Bank's appeal and ordered the processing and remittance of the Extraordinary Appeal to the STF. On June 23, 2023, the Extraordinary Appeal was filed under the code number 1,445,162, pending judgment.

Provisions for civil, labor and tax claims – probable loss

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

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Civil lawsuits				
Opening balance	11,918,781	11,303,452	12,015,464	11,409,264
Addition	2,392,137	1,613,004	2,470,269	1,649,971
Reversal of the provision	(950,144)	(108,530)	(976,912)	(130,697)
Write off	(2,132,230)	(1,626,622)	(2,139,396)	(1,632,535)
Inflation correction and exchange fluctuation	260,051	238,807	254,090	237,293
Closing balance	11,488,595	11,420,111	11,623,515	11,533,296
Labor lawsuits				
Opening balance	5,350,814	4,684,907	5,431,614	4,746,919
Addition	2,377,717	1,267,160	2,389,392	1,271,401
Reversal of the provision	(764,432)	(72,535)	(778,218)	(81,117)
Write off	(906,183)	(783,480)	(934,197)	(784,011)
Inflation correction and exchange fluctuation	248,389	200,376	246,404	199,865
Closing balance	6,306,305	5,296,428	6,354,995	5,353,057
Tax lawsuits				
Opening balance	862,268	537,780	925,627	570,356
Addition	76,482	488,801	119,306	491,115
Reversal of the provision	(43,218)	(64,461)	(72,836)	(67,762)
Write off	(38,793)	(96,770)	(39,051)	(96,770)
Inflation correction and exchange fluctuation	55,566	23,562	56,703	21,726
Closing balance	912,305	888,912	989,749	918,665
Total civil, labor and tax	18,707,205	17,605,451	18,968,259	17,805,018

**Expected outflows of economic benefits**

	Banco do Brasil			Consolidated		
	Civil	Labor	Tax	Civil	Labor	Tax
Up to 5 years	10,631,372	5,623,921	260,870	10,754,865	5,672,439	290,808
Acima de 5 anos	857,223	682,384	651,435	868,650	682,556	698,941
Total	11,488,595	6,306,305	912,305	11,623,515	6,354,995	989,749

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 than the remote.

The balances of contingent liabilities classified as possible loss

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Tax lawsuits ¹	15,888,297	15,547,053	16,975,076	16,441,899
Civil lawsuits	2,339,101	2,237,911	2,728,288	2,359,110
Labor lawsuits	104,980	98,652	131,754	124,079
Total	18,332,378	17,883,616	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, which amounts R\$ 2,241,232 thousand.

Deposits in guarantee**Deposits in guarantee balances recorded for contingencies**

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Civil lawsuits	19,595,911	19,345,414	19,746,894	19,399,827
Tax lawsuits	8,569,895	8,190,241	9,330,206	8,804,854
Labor lawsuits	7,920,546	7,391,594	7,948,128	7,421,326
Total	36,086,352	34,927,249	37,025,228	35,626,007

**c) Financial guarantees**

	Banco do Brasil				Consolidated			
	June 30, 2023		Dec 31, 2022		June 30, 2023		Dec 31, 2022	
	Guaranteed values	Provision	Guaranteed values	Provision	Guaranteed values	Provision	Guaranteed values	Provision
Other financial guarantees provided ¹	2,663,777	206,657	2,576,478	338,083	1,908,342	206,864	2,097,859	338,307
Sureties or guarantees in lawsuits and in tax-based administrative proceedings	444,241	75,664	448,534	59,656	315,175	75,664	319,468	59,656
Other bank guarantees	7,393,126	8,059	7,390,918	5,329	7,499,926	8,059	7,506,944	5,329
Guarantees related to bidding, auctions, service rendering or execution of works	1,712,223	525	1,778,892	604	1,628,718	525	1,553,570	604
Guarantees related to the supply of goods	209,031	63	143,617	73	209,031	63	143,617	73
Guarantees related to international trade of goods	129,801	168	152,025	353	129,803	168	152,025	353
Other guarantees	--	--	--	--	2,288	--	2,421	--
Total	12,552,199	291,136	12,490,464	404,098	11,693,283	291,343	11,775,904	404,322

1 -Refers mainly to guarantees provided in foreign currency.

The operations of financial guarantees provided are evaluated through the risk classification models of operations in force in the institution, in the same format as the credit operations, which follow the provisions of CMN Resolutions 2,682 and 2,697 disclosed on December 21, 1999 and February 24, 2000, respectively, which set out the classification criteria for credit operations and the rules for the constitution of allowance for losses associated with credit risk.

The risk classification of operations is carried out by applying methodologies developed that take into account the characteristics of customers, operations and guarantees. The final result of the classification is the assignment of risk according to the scale contained in CMN Resolution 2,682/1999, which defines the percentage of provision that should be allocated to the operation.

d) Provisions expenses

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Civil, tax and labor claims	(3,652,873)	(3,975,370)	(3,726,596)	(3,992,096)
Civil	(1,702,369)	(1,718,165)	(1,765,845)	(1,742,248)
Labor	(1,861,674)	(1,395,001)	(1,857,578)	(1,390,149)
Tax	(88,830)	(447,902)	(103,173)	(445,079)
Provision for tax risks (restatement of deposit)	--	(414,302)	--	(414,620)
Other	59,069	(107,414)	58,813	(107,108)
Financial guarantees	112,708	74,081	112,853	74,387
Other	(53,639)	(181,495)	(54,040)	(181,495)
Total	(3,593,804)	(4,082,784)	(3,667,783)	(4,099,204)



22 – Taxes

a) Breakdown of income tax (IR) and social contribution expenses (CSLL)

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Current values	(356,351)	(1,590,049)	(2,731,773)	(3,697,117)
Domestic income tax and social contribution	(312,512)	(1,563,281)	(2,437,361)	(3,663,743)
Foreign income tax	(43,839)	(26,768)	(294,412)	(33,374)
Deferred values	(1,504,603)	(229,692)	(1,534,254)	(111,656)
Deferred tax liabilities	(2,052,608)	(1,810,457)	(2,070,365)	(1,799,422)
Leasing – portfolio adjustment and accelerated depreciation	--	--	(12,076)	(5,459)
Fair value	172,509	258,878	159,465	265,101
Positive adjustments of benefits plans	(887,866)	(605,261)	(887,866)	(605,261)
Interest and inflation adjustment of fiscal judicial deposits	--	(186,436)	--	(186,436)
Foreign profits	(827,817)	(506,843)	(827,817)	(506,843)
Transactions carried out on the futures market	38,007	(92,790)	38,007	(92,790)
Recovered term credits	(547,441)	(678,005)	(547,441)	(678,005)
Unrealized gains (BB-BI)	--	--	10,271	10,271
Other	--	--	(2,908)	--
Deferred tax assets	548,005	1,580,765	536,111	1,687,766
Temporary Differences	570,142	1,997,332	618,255	2,056,242
Tax losses/CSLL negative bases	70,485	(453,268)	70,485	(453,268)
Fair value	(92,622)	39,713	(152,629)	87,804
Transactions carried out on the futures market	--	(3,012)	--	(3,012)
Total	(1,860,954)	(1,819,741)	(4,266,027)	(3,808,773)

b) Reconciliation of income tax and social contribution charges

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Profit before taxation and profit sharing	20,419,129	17,885,889	24,613,842	21,135,330
Total charges of IR (25%) and CSLL (20%)	(9,188,608)	(8,048,650)	(11,076,228)	(9,510,898)
Charges upon interest on own capital	2,568,039	1,989,481	2,568,039	1,989,481
Net gains from equity method investments	3,438,687	2,792,956	1,572,900	1,171,240
Employee profit sharing	945,406	815,463	947,789	816,705
Other amounts ¹	375,522	631,009	1,721,473	1,724,699
Income tax and social contribution	(1,860,954)	(1,819,741)	(4,266,027)	(3,808,773)

1 – Mainly refer to the income of the Fundo Constitucional de Financiamento do Centro-Oeste – FCO.

c) Tax expenses

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Cofins	(1,795,859)	(1,547,064)	(2,278,591)	(1,949,235)
ISSQN	(492,188)	(460,590)	(677,392)	(617,508)
PIS/Pasep	(291,908)	(251,476)	(388,218)	(331,556)
Other	(93,511)	(89,737)	(651,817)	(383,422)
Total	(2,673,466)	(2,348,867)	(3,996,018)	(3,281,721)



In thousands of Reais, unless otherwise stated

d) Deferred tax liabilities

	Banco do Brasil		Consolidated	
	1st half/2023	Dec 31, 2022	1st half/2023	Dec 31, 2022
Positive adjustments of benefits plans	6,649,399	10,166,060	6,649,399	10,166,060
Recovered term credits	2,139,957	1,592,516	2,139,957	1,592,516
Financial instruments fair value	1,353,873	1,348,279	1,459,291	1,418,926
Foreign entities	827,817	--	827,817	--
Interest and inflation adjustment of fiscal judicial deposits	134,144	134,144	134,144	134,144
Futures market transactions	30,996	73,122	30,996	73,122
Leasing portfolio adjustment	--	--	48,564	36,487
Foreign entities	44,420	24,722	85,893	56,290
Other	95,512	60,993	110,630	72,331
Total deferred tax liabilities	11,276,118	13,399,836	11,486,691	13,549,876
Income tax	5,922,322	6,968,777	6,055,832	7,065,408
Social contribution	4,852,192	5,566,863	4,915,464	5,610,598
Cofins	431,069	742,975	442,798	751,196
PIS/Pasep	70,535	121,221	72,597	122,674

e) Deferred tax assets (tax credit)

