

Management Report

IFRS



1Q
23



In the first quarter of 2023, we had a net income of R\$ 7.3 billion. This result reflects the importance of Banco do Brasil in the lives of our customers. We seek excellence in relationships, in an innovative and efficient way, bringing tailored solutions, to see Brazilian men and women growing and achieving more and more.

Granting quality credit is an important driver of our results. As well as greater diversification of financial and service income, discipline in controlling expenses and efficient capital management.

In addition to the result, we reached R\$ 17.8 billion in added value, through the payment of dividends, taxes and other components. Furthermore, we adopt actions that generate positive social and environmental impacts through our initiatives, partnerships and the work of Fundação Banco do Brasil. We understand that we have a role in promoting the best sustainable practices and we support our clients in migrating to greener and more inclusive business models.

Having qualified and engaged employees is the key to continuing our positive trajectory. We are advancing in the cultural transformation of our company, becoming a more agile, modern and diverse Bank.

We invite you to find out more about Banco do Brasil's deliveries, in the following pages, while at the same time reinforcing our commitment to creating value for all our stakeholders.

Good reading!

Highlights of the Earnings

Main components and performance indicators in the 1Q23.

Net income of R\$7.3 billion in 1Q23 was positively influenced by the performance of our loan portfolio, which reflects an adequate mix of risk x return. This performance is reinforced by the growth of net revenues from fees and commissions, while administrative expenses remained under control.

We reached R\$17.8 billion in added value, through the payment of dividends, taxes and other components, a growth of 38.8% compared to the same period of the previous year.

**Net Income of
R\$ 7.3 billion**

**Growth of 45.7%
compared to 1Q22**

**R\$ 17.8 billion
in added value**

**Growth of 38.8%
compared to 1Q22**

Earnings Highlights (R\$ million)

	1Q23	1Q22
Net Income	7,291	5,005
Net Interest Income	21,352	15,395
Net Revenue from Fees and Commissions	6,114	5,716
Administrative and Personnel Expenses	(8,730)	(7,910)

Administrative Expenses

Administrative expenses increased by 10.4%, in the annual comparison, influenced by the performance of personnel expenses (+10.8%) and other administrative expenses (+9.1%). In the personnel line, the growth is in line with the 8.0% salary adjustment granted to bank employees in a collective agreement in September/22. In other expenses, there was growth in operating leases, data processing and specialized technical services.

Net Revenue from Fees and Commissions

In 1Q23, net revenue from fees and commissions totaled R\$ 6.1 billion, growth of 7.0% compared to 1Q22. Among the major variations, one should highlight the increase in Current Account revenues (3.5%), guarantees provided (24.0%) and income from cards (20.6%).

Equity Highlights (R\$ million)

	mar/23	dec/22
Assets	2,089,928	2,008,153
Customer Resources	750,724	753,263
Net Income	168,133	163,503

Loans to Customers

Loans to customers net of provisions totaled R\$902.0 billion in March/23, an increase of R\$18.9 billion compared to December/22. The performance was influenced by the increase of 3.8% in rural and agro-industrial financing and loans to individuals, with a rise of 3.1%.

Corporate Strategy

Our Corporate Strategy (ECBB) has a five-year time horizon and is reviewed in the third quarter of each year in accordance with a structured, participatory process based on consolidated methodologies. After revision, it is approved by the Board of Directors (CA), which directs the Company's decisions for the following years.

Our purpose is “To be close and relevant in people's lives at all times”, and that is why we exist to always be together, to support and maintain close and personal relationships with people and through the channels they prefer. We are relevant, as our greatest aspiration is to generate value and be essential in the lives of the people we work with. We want this purpose to be present in our relationships with people. At all times, as we offer complete solutions so that our customers can count on us during all phases of their personal and professional lives.

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

The Strategic Map and the Master Plan outline the strategic objectives and indicators for the next five years, divided into five perspectives: Clients, Finance, Sustainability, Processes and People.

The client is at the center of our actions and decisions at all organizational levels, offering complete solutions and an appropriate experience.

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



We accelerate digital transformation and innovation, using analytical intelligence and focusing on improving processes, products, and channels, with the aim of making them simpler, more agile and integrated to create a bank for each customer.

We seek to continue transforming our organizational culture, relying on the committed work of our professionals, maintaining our focus on innovation, meritocracy, and sustainable results.

Shareholders and Holders of debt instruments

We have a base of more than one million shareholders, 98.5% of which are individuals (individuals) and 1.4% are legal entities. At the end of March, our shareholding composition was distributed among 50% of shares held by the Federal Government, 49.6% in circulation (free float) and 0.4% held in treasury. Local investors held 76% of the outstanding shares, and foreigners 24%. Our shares (BBSA3) accounted for 2.537% of the Ibovespa in the last quarter.

The Closing Price for the month of March on BBSA3 was R\$39.11.

Remuneration to Shareholders

The Shareholders Remuneration Policy seeks to guarantee the due appreciation of the shareholder, allied to the perpetuity and financial sustainability of the Bank in the short, medium, and long term, having as a premise the flexibility and financial soundness that ensure the sustainability of the businesses.

For the 2023 financial year, the distribution of dividends and/or Interest on Equity (JCP) corresponding to 40% of net income, adjusted as provided in letters "a" and "b" of item I of article 202 of the Law 6,404/76, based on the Bank's results, its financial condition, the need for cash, the Capital Plan and its targets and respective projections, the Declaration of Appetite and Risk Tolerance, perspectives of the current and potential markets in which it operates, existing investment opportunities and the maintenance and expansion of operational capacity.

Customers



We look at the customer in a complete way, breaking the traditional barriers of segmentation and knowing their interests, consumption habits, lifestyle, values, and affinities. With the intensive use of data, BB knows and values what is important to each person, promoting a close relationship that goes beyond core banking.

The use of analytical intelligence applied to customer knowledge, including interactions on social networks and face-to-face interactions carried out by the areas, allows for greater personalization of the relationship, generating good experiences and relevance, so that customers have access to a highly specialized bank, with products, services and advice tailored to your needs. Being close to customers provides more satisfaction and business opportunities.

We use analytical intelligence to hyper-personalize the offer of solutions to our customers. All of this in the convenience and scope of our channel platform, whether physical or digital. Furthermore, at all our points of contact we listen to the customer, understanding what we can do to be even more relevant in their life context.

As a result of our approaches, the Net Promoter Score (NPS) has been showing constant evolution and reached a historic result in March/23, ending the period with an increase of more than 18 points compared to March/22.

In the Bacen ranking, Banco do Brasil consolidated itself in fifth place among the top 5 banks – this is the first time that we have achieved this result for three consecutive periods, in the best position among the large banks. In the expanded list of fifteen banking and payment institutions evaluated, we remain in 13th place. Compared to the same period of the previous year, the reduction in complaints from BB surpassed the mark of 28%.

NPS: Evolution of
18 points
compared to march/22

ESG Agenda

(Environmental, Social and Governance)

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

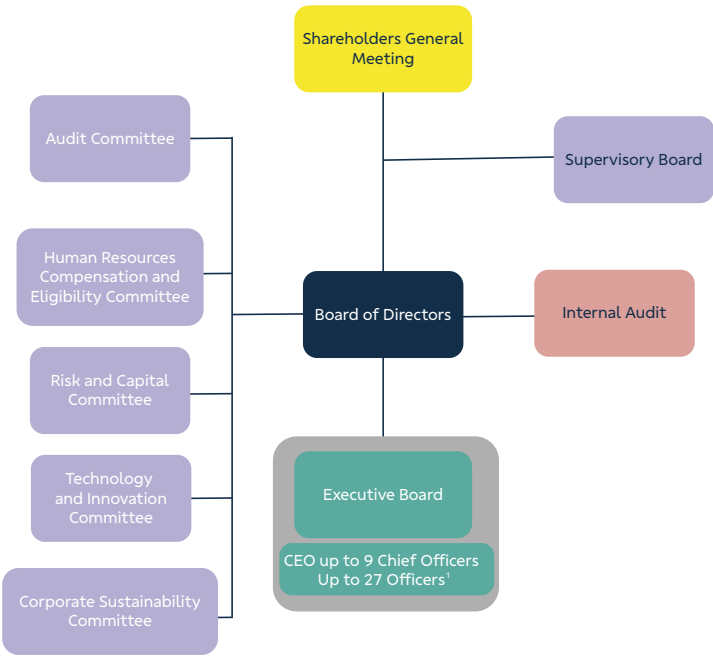


The commitment to develop business solutions with social, environmental and climate aspects is guided and declared in our Social, Environmental and Climate Responsibility Policy (PRSAC). It is also supported by the BB Credit Sustainability Guidelines, which are in synergy with the international commitments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