	Banco do Brasil			
	Dec 31, 2022	1st half/2023		June 30, 2023
	Balance	Constitution	Write off	Balance
Temporary Differences	50,157,390	11,043,430	(9,514,978)	51,685,842
Allowance for losses associated with credit risk	30,707,785	6,706,882	(6,336,456)	31,078,211
Provisions - taxes and social security	588,780	30,604	(3,420)	615,964
Provisions - others	14,697,348	3,096,039	(2,793,398)	14,999,989
Negative adjustments of benefits plans	959,100	915,747	--	1,874,847
Fair value adjustments (MTM)	1,648,055	278,827	(373,336)	1,553,546
Other provisions	1,556,322	15,331	(8,368)	1,563,285
CSLL written to 18% (MP 2,158/2001)	636,538	--	--	636,538
Tax losses carryforward/negative bases	2,939,160	1,098,984	(1,028,498)	3,009,646
Total deferred tax assets	53,733,088	12,142,414	(10,543,476)	55,332,026
Income tax	29,784,288	6,732,705	(5,833,326)	30,683,667
Social contribution	23,791,077	5,385,417	(4,672,357)	24,504,137
Cofins	135,676	20,896	(32,510)	124,062
PIS/Pasep	22,047	3,396	(5,283)	20,160

	Consolidated			
	Dec 31, 2022	1st half/2023		June 30, 2023
	Balance	Addition	Write off	Balance
Temporary Differences	51,666,288	11,334,596	(9,743,393)	53,257,491
Allowance for losses associated with credit risk	30,823,904	6,719,991	(6,336,672)	31,207,223
Provisions - taxes and social security	611,107	50,542	(14,340)	647,309
Provisions - others	14,764,413	3,103,393	(2,795,555)	15,072,251
Negative adjustments of benefits plans	959,100	915,747	--	1,874,847
Fair value adjustments (MTM)	1,793,835	335,448	(513,492)	1,615,791
Other provisions	2,713,929	209,475	(83,334)	2,840,070
CSLL written to 18% (MP 2,158/2001)	636,538	--	--	636,538
Tax losses carryforward/negative bases	2,991,198	1,103,957	(1,040,031)	3,055,124
Total deferred tax assets	55,294,024	12,438,553	(10,783,424)	56,949,153
Income tax	30,934,123	6,901,206	(5,962,860)	31,872,469
Social contribution	24,141,931	5,468,181	(4,757,390)	24,852,722
Cofins	185,677	58,030	(53,966)	189,741
PIS/Pasep	32,293	11,136	(9,208)	34,221

**f) Deferred tax assets (Tax credit - not recorded)**

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Foreign deferred tax assets	1,169,829	1,317,072	1,169,829	1,317,072
Tax losses carryforward/negative bases	--	--	23,261	22,744
Temporary Differences	--	--	4,090	3,864
Total deferred tax assets	1,169,829	1,317,072	1,197,180	1,343,680
Income tax	649,905	731,707	670,016	751,272
Social contribution	519,924	585,365	527,164	592,408

Realization expectative

The expectation of realization of the deferred tax assets (tax credits) is based on a technical study, prepared on June 30, 2023, and the present value is determined based on the average rate of funding of Banco do Brasil.

	Banco do Brasil		Consolidated	
	Future value	Present value	Future value	Present value
In 2023	8,718,148	8,710,137	8,936,689	8,811,668
In 2024	22,126,750	20,920,017	22,557,202	21,056,385
In 2025	12,180,736	11,002,536	12,453,830	11,098,114
In 2026	4,569,325	3,945,087	4,751,304	4,035,027
In 2027	4,502,949	3,716,095	4,597,903	3,741,087
In 2028	3,031,867	2,391,582	3,100,232	2,409,245
In 2029	92,211	69,525	123,731	85,357
In 2030	14,797	10,664	35,820	20,639
In 2031	26,813	18,471	29,530	19,565
In 2032	68,430	45,057	359,632	179,555
In 2033	--	--	3,280	1,260
Total deferred tax assets on Jun 30, 2023	55,332,026	50,829,171	56,949,153	51,457,902

In the 1st half/2023, it was possible to observe the realization of tax credits at Banco do Brasil, in the amount of R\$ 10,543,476 thousand (R\$ 10,783,424 thousand in Consolidated) corresponding to 66.67% of the projection of use for the period of 2023 contained in the technical study prepared on December 31, 2022.

The realization of the nominal value of tax credits registered, based on a technical study conducted by Banco do Brasil on June 30, 2023, is projected for 10 years in the following proportions:

	Banco do Brasil		Consolidated	
	Tax losses/CSLL recoverable ¹	Temporary Differences ²	Tax losses/CSLL recoverable ¹	Temporary Differences ²
In 2023	41%	14%	41%	14%
In 2024	46%	40%	46%	39%
In 2025	13%	23%	13%	22%
From 2026	0%	23%	0%	25%

¹ Projected consumption linked to the capacity to generate IR and CSLL taxable amounts in subsequent periods.

² The consumption capacity results from the movements of provisions (expectation of reversals, write offs and uses).

**23 – Shareholder's equity****a) Book value and market value per common share**

	June 30, 2023	Dec 31, 2022
Shareholders' equity - Banco do Brasil	157,200,284	153,839,319
Book value per share (R\$) ¹	55.09	53.91
Fair value per share (R\$)	49.40	34.73
Shareholders' equity - consolidated	167,680,247	164,028,843

1 - Calculated based on the equity attributable to shareholders of Banco do Brasil.

b) 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 authorized by Bacen 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, on 28.08.2014, 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.

As the instrument is qualifying as Common Equity Tier I Capital, under the terms of Law 12,793 of April 02, 2013, and Resolution 4,955/2021, its balance is reclassified to the Shareholders' Equity, for disclosure purposes.

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 and profit reserves**

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Capital reserves	1,406,118	1,402,523	1,407,902	1,404,253
Profit reserves	50,914,037	70,510,416	50,541,777	70,142,173
Legal reserve	12,599,854	11,777,636	12,599,854	11,777,636
Statutory reserves	38,314,183	58,732,780	37,941,923	58,364,537
Operating margin	31,872,137	51,578,722	31,335,926	51,047,561
Capital payout equalization	6,442,046	7,154,058	6,605,997	7,316,976

The capital reserve is intended, among others, to recognize the amounts related to transactions with share based payments or other share capital instruments to be settled with the delivery of equity instruments, as well as the profit earned on the sale of treasury shares.

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, 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 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 after allocation to legal reserve (including dividends) and is limited to 20% of the share capital.

e) Earnings per share

	1st half/2023	1st half/2022
Net income Banco do Brasil (R\$ thousand)	16,444,357	14,243,070
Weighted average number of shares (basic)	2,853,992,740	2,853,771,411
Weighted average number of shares (diluted) ¹	2,853,687,430	2,853,510,658
Earnings per share (basic and diluted) (R\$)	5.76	4.99

1 - The reconciliation of the weighted average number of shares is represented by the future distribution of shares to the executives of the Bank according to the Variable Remuneration Program (Notes 23.m), of 305,310 and 260,753 respectively, in each of the periods presented.

**f) Interest on own capital/dividends and destination of the income**

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 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.

Calculation base of dividends and the destination of the income of the period are shown below:

	1st half/2023	1st half/2022
1) Net income - Banco do Brasil	16,444,357	14,158,499
Domestic	13,979,538	13,116,388
Overseas	2,464,819	1,042,111
(±) Retained earnings/losses	427,181	5,979
(-) Legal reserve	(822,218)	(707,925)
2) Adjusted Net Income	16,049,320	13,456,553
3) Interest on instrument qualifying as common equity tier 1 capital	120,529	132,501
4) Calculation base of dividends (item 2 + item 3)	16,169,849	13,589,054
5) Allocation		
Dividends and interest on own capital	6,467,939	5,435,622
Minimum required dividend	4,012,330	3,364,138
Additional dividend	1,599,596	1,408,324
Withholding tax applied to the interest on own capital ¹	856,013	663,160
Statutory reserves	14,704,846	12,112,110
Statutory reserves used for remuneration of capital	(5,123,466)	(4,091,179)

1 - Withholding tax applied to the interest on own capital attributed to dividends, except for shareholders who are exempted or immune.

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.



In thousands of Reais, unless otherwise stated

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.

g) Reconciliation of net income and shareholders' equity

	Net income		Shareholders' equity	
	1st half/2023	1st half/2022	June 30, 2023	Dec 31, 2022
Banco do Brasil	16,444,357	14,243,070	157,200,284	153,839,319
Instruments qualifying as common equity tier 1 capital ¹	120,529	132,501	7,100,000	7,100,000
Unrealized gains ²	(4,017)	(6,050)	(372,260)	(368,243)
Non-controlling interests	--	--	3,752,223	3,457,767
BB Consolidated	16,560,869	14,369,521	167,680,247	164,028,843

1 - The instrument qualifying as CET1 was registered in the liabilities in the Individual Financial Statements and its interest recognized as expenses with securities sold under repurchase agreements. This instrument was reclassified to Shareholder's Equity in the consolidated financial statements (Notes 2.e and 23.c).

2 - It refers to unrealized results arising from the assignment of credits from the Bank to Ativos S.A.

h) Accumulated other comprehensive income

	June 30, 2023	Dec 31, 2022
Banco do Brasil		
Securities available for sale	(1,481,511)	(2,421,726)
Hedge de Investimento no exterior	47,387	9,322
Foreign exchange variation of investments abroad	(5,370,018)	(3,769,512)
Actuarial gains/(losses) on pension plans	(8,074,236)	(1,846,077)
Subsidiaries, associates and joint ventures		
Securities available for sale	(37,476)	(170,063)
Cash flow hedge	(58,515)	46,187
Actuarial gains/(losses) on pension plans	374	374
Change in participation in the capital of associates/subsidiaries	55,477	56,297
Other comprehensive income	65,118	(129,363)
Total	(14,853,400)	(8,224,561)

i) Noncontrolling interests

	Net income		Shareholders' equity	
	1st half/2023	1st half/2022	June 30, 2023	Dec 31, 2022
BB Tecnologia e Serviços	9	4	52	42
Fundos de Investimento	11,923	649	178,849	180,246
Banco Patagonia S.A.	397,823	213,877	764,237	785,931
BB Seguridade S.A.	1,255,808	914,475	2,809,085	2,491,548
Non-controlling interest	1,665,563	1,129,005	3,752,223	3,457,767

**j) Shareholdings (number of shares)**

Number of shares issued by the Bank to shareholders which, directly or indirectly, hold more than 5% of the shares:

Shareholders	June 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
Resident shareholders	2,113,706,391	73.8	2,198,566,514	76.7
Non resident shareholders	751,710,629	26.2	666,850,506	23.3

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

Number of shares issued by the Bank, held by the Board of Directors, the Executive Board, Fiscal Council and the Audit Committee:

	Ações ON ⁽¹⁾	
	June 30, 2023	Dec 31, 2022
Board of Directors (except for Bank's CEO)	1,003	3,988
Executive Committee (it 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.

k) Movement of shares outstanding/free float

	June 30, 2023		Dec 31, 2022	
	Total	% Total	Total	% Total
Free float at the beginning of the 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 the period ²	1,420,970,886	49.6	1,420,745,751	49.6
Outstanding shares	2,865,417,020	100.0	2,865,417,020	100.0

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

2 – According to the Law 6,404/1976 and the regulation of B3's New Market. The shares held by the Board of Directors and Executive Committee are not included. The shares held by the Caixa de Previdência dos Funcionários do Banco do Brasil – Previ compose the free float shares.

l) Treasury shares

The composition of the treasury shares is shown below:

	Banco do Brasil				Consolidated			
	June 30, 2023		Dec 31, 2022		June 30, 2023		Dec 31, 2022	
	Shares	% Total	Shares	% Total	Shares	% Total	Shares	% Total
Treasury shares	11,590,730	100.0	11,780,761	100.0	11,640,980	100.0	11,830,375	100.0
Received in order to comply with operations secured by the FGCM – Fundo de Garantia para a Construção Naval	8,075,350	69.7	8,075,350	68.6	8,075,350	69.4	8,075,350	68.3
Repurchase Programs (2012 and 2015)	3,145,476	27.1	3,348,867	28.4	3,145,476	27.0	3,348,867	28.3
Share-based payment	369,841	3.2	356,481	3.0	420,091	3.6	406,095	3.4
Mergers	63	--	63	--	63	--	63	--
Book value	(266,471)		(270,840)		(268,255)		(272,570)	



m) Share-based payment

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 or 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. At the time of calculation of deferred installments, if fractions occur, they are accumulated in the first installment to be made available.

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 do Brasil 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.



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				16,997	
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

24 – Service fee income

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Fund management	2,470,180	2,471,553	4,091,321	4,089,195
Account fee	3,200,593	3,033,276	3,201,289	3,033,900
Commissions on insurance, pension plans and capitalization	187,046	184,001	2,587,487	2,321,168
Card income	1,038,069	979,746	1,291,762	1,144,515
Loans and guarantees provided	1,188,813	1,045,159	1,189,259	1,044,241
Consortium management fees	--	--	1,178,919	893,412
Billing	696,208	715,442	729,519	751,387
Collection	522,773	532,866	507,016	510,567
National Treasury and official funds management	169,813	180,580	169,813	180,580
Capital market income ¹	73,574	70,780	164,389	213,003
Interbank	77,316	74,264	77,316	74,264
Other	734,436	636,827	1,229,539	1,115,499
Total	10,358,821	9,924,494	16,417,629	15,371,731

1 - Includes the amount of R\$ 30,190 thousand in the 1st half/2023 related to the collection of contributions and federal tax (R\$ 25,490 thousand in the 1st half/2022).



In thousands of Reais, unless otherwise stated

25 – Personnel expenses

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Wages and salaries	(5,130,801)	(4,797,899)	(5,959,290)	(5,417,217)
Benefits	(1,739,356)	(1,584,805)	(1,830,602)	(1,665,580)
Social charges	(1,630,946)	(1,539,298)	(1,795,359)	(1,685,809)
Personnel administrative provisions	(1,320,610)	(1,291,673)	(1,327,039)	(1,297,240)
Pension plans	(436,739)	(404,575)	(444,493)	(410,573)
Director's and officer's remuneration	(21,287)	(18,562)	(30,369)	(26,587)
Training	(18,130)	(28,405)	(22,035)	(30,576)
Total	(10,297,869)	(9,665,217)	(11,409,187)	(10,533,582)



In thousands of Reais, unless otherwise stated

26 – Other administrative expenses

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Amortization	(1,163,497)	(572,611)	(1,169,426)	(578,724)
Depreciation	(770,041)	(698,274)	(795,394)	(723,539)
Rent	(691,767)	(650,718)	(722,688)	(690,200)
Security services	(641,921)	(582,732)	(660,492)	(599,093)
Expenses with outsourced services	(530,464)	(529,938)	(592,042)	(598,881)
Data processing	(746,426)	(505,209)	(444,631)	(328,016)
Financial system services	(340,159)	(439,380)	(390,291)	(491,234)
Maintenance and upkeep	(584,286)	(511,391)	(385,907)	(364,570)
Transport	(289,501)	(275,994)	(319,160)	(302,474)
Programa de Desempenho Gratificado – PDG	(292,972)	(279,039)	(292,972)	(279,039)
Communications	(230,744)	(204,797)	(260,600)	(228,648)
Water, electricity and gas	(238,671)	(274,570)	(245,830)	(281,908)
Specialized technical services	(171,297)	(124,319)	(230,207)	(171,703)
Advertising and marketing	(203,048)	(212,430)	(214,235)	(221,015)
Promotion and public relations	(97,211)	(76,022)	(109,070)	(81,763)
Domestic travel	(35,524)	(21,088)	(49,706)	(30,743)
Materials	(9,053)	(16,746)	(17,833)	(21,835)
Other	(320,021)	(327,092)	(358,127)	(347,817)
Total	(7,356,603)	(6,302,350)	(7,258,611)	(6,341,202)

**27 – Other income/expenses****a) Other operating income**

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Defined benefit plan income	1,794,318	1,124,649	1,794,318	1,124,649
Update of deposits in guarantee	1,340,202	1,500,761	1,359,809	1,500,762
Recovery of charges and expenses	1,067,681	978,678	792,389	733,545
Surplus allocation update – Previ Plan 1 (Note 29.f)	570,660	862,963	570,660	862,963
Cards transactions	197,355	115,891	223,394	167,053
Clube de Benefícios BB	192,351	198,925	192,351	198,925
From non-financial subsidiaries	--	--	157,511	53,746
Adjustment of recoverable tax	117,994	103,153	117,994	103,153
Reversal of provisions – administrative and personnel expenses	64,122	78,535	64,122	78,535
Reversal of provisions – other	13,749	11,799	48,976	84,065
Receivables income	30,201	99,086	30,201	99,085
Convictions, costs and court settlements income	14,437	19,898	14,437	19,898
Dividends received	191,347	68,447	766	937
Other	211,622	159,182	310,453	238,341
Total	5,806,039	5,321,967	5,677,381	5,265,657

b) Other operating expenses

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Cards transactions	(1,082,326)	(1,015,014)	(1,180,083)	(1,089,264)
Discounts granted on renegotiations	(660,296)	(590,567)	(660,296)	(590,567)
Business relationship bonus	(633,013)	(906,768)	(633,013)	(906,768)
Expenses with outsourced services	(636,527)	(550,412)	(632,615)	(529,678)
Actuarial liabilities update	(631,858)	(594,323)	(631,858)	(594,323)
From non-financial subsidiaries	--	--	(477,080)	(321,707)
INSS – Social Security	(248,167)	(233,767)	(248,167)	(233,767)
ATM Network	(203,557)	(209,280)	(203,557)	(209,280)
Life insurance premium – consumer credit	(176,434)	(120,915)	(176,434)	(120,915)
Compensation for transactions of banking correspondents	(152,620)	(159,020)	(152,620)	(159,020)
Failures/frauds and other losses	(127,111)	(119,012)	(135,762)	(125,472)
Other expenses – operational provisions	(1,631)	(448)	(10,455)	(21,142)
Other	(1,282,773)	(877,573)	(1,246,958)	(915,633)
Total	(5,836,313)	(5,377,099)	(6,388,898)	(5,817,536)



28 – 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
Fees and social security contributions	14,018	15,023
Executive Committee	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 – It 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 23.m).

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;



- d) 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;
- e) 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\$ 449,834 thousand (R\$ 446,732 thousand in the 1st half/2022), related to the structure sharing and a total of R\$ 170,312 thousand (R\$ 191,715 thousand in the 1st half/2022) in the Consolidated. Additional information regarding the assignment of employees can be obtained in Note 32.d - Assignment of employees to outside agencies;
- f) contracts in which the Bank rents property owned by the entities sponsored to carry out its activities;
- g) acquisition of portfolio of loans transferred by Banco Votorantim;
- h) assignment of credits arising from loans written off as losses to Ativos S.A.;
- i) 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;
- j) 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
- k) 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 10; informations about the government funds are related in Notes 19 and 20; and additional information about the Bank's contributions and other transactions with sponsored entities are listed in Note 29.

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:

- a) Controller: Union (National Treasury and agencies of the direct administration of the Federal Government);
- b) Subsidiaries: Companies are listed in Note 2.e;
- c) Associates and joint ventures: Mainly refer to Banco Votorantim, Cielo, BB Mapfre Participações, Brasilprev, Brasilcap, Alelo, Cateno and Tecban;
- d) Key management personnel: Board of Directors and Executive Board; and
- e) 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.