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



Corporate Governance



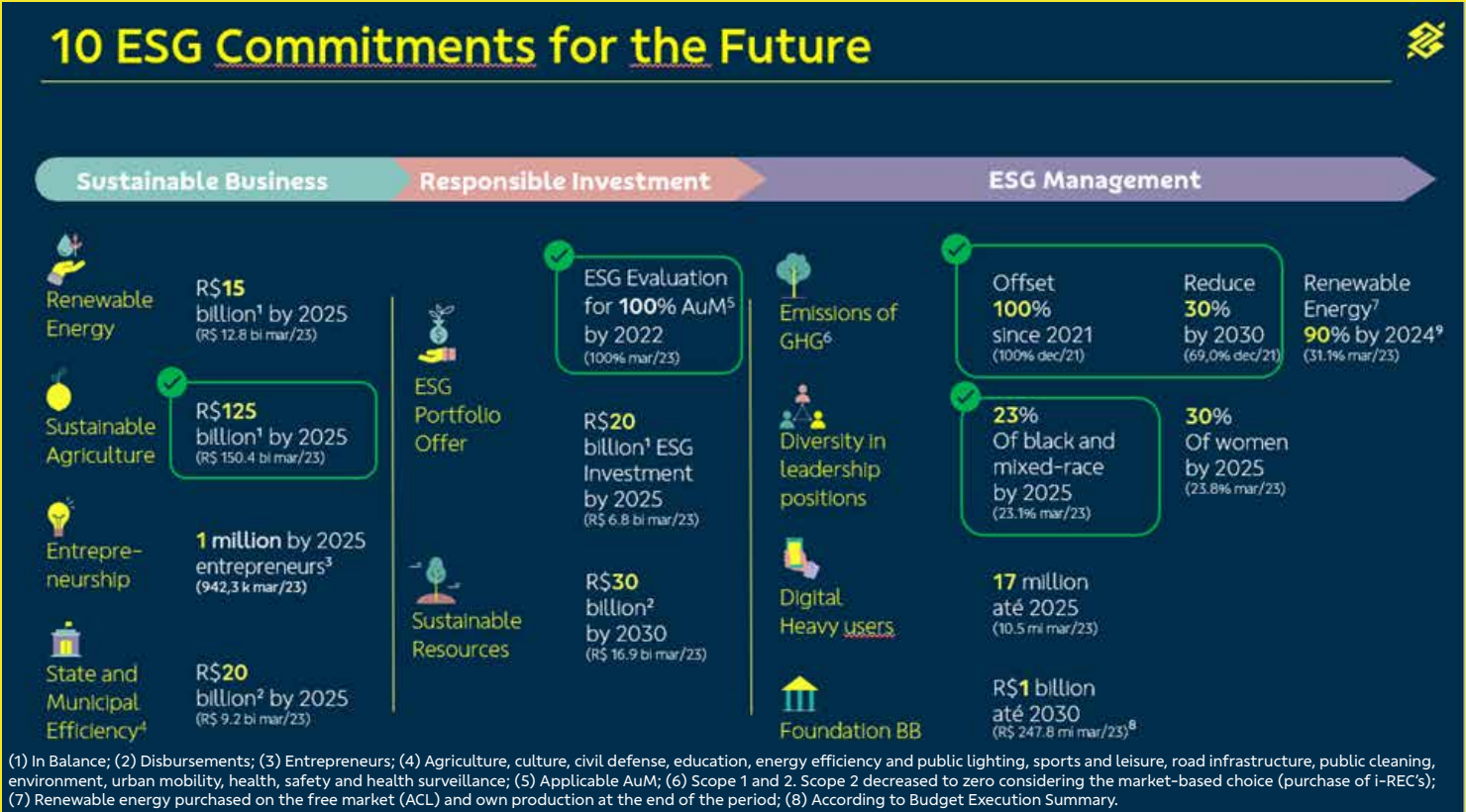
We adopt the best corporate governance practices, maintaining our commitment to the principles of transparency, accountability, fairness, and corporate responsibility. Since 2006, we have been the only bank listed on B3's Novo Mercado, a segment with the highest standards of corporate governance.

Decisions are taken collegially at all levels. Thus, management installed a structure of committees, subcommittees and strategic commissions that ensure agility, quality, and security in decision-making.

Our governance structure comprises the General Shareholders' Meeting; by the Board of Directors (CA) and its advisory committees – Audit Committee (Coaud); Humans, Remuneration and Eligibility Committee, Risks and Capital Committee (Coris), Technology and Innovation Committee (Cotei) and Corporate Sustainability Committee (Cossem); by the Executive Board, made up of the Board of Directors (President and Vice-presidents) and other Directors; and by the Supervisory Board.

Commitments to the future

In accordance with our leadership position in the search for an increasingly sustainable world, in 2021 we announced 10 Commitments with goals until 2030, which involve the Sustainable Business, Responsible Investment and ESG Management fronts. In March 23, we already achieved the following: (i) reaching R\$ 125 billion in Sustainable Agriculture by 2025 (achieved with R\$ 150.4 billion); (ii) carry out an ESG assessment on 100% of the applicable assets under BB Asset's management by 2022 (100% of assets assessed); and (iii) Compensate 100% of Direct GHG Emissions from 2021 and (iv) reach 23% of blacks and browns in senior leadership positions.