Banco do Brasil	Controller	Subsidiaries	Associates and joint ventures	Key management personnel	Other related parties	June 30, 2023
Assets	2,427,803	65,809,814	12,274,060	5,712	6,632,658	87,150,047
Interbank investments	--	62,560,564	453,949	--	3,127,172	66,141,685
Securities	--	189,660	171,307	--	614,990	975,957
Loan portfolio ¹	--	368,442	10,583,102	5,712	2,591,175	13,548,431
Other assets ²	2,427,803	2,691,148	1,065,702	--	299,321	6,483,974
Liabilities	12,809,681	81,081,852	12,548,111	20,693	58,039,900	164,500,237
Customers resources	4,028,097	945,763	524,106	1,802	12,869,974	18,369,742
Financial institutions resources	170,929	74,607,546	190,082	--	43,904,576	118,873,133
Other liabilities ³	8,610,655	5,528,543	11,833,923	18,891	1,265,350	27,257,362
Guarantees given and other coobligations	328,318	1,186,685	5,001,540	96	30,973	6,547,612
Statement of Income	1st half/2023					
Income from financial intermediation	2,782,740	2,946,462	705,647	361	239,536	6,674,746
Expenses from financial intermediation	(219,027)	(3,503,213)	(22,649)	(1,102)	(2,099,979)	(5,845,970)
Service fee income	62,299	22,225	279,664	--	355,820	720,008
Other income	18,293	470,161	285,747	--	11,109	785,310
Other expenses	(486,296)	(931,002)	(393,750)	--	(284,757)	(2,095,805)

1 - The Bank constituted the amount of R\$ 52 thousand as allowance for losses associated with credit risk on related parties' loan portfolio. The constitution of expense for allowance 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 derivate financial instruments and financial bills. Mainly include derivate financial instruments and financial bills. The associates and joint ventures' 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

Banco do Brasil	Controller	Subsidiaries	Associates and joint ventures	Key management personnel	Other related parties	Dec 31, 2022
Assets	2,580,362	71,768,915	9,110,806	6,147	6,287,333	89,753,563
Interbank investments	--	70,550,424	998,676	--	2,901,626	74,450,726
Securities	--	282,719	185,472	--	497,293	965,484
Loan portfolio ¹	--	454,894	7,412,659	6,147	2,587,860	10,461,560
Other assets ²	2,580,362	480,878	513,999	--	300,554	3,875,793
Liabilities	11,734,916	90,627,464	14,257,944	25,875	57,931,685	174,577,884
Customers resources	2,739,273	1,216,992	570,117	1,741	11,074,351	15,602,474
Financial institutions resources	132,828	84,718,800	100,043	--	45,689,386	130,641,057
Other liabilities ³	8,862,815	4,691,672	13,587,784	24,134	1,167,948	28,334,353
Guarantees received	--	--	20	--	--	20
Guarantees given and other coobligations	344,592	1,262,053	5,004,909	--	33,985	6,645,539
Statement of Income	1st half/2022					
Income from financial intermediation	2,724,410	2,216,243	305,298	399	260,778	5,507,128
Expenses from financial intermediation	(195,252)	(2,636,370)	(22,646)	(814)	(1,958,655)	(4,813,737)
Service fee income	78,299	30,958	269,440	--	353,388	732,085
Other income	81,430	322,603	321,148	--	8,860	734,041
Other expenses	(466,591)	(659,320)	(621,402)	--	(413,245)	(2,160,558)

1 - The Bank constituted the amount of R\$ 39 thousand as allowance for losses associated with credit risk on related parties' loan portfolio. The constitution of expense for allowance 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 derivate financial instruments and financial bills. Mainly include derivate financial instruments and financial bills. The associates and joint ventures' 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.

Consolidated	Controller	Associates and joint ventures	Key management personnel	Other related parties	June 30, 2023
Assets	2,427,803	15,970,114	5,712	6,647,771	25,051,400
Interbank investments	--	453,949	--	3,127,172	3,581,121
Securities	--	3,673,495	--	624,022	4,297,517
Loan portfolio ¹	--	10,583,102	5,712	2,591,175	13,179,989
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
Statement of Income	1st half/2023				
Income from financial intermediation	2,782,740	944,324	361	240,527	3,967,952
Expenses from financial intermediation	(98,498)	(22,649)	(1,102)	(2,099,979)	(2,222,228)
Service fee income	65,325	3,007,454	39	375,730	3,448,548
Other income	18,293	410,079	--	11,109	439,481
Other expenses	(486,296)	(398,040)	--	(285,123)	(1,169,459)

1 - The Bank constituted the amount of R\$ 52 thousand as allowance for losses associated with credit risk on related parties' loan portfolio. The constitution of expense for allowance 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 derivate financial instruments and financial bills. Mainly include derivate financial instruments and financial bills. The associates and joint ventures' 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

Consolidated	Controller	Associates and joint ventures	Key management personnel	Other related parties	Dec 31, 2022
Assets	2,580,362	12,902,253	6,147	6,299,651	21,788,413
Interbank investments	--	998,676	--	2,901,626	3,900,302
Securities	--	3,694,921	--	498,019	4,192,940
Loan portfolio ¹	--	7,412,659	6,147	2,587,860	10,006,666
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
Statement of Income	1st half/2022				
Income from financial intermediation	2,724,410	500,967	399	264,053	3,489,829
Expenses from financial intermediation	(62,751)	(22,646)	(814)	(1,958,655)	(2,044,866)
Service fee income	85,044	2,757,911	4	365,441	3,208,400
Other income	81,430	454,961	--	8,860	545,251
Other expenses	(466,591)	(649,205)	--	(413,841)	(1,529,637)

1 - The Bank constituted the amount of R\$ 39 thousand as allowance for losses associated with credit risk on related parties' loan portfolio. The constitution of expense for allowance 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 derivate financial instruments and financial bills. Mainly include derivate financial instruments and financial bills. The associates and joint ventures' 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.



29 – 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
	Plano de Benefícios 1	Retirement and Pension	Defined benefit
	Plano Informal	Retirement and Pension	Defined benefit
Cassi – Caixa de Assistência dos Funcionários do Banco do Brasil	Plano de Associados	Health Care	Defined benefit
Economus – Instituto de Seguridade Social	Prevmais	Retirement and Pension	Variable contribution
	Regulamento Geral	Retirement and Pension	Defined benefit
	Regulamento Complementar 1	Retirement and Pension	Defined benefit
	Grupo B'	Retirement and Pension	Defined benefit
	Plano Unificado de Saúde – PLUS	Health Care	Defined benefit
	Plano Unificado de Saúde – PLUS II	Health Care	Defined benefit
	Plano de Assistência Médica Complementar – PAMC	Health Care	Defined benefit
Fusesc – Fundação Codesc de Seguridade Social	Multifuturo I	Retirement and Pension	Variable contribution
	Plano de Benefícios I	Retirement and Pension	Defined benefit
SIM – Caixa de Assistência dos Empregados dos Sistemas Besc e Codesc, do Bades e da Fusesc	Plano de Saúde	Health Care	Defined contribution
Prevbep – Caixa de Previdência Social	Plano BEP	Retirement and Pension	Defined benefit

Number of participants covered by benefit plans sponsored by the Bank

	June 30, 2023			Dec 31, 2022		
	Number of participants			Number of participants		
	Actives	Retired/users	Total	Actives	Retired/users	Total
Retirement and pension plans	86,593	122,515	209,108	87,342	123,024	210,366
Plano de Benefícios 1 – Previ	3,288	100,241	103,529	3,500	100,458	103,958
Plano Previ Futuro	72,971	3,879	76,850	73,413	3,680	77,093
Plano Informal	--	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

**Bank's contributions to benefit plans**

	1st half/2023	1st half/2022
Retirement and pension plans	960,497	904,772
Plano de Benefícios 1 - Previ ¹	306,420	296,066
Plano Previ Futuro	455,825	409,292
Plano Informal	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 - 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 29.f). 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 Plano Informal.

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.

Values recognized in income

	1st half/2023	1st half/2022
Retirement and pension plans	1,193,357	565,189
Plano de Benefícios 1 - Previ	1,757,217	1,084,602
Plano Previ Futuro	(455,825)	(409,292)
Plano Informal	(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 29.d.4.

a) Retirement and pension plans

Previ Futuro (Previ)

Participants in this plan include Bank employees hired after December 24, 1997. Depending on time of service and salary, active participants may contribute between 7% and 17% of their salary (retired participants do not contribute). The plan sponsor matches participants' contributions up to 14% of their salaries.

Plano de Benefícios 1 (Previ)

Participants in this plan include Bank employees hired prior to December 23, 1997. Active and retired participants may contribute between 1.8% and 7.8% of their salary or pension.

Plano Informal (Previ)

Banco do Brasil is fully responsible for this plan. The Bank's contractual obligations include to:

- (i) providing retirement benefits to the initial group of participants and pension payments to the beneficiaries of participants who died prior to April 14, 1967;
- (ii) paying additional retirement benefits to plan participants who retired prior to April 14, 1967, or had the right to retire based on time of service and at least 20 years of service with the Bank; and
- (iii) increasing retirement and pension benefits due to judicial and administrative decisions related to changes in the Bank's career, salary and incentive plans (in excess of the plan's original benefits).

Prevmais (Economus)

Participants in this plan include employees of Banco Nossa Caixa (a bank acquired by Banco do Brasil on November 30, 2009) who enrolled after August 01, 2006, or were part of the Regulamento Geral benefit plan and opted to receive their vested account balances. The sponsor and participants make equal contributions, which may not exceed 8% of participants' salaries. The plan provides additional risk coverage, including supplemental health, work-related accident, disability and death benefits.

Regulamento Geral (Economus)

Participants in this plan include employees of Banco Nossa Caixa who enrolled prior to July 31, 2006. This plan is closed to new members. The sponsor and participants contribute equally.

Regulamento Complementar 1 (Economus)

Participants in this plan include employees of Banco Nossa Caixa. This plan offers supplemental health benefits and annuities upon death or disability. The sponsor, participants and retired/other beneficiaries fund the plan.

Grupo B' (Economus)

Group of employees and retirees of Banco Nossa Caixa admitted between January 22, 1974, and May 13, 1974, and their beneficiaries.

Multifuturo I (Fusesc)

Participants in this plan include employees of the State Bank of Santa Catarina – Besc (acquired by Banco do Brasil on September 30, 2008) who enrolled after January 12, 2003, or were part of the Plano de Benefícios I (Fusesc) and chose to participate in this plan. Participants may contribute from 2% to 7% of their salaries. The plan sponsor matches these contributions.

Plano de Benefícios I (Fusesc)

Participants in this plan include employees of Besc who enrolled prior to January 11, 2003. This plan is closed to new members. The sponsor and participants contribute equally.

Plano BEP (Prevbep)

Participants in this plan include employees of the State Bank of Piauí – BEP (acquired by Banco do Brasil on November 30, 2008). The sponsor and participants contribute equally.



b) Health care plans

Plano de Associados (Cassi)

The Bank sponsors a health care plan managed by Cassi. The plan covers health care services related to prevention, protection, recovery and rehabilitation for participants and their beneficiaries. Each month, the Bank contributes 4.5% of participants' salaries or pension benefits, in addition to 3% per dependent of active employee (up to three dependents).

Monthly contributions by participants and pensioners total 4% of their salary or pension, copayments for certain hospital procedures, in addition to the contribution per dependent, following the rules provided for in the Cassi Statute and in the plan's regulations.

Plano Unificado de Saúde - PLUS (Economus)

Participants in this plan include employees from Banco Nossa Caixa, who enrolled prior to December 12, 2000. Participation in this plan requires a direct payroll deduction of 1.5%, providing coverage for employees and certain preferred dependents. An additional 10% copayment is required for each medical visit and low-cost exam performed by employees and their dependents (both preferred and non-preferred).

Plano Unificado de Saúde - PLUS II (Economus)

Participants in this plan include employees from Banco Nossa Caixa, who enrolled after January 01, 2001. Participation in this plan requires a direct payroll deduction of 1.5%, providing coverage for employees and certain preferred dependents. An additional 10% copayment is required for each medical visit and low-cost exam performed by employees and their dependents and adult children. This plan does not cover non-preferred dependents.

Plano de Assistência Médica Complementar - PAMC (Economus)

Participants in this plan include employees of Banco Nossa Caixa located in the state of São Paulo. The plan serves disabled employees under the Complementar and Regulamento Geral and their dependents. Participant costs vary based on usage and in accordance with a progressive salary table.

Plano de Saúde (SIM)

Participants in this plan include employees of Besc and other sponsors of the plan (including Badesc, Bescor, Fusesco and SIM). The monthly contribution of the active beneficiaries is variable according to the beneficiary's age, owed by themselves and their dependents, and the contribution's sponsors, in relation to the active beneficiaries and their respective dependents, is also variable according to its age group. The plan also provides copayment in medical appointments, exams and home care, following the rules set out in the plan's regulations.

c) 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

d) 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 Dec 31, 2022.

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

	Plano 1 - Previ		Plano Informal - Previ		Plano de Associados - 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

d.2) Changes in fair value of plan assets

	Plano 1 - Previ		Plano Informal - Previ		Plano de Associados - 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 - Refers to the following plans: Regulamento Geral (Economus), Prevmias (Economus), Regulamento Complementar 1 (Economus), Multifuturo 1 (Fusesc), Plano 1 (Fusesc) and Plano BEP (Prevbep).



In thousands of Reais, unless otherwise stated

d.3) Amounts recognized in the balance sheet

	Plano 1 - Previ		Plano Informal - Previ		Plano de Associados - Cassi		Other plans	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022	June 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) Superávit/(déficit) (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 - Refers to the portion of the surplus/(deficit) due from the sponsor.



In thousands of Reais, unless otherwise stated

d.4) Changes in fair value of plan assets

	Plano 1 - Previ		Plano Informal - Previ		Plano de Associados - 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)
Outros ajustes/reversão	--	--	--	--	--	--	1,634	1,584
(Expense)/income recognized in the statement of income	1,757,217	1,084,602	(54,137)	(46,872)	(1,021,568)	(949,938)	(159,003)	(156,306)

d.5) Amounts recognized in the shareholders' equity

	Plano 1 - Previ		Plano Informal - Previ		Plano de Associados - Cassi		Other plans	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022	June 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

d.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
Plano 1 (Previ)	7.92	16,462,924	15,698,886	15,496,412	319,286,743	366,944,965
Plano Informal (Previ)	5.25	134,551	119,405	107,273	955,098	1,316,327
Plano de Associados (Cassi)	8.84	1,006,357	993,301	976,987	26,961,955	29,938,600
Regulamento Geral (Economus)	7.89	672,265	697,598	694,108	13,974,683	16,038,654
Regulamento Complementar 1 (Economus)	9.89	3,543	3,682	3,874	138,922	150,021
Plus I e II (Economus)	10.83	41,893	43,191	44,890	2,296,501	2,426,475
Grupo B' (Economus)	6.95	24,991	23,832	23,507	363,480	435,810
Prevmais (Economus)	9.10	27,868	27,986	28,144	819,379	903,377
Multifuturo I (Fusesc)	8.28	8,813	8,476	8,459	195,445	221,193
Plano I (Fusesc)	6.71	54,796	51,876	50,664	731,532	888,868
Plano BEP (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.

d.7) Composition of the plan assets

	Plano 1 - Previ		Other plans	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Fixed income	125,435,776	115,877,631	7,201,500	6,582,918
Equity securities and similar instruments 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 entity's own financial instruments	8,625,778	6,894,112	33,983	43,050
In properties or other assets used by the entity	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 Dec 31, 2022), related to the assets that are not quoted in active markets.



In thousands of Reais, unless otherwise stated

d.8) Main actuarial assumptions adopted

	Plano 1 – Previ		Plano Informal – Previ		Plano de Associados – Cassi		Other plans	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022	June 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.

CPC 33 (R1) prescribes 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.

**d.9) Differences in assumptions of the Plano 1 – Previ**

	Bank	Previ
Real discount rate (p.a.)	7.16%	4.75%
Evaluation of assets		
Federal government bonds	Fair value	Amortized Cost
Equity stakes	Fair value	Adjusted Value ¹
Capitalization method	Projected credit unit	Aggregate method

1 - In the valuation methodology for its investment in Litel, uses as reference the closing price of vale's share, the Litel group's main asset, on the penultimate day of each month.

d.10) Reconciliation of amounts calculated in Plan 1 - Previ/Bank

	Plan assets		Actuarial liabilities		Effect in surplus/(deficit)	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Value determined - Previ	211,920,727	210,312,946	(208,559,115)	(205,701,047)	3,361,612	4,611,899
Adjustment in the value of plan assets ¹	(5,067,535)	(12,773,913)	--	--	(5,067,535)	(12,773,913)
Adjustment in the liabilities - discount rate/capitalization method	--	--	43,300,749	64,974,344	43,300,749	64,974,344
Value determined - Bank	206,853,192	197,539,033	(165,258,366)	(140,726,703)	41,594,826	56,812,330

1 - Refers mainly to adjustments made by the Bank in determining the fair value of the investments in Litel and in securities held to maturity.

d.11) 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%
Plano 1 (Previ)	(3,338,384)	3,470,421	2,715,395	(2,768,263)	8,749	(8,718)
Plano Informal (Previ)	(10,786)	11,100	23,817	(23,581)	--	--
Plano de Associados (Cassi)	(197,203)	205,265	138,959	(140,770)	721	(705)
Regulamento Geral (Economus)	(150,566)	156,252	125,129	(128,904)	--	--
Regulamento Complementar 1 (Economus)	(1,548)	1,611	(1,918)	1,965	--	--
Plus I e II (Economus)	(18,953)	19,941	21,692	(21,120)	--	--
Grupo B' (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)
Plano I (Fusesc)	(8,021)	8,282	9,979	(10,117)	--	--
Plano BEP (Prevbep)	(1,825)	1,899	1,207	(1,251)	--	--

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

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

f) Allocations of the Surplus - Plano 1

	1st half/2023	1st half/2022
Fundo de Utilização ¹		
Opening balance	11,315,371	10,795,343
Contributions to Plano 1	(306,420)	(296,066)
Restatement	570,660	862,963
Closing balance	11,579,611	11,362,240

1 - Contains resources transferred from the Fundo de Destinação (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.).



30 – Risk and capital management

a) Risk management process

For Banco do Brasil, risk management is one of the most important elements of the decision-making process.

The institution has a process to identify the risks that comprise the corporate set of relevant risks, performed by analyzing the business segments, direct and indirectly, considering Banco do Brasil related entities.

Risk definition is carried out considering quantitative and qualitative criteria, and results in the following relevant risks:

- a) Strategic risk;
- b) Social, environmental and climate risk;
- c) Credit risk;
- d) Actuarial risk;
- e) *Banking book* interest rate risk;
- f) Market risk;
- g) Liquidity risk;
- h) Contagion risk;
- i) Operational risk; and
- j) Reputational risk.

The Bank periodically reviews the Corporate Set of Relevant Risks. As a result of the improvement in the process of identifying relevant risks, there was a change in the concept and inclusion of a category in the contagion risk, in order to specify its form of materialization; review of the name from Supplier Risk to Third Party Risk; consolidation of Socio-environmental and Climate Risks, which came to be known as Social, Environmental and Climate Risk; and review of the way in which the Operational Risk is presented, which now includes the management categories of Third Party, Legal, Compliance, Security, Model, Conduct, Cybernetic and IT Risks.

In the Bank, the collegiate risk management is parted from the business units and internal auditors. Risk management policies are approved by the Board of Directors, with the opinion of the Advisory Committees. Risk management is performed in accordance with the Bank's Senior Management policies and strategies.

To learn more about the risk and capital management process in Banco do Brasil, visit the information available in the Risk Management Report and in the Recovery Plan at the website bb.com.br/ir.

Financial instruments - fair value

Financial instruments recorded in balance sheet accounts, compared to fair value:

	June 30, 2023		Dec 31, 2022		Unrealized gain/(loss) without tax effects			
	Book value	Fair value	Book value	Fair value	On income		On shareholders' equity	
					June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Assets								
Cash and due from banks	22,541,168	22,541,168	18,310,546	18,310,546	--	--	--	--
Compulsory deposits with Bacen	97,135,227	97,135,227	95,119,085	95,119,085	--	--	--	--
Interbank investments	432,512,501	432,509,804	415,873,438	415,810,825	(2,697)	(62,613)	(2,697)	(62,613)
Securities	441,532,787	441,350,933	428,447,097	427,873,052	(1,703,739)	(3,592,373)	(181,854)	(574,045)
Adjustment of securities available for sale (Note 10.a)					(1,521,885)	(3,018,328)	--	--
Adjustment of securities held to maturity (Note 10.a)					(181,854)	(574,045)	(181,854)	(574,045)
Derivative financial instruments	4,879,095	4,879,095	1,638,069	1,638,069	--	--	--	--
Loan portfolio	921,558,247	909,079,407	891,283,323	866,903,805	(12,478,840)	(24,379,518)	(12,478,840)	(24,379,518)
Other financial assets	100,803,627	100,803,627	93,072,415	93,072,415	--	--	--	--
Liabilities								
Customers resources	768,530,726	767,648,150	753,263,047	753,309,420	882,576	(46,373)	882,576	(46,373)
Financial institutions resources	662,304,759	662,837,544	652,922,721	654,686,121	(532,785)	(1,763,400)	(532,785)	(1,763,400)
Securities resources	262,012,557	262,012,557	229,745,964	229,745,964	--	--	--	--
Derivative financial instruments	5,110,148	5,110,148	3,045,463	3,045,463	--	--	--	--
Other financial liabilities	150,256,018	150,256,018	143,049,849	143,049,849	--	--	--	--
Unrealized gain/(loss) without tax effects					(13,835,485)	(29,844,277)	(12,313,600)	(26,825,949)



Determination of fair value of financial instruments

Short-term interbank investments: The fair value was obtained by discounting future cash flows, using interest rates traded by the market in similar operations on the balance sheet date.

Securities: accounted by fair value, according to Bacen Circular 3,068/2001, except for securities held to maturity. The fair value of the securities, including those held to maturity, was obtained from rates practiced in the market.

Loan operations: For the operations of this group, remunerated at post-fixed rates, the fair value of the book value itself was considered, due to the equivalence between them. The operations remunerated at prepaid interest rates were estimated by discounting future cash flows, adopting market interest rates to contract similar operations at the balance sheet date.

Interbank deposits: The fair value was calculated by the discount of the future cash flows using rates currently applicable in the market for fixed rate deposits. For post-fixed operations whose maturities were less than 30 days, the book value was deemed approximately equivalent to the fair value.

Time deposits: The same criteria adopted for interbank deposits are utilized in the determination of the fair value.

Liabilities related to repurchase agreement: For operations at fixed rates, the fair value was determined calculating the discount of the estimated cash flows adopting a discount rate equivalent to the rates applied in contracting similar operations on the last trading day. For post-fixed operations, book values have been deemed approximately equivalent to fair value.

Borrowings and onlendings: Such operations are exclusive to the Bank with no similar operations in the market. Given their specific characteristics, the exclusive rates for each fund, the inexistence of an active market or similar traded instruments, the fair values of such operations are considered equivalent to the book value.

Other liabilities: Fair values have been determined by the discounted cash flow method, which takes into account interest rates offered in the market for obligations with similar maturities, risks and terms.

Derivatives financial instruments: Derivatives were booked at fair value, according to Bacen Circular No. 3,082/2002. The fair value of derivatives was estimated in accordance with internal pricing models, using the interest rates disclosed for transactions with similar terms and indices on the last business day of the period.

Other financial instruments: Included or not in the balance sheet, fair value is approximately equivalent to the corresponding book value.

Source of information regarding assets and liabilities measured at fair value in the balance sheet

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.



In thousands of Reais, unless otherwise stated

Assets and liabilities measured at fair value in the consolidated balance sheet

	Jun 30, 2023	Level 1	Level 2	Level 3
Assets	395,719,215	325,826,959	67,129,301	2,762,955
Hedge interbank deposit	2,371,696	--	2,371,696	--
Trading securities, measured by fair value	11,624,753	6,972,405	4,629,790	22,558
Derivative financial instruments	4,879,095	--	4,879,095	--
Available-for-sale securities, measured by fair value	376,794,677	318,854,554	55,248,720	2,691,403
Loans	48,994	--	--	48,994
Liabilities	(7,149,070)	--	(7,149,070)	--
Hedge funding	(2,038,922)	--	(2,038,922)	--
Derivative financial instruments	(5,110,148)	--	(5,110,148)	--

	Dec 31, 2022	Level 1	Level 2	Level 3
Assets	384,458,400	321,957,089	59,737,711	2,763,600
Hedge interbank deposit	2,563,590	--	2,563,590	--
Trading securities, measured by fair value	10,330,260	2,550,400	7,676,720	103,140
Derivative financial instruments	1,638,069	--	1,638,069	--
Available-for-sale securities, measured by fair value	369,880,437	319,406,689	47,859,332	2,614,416
Loans	46,044	--	--	46,044
Liabilities	(4,862,444)	--	(4,862,444)	--
Hedge funding	(1,816,981)	--	(1,816,981)	--
Derivative financial instruments	(3,045,463)	--	(3,045,463)	--



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.

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:



In thousands of Reais, unless otherwise stated

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)



b) Capital management

Objectives and policies

In 2017, Bacen issued CMN Resolution 4,557, which defines the scope and requirements of the risk management structure and the capital management structure for financial institutions.

In compliance with the Resolution, the Board of Directors has established Coris and has appointed as the Chief Risk Officer (CRO), responsible for risk and capital management, the Vice President of Internal Controls and Risk Management.

Capital management aims to ensure the Institution's future solvency concurrent with the implementation of business strategies.

Capital management is carried out through an organizational structure appropriate to the nature of its operations, the complexity of its business and the extent of exposure to relevant risks.

There are defined and documented capital management strategies that establish mechanisms and procedures to keep capital compatible with the Risk Appetite and Tolerance Statement (RAS).

In addition, the Bank has specific policies, approved by the Board, which aim to guide the development of functions or behaviors, through strategic drivers that guide capital management actions. These specific policies apply to all businesses that involve risk and capital at the Bank.

Elements comprised by capital management:

Strategic plans, business goals and budgets respect the risk appetite and tolerance and indicators of capital adequacy and risk-adjusted return.

The Capital Plan is prepared in consistency with the business strategy, seeking to maintain capital indicators at appropriate levels. This Plan highlights the capital planning of Banco do Brasil and the prospective assessment of any need for capital contribution.

The Capital Plan preparation is referenced in the guidelines and limits contained in RAS and the Bank's Corporate Budget (BB Budget), considering that this represents the materialization of the guidelines of ECBB, the Master Plan (PD), the Fixed Investment Plan and the Strategic Information Technology Plan.

The budgeted amounts must correspond to the goals and objectives defined by the Board of Directors for the Banco do Brasil Conglomerate. Thus, premises such as business growth, credit growth in operations with higher profitability, restrictions on operations in segments with lower profitability, among others, are contained in the BB Budget.

In addition, the BB Budget considers the macroeconomic scenario prepared by the Global Treasury Unit (Tesou) and the legislation applied to the Brazilian Banking Industry (SFN).

The review of the ECBB and the PD results from the application of a set of strategic planning methodologies, observing the best market practices. It is noteworthy that the review of the ECBB and the PD takes place in an integrated manner with the budgeting process, with the RAS and with the other documents of the strategic architecture, which ensures the alignment between such documents, giving greater internal consistency to the strategic planning process.

The BB Budget follows the guidelines defined in the ECBB, respects the RAS and aims to meet the floors and ceilings defined in the indicators approved in the PD. The BB Budget allows the quantification in financial values of the strategic objectives defined in the ECBB.

The RAS is the strategic document that guides the planning of the business strategy, directing budget and capital towards a sustainable and optimized allocation, according to the Institution's capacity to assume risks and its strategic objectives, in addition to promoting understanding and dissemination of the risk culture.

This statement is applied to the Bank and considers potential impacts on the capital of the Banco do Brasil Prudential Conglomerate. It is expected that the Subsidiaries, Affiliates and Investment companies (ELBB) define their drivers based on these guidelines considering specific needs and legal and regulatory aspects to which they are subject.



As defined in the RAS, risk appetite is the maximum level of risk that the Institution accepts to incur in order to achieve its objectives, materialized by indicators that define an aggregate view of risk exposure. Tolerance, in turn, induces risk management in a more granular way, considering the defined appetite.

RAS defines prudential minimum limits that aim to perpetuate the strategy of strengthening the Bank's capital structure. These limits are established above the regulatory minimum, represent the Bank's Risk Appetite and are effective as of January of each year.

The capital target is the level of capital desired by the Bank, which is why its management actions must be guided by this driver. The goals are distinguished from tolerance and risk appetite because the latter defines the level at which the Institution does not accept to operate, and must take timely measures for readjustment, which may trigger contingency measures.

Integration:

Adopting a prospective stance, the Bank assesses the capital status, including the leverage ratio, classified as Critical, Alert or Surveillance, according to the time horizon that precedes the projected deadline for the breach of the prudential minimum limits defined by Senior Management and detailed in the RAS, as the figure below:

Capital and Leverage Ratio		Period of noncompliance (months)					
		0 a 6	7 a 12	13 a 18	19 a 24	25 a 30	acima de 31
Target ¹	ICP	ALERT			SURVEILLANCE		
Appetite ²	Common Equity Tier 1 Ratio	CRITICAL			ALERT		SURVEILLANCE
	Tier 1 Ratio	CRITICAL		ALERT		SURVEILLANCE	
	Basel Prudential Ratio	CRITICAL		ALERT		SURVEILLANCE	
	Leverage Prudential Ratio	CRITICAL		ALERT		SURVEILLANCE	

¹ level of capital desired by the institution

² maximum level of risk that institution agrees to incur in order to achieve its goals

The Capital Forum has the responsibility of identify the capital and leverage ratio status of the Bank and occurs through the control of Common Equity Tier 1 Capital Ratio (ICP), Tier I Ratio, Capital Adequacy Ratio and Leverage Ratio projected for a time horizon of at least 36 months. When the projections indicate a potential breach of the prudential minimum limits (risk appetite), the Institution will have enough time to promote strategic changes that avoid extrapolation, according to the deadlines defined for each indicator.

The assessment of the sufficiency of capital maintained by the Bank contemplates a 3-year time horizon and considers: i) the types of risks and respective levels to which the Institution is exposed and willing to assume; ii) the Institution's ability to manage risks effectively and prudently; iii) the Institution's strategic objectives; and iv) the conditions of competitiveness and the regulatory environment in which it operates.

In compliance with the provisions of Bacen Circular 3,846/2017, this analysis is also part of the Internal Capital Adequacy Assessment Process (Icaap) and must cover, at least:

I - the assessment and measurement of the need for capital to cover credit risks (includes concentration and credit risk of the counterparty), market risk, interest rate variations for instruments classified in the bank portfolio (IRRBB) and operational;

II - the assessment of the capital needs to cover the other relevant risks to which the Institution is exposed, considering, at least, the strategy, reputation and socio-environmental risks;

III - the assessment of capital requirements based on the results of the stress test program; and

IV - the description of the methodologies and assumptions used in the evaluation and measurement of capital requirements.

The Icaap, implemented by the Bank on June 30, 2013, follows the disposed on CMN Resolution 4,557/2017. At the Bank, the responsibility for coordinating Icaap was assigned to the Risk Management Directorship. In turn, the Internal Controls Directorship is the responsible for validating the Icaap. Finally, Internal Audit is responsible for performing an annual evaluation of the overall capital management process.



Procedures:

Capital management is an ongoing process of planning, evaluating, controlling and monitoring capital. It supports the Board in the decision process that will lead the Institution to adopt a posture capable of absorbing eventual losses arising from business risks or changes in the financial environment.

Capital simulations are carried out, integrating the results of risk and business stress tests, based on macroeconomic and/or idiosyncratic scenarios. Stress tests are carried out periodically and their impacts are assessed from the perspective of capital.

It is conducted monthly monitoring of the variables used in the preparation of the Capital Plan due to the review of the behavior projected in the preparation of the BB Budget, based on the observed numbers, market expectations and business dynamics. The relevant deviations are presented and discussed, by the Boards participating in the process, in the monthly meetings of the Capital Forum.

Management reports on capital adequacy are disclosed to the areas and strategic intervening committees, supporting the decision-making process by the Board of Directors.

The adoption of a prospective stance, by conducting continuous assessments of the capital need, makes it possible to proactively identify events with a non-zero probability of occurrence or changes in market conditions that may have an adverse effect on capital adequacy, including in stress scenarios.

c) Capital Adequacy Ratio

The Bank has calculated the Capital Adequacy Ratio in accordance with the requirements established by CMN Resolutions 4,955/2021 and 4,958/2021. Those requirements are related to the calculation of Referential Equity (RE) and Minimum Referential Equity Required (MRER) as a percentage of Risk Weighted Assets (RWA).

The Basel Committee recommendations, related to the set of regulations governing the capital structure of financial institutions, are known as Basel III.

The regulatory capital is divided into Tier I and Tier II. Tier I consists of Common Equity Tier I Capital – CET1 (net of regulatory adjustments) and Additional Tier I Capital.

For calculating the regulatory capital, minimum requirements for RE, Tier I and CET1, and Additional CET1 are requested.

Regulatory adjustments listed below are considered for calculating CET1 ratio:

- goodwill;
- intangible assets;
- actuarial assets related to defined benefit pension plans, net of deferred tax liabilities;
- significant investments (greater than 10% of the share capital) in: non-consolidated entities similar to financial institutions, insurance companies, reinsurance companies, capitalization companies and open-ended pension funds; and institutions authorized by Bacen that are not part of the Prudential Conglomerate.
- non-controlling interests;
- deferred tax assets on temporary differences that rely on the generation of future taxable profits or income to be realized;
- deferred tax assets resulting from tax losses carry forward;
- value between the provisioned amount and the amount of the adjustments resulting from the evaluation provided by CMN Resolution 4,277/2013.

On August 28, 2014, Bacen authorized the R\$ 7,100,000 thousand (R\$ 8,100,000 thousand until June/2022) perpetual bond included in Additional Tier I Capital to be considered as Common Equity Tier I Capital, as described in Note 23.c.

According to the CMN Resolutions 4,955/2021 and 4,958/2021, the calculation of the RE and the amount of RWA should be based on Prudential Conglomerate.



In thousands of Reais, unless otherwise stated

	June 30, 2023	Dec 31, 2022
RE - Referential Equity	174,369,617	178,688,546
Tier I	156,767,478	158,152,718
Common Equity Tier 1 Capital (CET1)	135,501,305	128,802,520
Shareholders' equity	157,590,897	153,962,689
Instruments qualifying as common equity tier 1 capital	7,100,000	7,100,000
Regulatory adjustments	(29,189,592)	(32,260,169)
Capital management	21,266,173	29,350,198
Perpetual bonds (Note 19.c)	18,717,773	27,001,598
Perpetual subordinated notes (Note 19.c)	2,548,400	2,348,600
Tier II	17,602,139	20,535,828
Subordinated debt qualifying as capital	17,602,139	20,535,828
Subordinated Debt authorized in accordance with regulations preceding Basel III	17,602,139	20,535,828
Funds obtained from the FCO (Note 19.c) ¹	17,602,139	20,535,828
Risk Weighted Assets (RWA)	1,109,309,844	1,072,894,044
Credit risk (RWACPAD)	943,497,372	917,091,564
Market risk (RWAMPAD)	20,901,975	26,975,097
Operational risk (RWAOPAD)	144,910,497	128,827,383
Minimum referential equity requirements ²	88,744,788	85,831,524
Margin on the minimum referential equity required ³	85,624,829	92,857,022
Tier I Ratio (Tier I/RWA) ³	14.13%	14.74%
Common Equity Tier 1 Capital Ratio (CET1/RWA) ³	12.21%	12.01%
Capital Adequacy Ratio (RE/RWA) ³	15.72%	16.65%

1 - According to CMN Resolution 4,955/2021, art. 31, in 2023, the balance of FCO is limited to 60% (70% in 2022) of the amount that composed the Tier II of the RE on June 30, 2018.

2 - According to CMN Resolution 4,958/2021, corresponds to the application of the "F" factor to the amount of RWA, where "F" equals 8%.

3 - Values from DLO (Operational Threshold Statement).

Regulatory adjustments deducted from CET1:

	June 30, 2023	Dec 31, 2022
Actuarial assets related to defined benefit pension funds net of deferred tax liabilities	(11,549,723)	(15,548,609)
Intangible assets	(10,966,643)	(11,066,608)
Tax assets resulting from tax losses carry forward	(3,673,501)	(3,598,043)
Significant investments (excess of 10%) ¹	(1,995,705)	(1,692,539)
Significant investments and tax assets resulting from temporary differences that rely on the generation of future taxable profits or revenues for their realization (amount exceeding the 15% threshold)	(832,113)	(116,376)
Non-controlling interests ²	(161,468)	(223,666)
Goodwill	(7,162)	(12,360)
Shortfall of the value between the provisioned amount and the amount of the adjustments resulting from the evaluation provided by CMN Resolution 4,277/2013	(3,277)	(1,968)
Total	(29,189,592)	(32,260,169)

1 - It refers, mainly, to significant investments in non-consolidated entities similar to financial institutions, non-consolidated financial institutions and insurance companies, reinsurance companies, capitalization companies and open-ended pension funds.

2 - The adjustment of non-controlling interests was calculated according to CMN Resolution 4,955/2021, 1st paragraph of the article 10.

**d) Fixed asset ratio and margin**

	June 30, 2023	Dec 31, 2022
Fixed asset ratio	17.47%	15.88%
Margin in relation to the fixed asset	56,726,725	60,960,991

Bacen defines the fixed asset ratio as the percentage of fixed assets to Referential Equity. The maximum rate allowed is 50%, according to CMN Resolution 4,957/2021.

Margin refers to the difference between the 50% limit of Referential Equity and total fixed assets.

e) Regulatory indicators vs. observed indicators

The minimum regulatory requirement for capital indicators in accordance to CMN Resolution 4,958/2021, as well as the achieved values at the Bank, are shown in the table below:

	Regulatory	June 30, 2023
Common Equity Tier 1 Capital Ratio ¹	8.00%	12.21%
Tier I Ratio ¹	9.50%	14.13%
Capital Adequacy Ratio ¹	11.50%	15.72%
Fixed asset ratio	Up to 50%	17.47%

¹ - Includes additional main conservation, countercyclical and systemic capital

On June 30, 2023, the compliance with the regulatory indicators is observed. The Bank, through the capital management strategies already listed, aims to surpass the minimum regulatory indicators, keeping them at levels capable of perpetuating the strategy of reinforcing the structure of capital of the Bank. In this way, the Bank defines the minimum prudential limits of capital indicators and the main capital target to be reached in each period.

f) Instruments eligible as capital

The instruments eligible as capital are described in the Notes 19.c and 23.c.

For subordinated financial bills issued up to the present date, there are the possibilities described in the emission instrument, as listed below:

1. For the perpetual instruments, there is a repurchase or redemption option, observing the following requirements:
 - a. minimum of five years interval between the issue date and the first exercise date of the repurchase or redemption option;
 - b. the exercise of the repurchase or redemption option is subject, on the exercise date, to the authorization of the Central Bank of Brazil;
 - c. lack of characteristics that lead to the expectation that the repurchase or redemption option will be exercised, constituting an attribution of the Issuer;
 - d. the interval between the repurchase or redemption option must be, at least, 180 days.

For securities issued abroad, there is, until now, no possibility for the holder of the security to request repurchase or redemption, total or partial. The expected cash flows will occur when the coupon is paid or when exercising the repurchase by the Bank, as applicable.

The Instrument qualifying as Common Equity Tier I Capital does not have a maturity date and can only be settled in situations of dissolution of the issuing institution or of repurchases authorized by the Central Bank of Brazil. The expected cash flows occur only through the payment of annual remuneration interest.



According to the Information to the Market, dated April 8, 2021 and December 16, 2021, the schedule for returning the Hybrid Instrument established seven anual installments of R\$ 1 billion and one final installment of R\$ 1.1 billion, between July/2022 and July/2029. Thus, in compliance with the schedule and based on authorization from Bacen and deliberation of Secretaria Especial do Tesouro e Orçamento, the Bank returned R\$ 1 billion to the National Treasury on July/2022, remaining the balance of 7.1 billion.

Regarding the dynamics of the FCO, the monthly flows contemplate the inflows/origins, such as the transfers from the National Treasury resulting from the collection of taxes (made every ten days of the month), returns originating from payments of credit operations and remuneration on the available resources and the exits, such as the reimbursement of payment/rebate bonuses, the audit, del credere and provision. The use of FCO resources as an instrument eligible as capital is limited by CMN Resolution 4,955/2021 (Art. 31).



31 – Recurring and non-recurring net income

As defined by BCB Resolution 2/2020, non-recurring results are those that are not related or are only incidentally related to the institution's typical activities and are not expected to occur frequently in future years.

	1st half/2023
Recurring net income	16,560,869
Non-recurring net income	--

	1st half/2022
Recurring net income	14,500,211
Non-recurring net income	(130,690)
Provision expenses from lawsuits related to economic plans	(1,050,133)
Disposal of investments - Banco Digio S.A.	337,850
Corporate reorganization - CIP	240,189
Disposal of Investments - MerchantE	83,712
Tax effect and employee and directors profit sharing effect on non-recurring items	257,692

32 – Other information

a) Investment funds management

Funds managed by BB Asset:

	Numbers of funds/portfolios (in Units)		Balance	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Managed funds	1,177	1,143	1,479,843,954	1,416,807,121
Investment funds	1,171	1,137	1,462,097,111	1,398,984,878
Managed portfolios	6	6	17,746,843	17,822,243

b) Details in relation to overseas branches, subsidiaries and associates

	Banco do Brasil		Consolidated	
	June 30, 2023	Dec 31, 2022	June 30, 2023	Dec 31, 2022
Assets				
BB Group	78,355,441	82,647,271	77,441,194	80,594,853
Third parties	86,459,264	93,042,046	131,009,598	136,472,646
TOTAL ASSETS	164,814,705	175,689,317	208,450,792	217,067,499
Liabilities				
BB Group	40,043,841	40,400,793	39,513,609	39,629,950
Third parties	113,691,668	124,535,644	151,132,319	159,781,772
Shareholders' equity	11,079,196	10,752,880	17,804,864	17,655,777
Attributable to parent company	11,079,196	10,752,880	17,040,627	16,869,846
Non-controlling interest	--	--	764,237	785,931
Total liabilities	164,814,705	175,689,317	208,450,792	217,067,499



In thousands of Reais, unless otherwise stated

	Banco do Brasil		Consolidated	
	1st half/2023	1st half/2022	1st half/2023	1st half/2022
Net income	738,825	234,314	2,862,642	1,255,988
Attributable to parent company	738,825	234,314	2,464,819	1,042,111
Non-controlling interest	--	--	397,823	213,877

c) Consortium funds

	June 30, 2023	Dec 31, 2022
Monthly forecast of purchase pool members receivable funds	924,388	851,923
Obligations of the groups due to contributions	57,381,659	49,842,022
Purchase pool members - assets to be delivered	53,657,604	46,722,221
(In units)		
Quantity of groups managed	402	370
Quantity of active consortium members	1,786,853	1,723,698
Quantity of assets deliverable to members (drawn or winning offer)	213,093	176,369

	1st half/2023	1st half/2022
Quantity of assets (in units) delivered in the period	140,291	129,994

d) Assignment of employees to outside agencies

Federal government assignments are regulated by Law 10,470/2002 and Decree No. 10,835/2021.

	1st half/2023		1st half/2022	
	Quantity of assigned employees	Cost in the period	Quantity of assigned employees ¹	Cost in the period
With costs for the Bank				
Labor unions	215	25,371	212	23,582
Other organizations/entities	7	3,099	8	2,701
Without cost to the Bank²				
Federal, state and municipal governments	168	--	177	--
External organizations (Cassi, Previ, Economus, Fusesc and PrevBep)	543	--	481	--
Employee entities	67	--	69	--
Subsidiaries and associates	701	--	621	--
Total	1,701	28,470	1,568	26,283

1 - Balance on the last day of the period.

2 - In the 1st half/2023, the Bank was reimbursed in the amount of R\$ 297,611 thousand (R\$ 271,770 thousand 1st half/2022), referring to the costs of assigned employees.

**e) Remuneration of employees and managers**

Monthly wages paid to employees and Directors of the Banco do Brasil (in Reais):

	June 30, 2023	Dec 31, 2022
Lowest salary	3,622.23	3,622.23
Highest salary	60,606.35	60,606.35
Average salary	10,332.08	9,670.39
Average value of benefits offered	4,577.29	4,223.26
President	74,972.23	68,781.86
Vice-president	67,105.66	61,564.83
Director	56,873.42	52,177.45
Audit Committee - member	51,186.08	46,959.71
Capital and Risk Committee	51,186.08	46,959.71
Fiscal council	6,523.02	5,984.42
Board of Directors	6,523.02	5,984.42

f) Insurance policy of assets

Despite the reduced level of risk to which its assets are subject, the Bank insured its assets in amounts rendered enough to hedge any losses.

Insurance contracted by the Bank in force on June 30, 2023

Covered risks	Amounts covered	Value of the premium
Property insurance for the relevant fixed assets	654,789	6,610
Life insurance and collective personal accident insurance for the Executive Board ¹	131,950	333
Other	535	--
Total	787,274	6,943

1 - Refers to individual coverage for members of the Executive Board.



g) 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.

h) 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.

i) Change in tax treatment applicable to losses incurred

On November 16, 2022, the Provisional Measure 1,128/2022, was converted into Law No. 14,467/2022, 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.



33 – Subsequent events

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 23 – Shareholders' Equity, item "c".

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

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

INDEPENDENT AUDITOR'S REPORT ON THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

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

Opinion

We have audited the accompanying individual and consolidated financial statements of Banco do Brasil S.A. and its subsidiaries ("Banco do Brasil"), identified as BB Banco Múltiplo and BB Consolidated, respectively, which comprise the balance sheet as at June 30, 2023 and the related statements of income, of comprehensive income, of changes in shareholders' equity and of cash flows for the six-month period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements referred to above present fairly, in all material respects, the individual and consolidated financial position of Banco do Brasil S.A. and its subsidiaries as at June 30, 2023, and its individual and consolidated financial performance and its individual and consolidated cash flows for the six-month period then ended in accordance with accounting practices adopted in Brazil applicable to the financial institutions authorized to operate by the Central Bank of Brazil ("BACEN").

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of Banco do Brasil 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 are those matters that, in our professional judgment, were of most significance in our audit of the current six-month period. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the "Deloitte organization") serves four out of five Fortune Global 500® companies. Learn how Deloitte's approximately 345,000 people make an impact that matters at www.deloitte.com.

© 2023. For information, contact Deloitte Global.

1. Allowance for loan losses

The recognition of an allowance for loan losses involves judgment and the use of estimates by Banco do Brasil's Management. As disclosed in notes 3.g), 4.b) and 12 to the individual and consolidated financial statements, loan transactions and other receivables with loan characteristics are classified by risk level, based on Management's judgment, considering the parameters established by CMN (National Monetary Council) Resolution 2682/99. For this purpose, Banco do Brasil uses internal policies that consider the definition of credit risk ratings for debtors and their respective transactions, involving delinquency levels and Management's assumptions and judgments in order to represent its best estimate of the credit risk of its portfolio.

The allowance for loan losses was considered a key audit matter due to the relevance in the context of the individual and consolidated 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, among others: (a) understanding the provisioning criteria adopted by Banco do Brasil for loan transactions and other receivables with loan characteristics; (b) understanding and testing the design, implementation, and effectiveness of the relevant internal controls over the rating process of debtors and their related transactions; (c) reviewing the provisioning recognition criteria and challenging the assumptions used by Management and their compliance with the parameters set by CMN Resolution 2682/99, on a sampling basis; (d) reviewing the level of the total allowance for the existing portfolios; and (e) analyzing the appropriateness of the disclosures made in the individual and consolidated financial statements.

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

2. Provisions for tax, civil, and labor claims

As disclosed in notes 3.m), 4.h) and 21 to the individual and consolidated 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 individual and consolidated 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 individual and consolidated financial statements in accordance with applicable accounting pronouncements.

We consider 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 individual and consolidated financial statements taken as a whole.

3. Employee benefits

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 notes 3.k), 4.g) and 29 to the individual and consolidated 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 CPC 33 (R1) – Employee Benefits, as approved by CMN Resolution 4.877/2020.

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 individual and consolidated 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 individual and consolidated 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 individual and consolidated financial statements taken as a whole.

4. Information technology 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 individual and consolidated 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 individual and consolidated financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated statements 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 accounting practices adopted in Brazil applicable to financial institutions authorized to operate by the BACEN, was subject to audit procedures performed together with the audit of the individual and consolidated 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 individual and consolidated financial statements taken as a whole.

Other information accompanying the individual and consolidated 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 individual and consolidated 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 individual and consolidated 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 individual and consolidated financial statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil applicable to the financial institutions authorized to operate by the BACEN 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 individual and consolidated financial statements, Management is responsible for assessing Banco do Brasil's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate Banco do Brasil 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 financial reporting process.

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated 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 individual and consolidated 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.
- 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 individual and 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where 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 six-month period 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 individual and consolidated 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

*Original signed.



Audit Committee Summary Report

BB's individual and consolidated financial statements prepared in accordance with
Bacen accounting standards
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) the processes related to transactions with related parties are in accordance with the BB's specific policy and current legislation;
- e) the calculation parameters and actuarial results of the sponsored pension fund benefit plans are adequately reflected in the financial statements;
- f) the risk exposures have been adequately managed by administration;
- g) the individual and consolidated financial statements adequately present, in their material aspects, the equity and financial position of BB on 06/30/2023, in accordance with the accounting practices adopted in Brazil, applicable to institutions authorized to operate by Bacen.

Brasília-DF, August 08th, 2023.

(electronically signed)

Egidio Otmar Ames

(coordinator)

(electronically signed)

Aramis Sá de Andrade

(electronically signed)

Rachel de Oliveira Maia

(electronically signed)

Vera Lucia de Almeida Pereira Elias

(electronically signed)

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
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



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 Giovannella
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