Recognitions in Sustainability



We were again classified as the most sustainable bank on the planet by the ranking of the 100 Most Sustainable Corporations in the World 2023 – Global 100, by Corporate Knights. The disclosure of the 100 companies took place on January 18 during the World Economic Forum, in Davos, Switzerland. In addition to the leading position among banks, BB is the only Brazilian company ranked, ranking 15th among companies in general.

In January 2023, we won for the 2nd consecutive time the award for the Most Sustainable Bank in South America, by Capital Finance International – CFI.co. The English publication on business, economics and finance uses several criteria to support awards decisions, based on information collected by the research team itself.

For the 18th consecutive year, we were included in the Corporate Sustainability Index (ISE) of B3 – Brasil, Bolsa, Balcão, which includes shares of publicly traded companies with the best sustainability practices. The Index's 2023 portfolio, which was released on December 30, 2022, aims to support investors in making investment decisions and encourage companies to adopt good ESG practices.

Also in January 2023, we received the Terra Carta Seal from the Sustainable Markets Initiative (SMI), an initiative conceived by King Charles III that recognizes private sector organizations that lead the global acceleration towards a sustainable transition. In the last edition, only 19 companies received the seal, with BB being the only company in Latin America. In Brazil, only Natura and BB have already received the seal.

We were featured in The Sustainability Yearbook 2023, which is one of the world's most comprehensive publications on corporate sustainability, ranking companies that are among the top 15% of their sectors by performance on the Dow Jones Index of the New York Stock Exchange (DJSI). In this edition, BB was classified in the Top 5% category among banks, for being within the range equivalent to 1% to 5% of companies in the sector in the DJSI 2022 evaluation process.

The publication is conducted by S&P Global Sustainable, source S&P Global's sustainability intelligence center, a reference for investors looking for companies that adopt sustainability criteria in their operations.

Eco-efficiency

We invested in renewable sources to have 90% of our energy decarbonized as early as 2024. We migrated 61 administrative buildings to the Free Contracting Environment (ACL), ensuring the consumption of clean energy and achieving accumulated savings of BRL 47 million from 2018 to November of 2022. We will migrate another 19 units throughout 2023. We are studying the expansion of another 1,600 units to be migrated to the ACL. On March 15, 2023, we inaugurated

another solar plant - the eighth since 2020. All plants have a social counterpart. Since 2020, BB's solar plants have already generated around 40 GWh, preventing the emission of more than 13 thousand tons of CO₂ into the atmosphere, equivalent to planting a small forest of two thousand trees. In addition to the environmental gains, we saved R\$15.4 million, a saving of 26% in relation to the captive market,

to reach an expected saving of R\$436 million in 15 years. We are automating the management of electricity through IOT to improve our energy efficiency rates, streamline service and support equipment maintenance and agility in obtaining information. The first pilot was carried out in the states of RJ and SP, covering 300 facilities. The second pilot is being contracted and will include another 810 premises.

Sustainable Funding

In April 2023, we issued our second international bond within the scope of the Sustainable Finance Framework. The international funding of senior debt, of the sustainability bond type, in the amount of US\$ 750 million, matures on April 18, 2030 and has a coupon of 6.250% p.a. The funds raised will be allocated to renewable energy projects and to financing micro and small businesses, especially those led by women.

We have reinforced our activities in the voluntary carbon market, supporting our clients in the preparation of projects that generate credits and in the commercialization of credits and offering the possibility of offsetting emissions through the acquisition of carbon credits generated from projects with significant environmental additivity. We also offer specific lines to promote projects that contribute to decarbonization.

At the end of the first quarter, more than 500,000 hectares were preserved in carbon projects, using the avoided deforestation methodology - REDD+. These are projects that combine environmental preservation and income generation for the owners of the areas with improvements for the communities located therein.

**US\$ 750 million
raised**

Sustainable Business Portfolio

In line with our long-term commitments and with the objective of assisting our customers in the transition to a more sustainable economy, at the end of March 23, we reached R\$ 328.0 billion in sustainable credit operations, an increase of 13.3% in 12 months. This amount was contracted in lines of credit with a strong environmental and/or social focus or to finance activities and/or segments that bring positive socio-environmental impacts to the sectors of renewable energy, energy efficiency, construction, sustainable transport and tourism, water, fishing, forestry, sustainable agriculture, waste management, education, health and local and regional development, in order to reinforce

our transforming role in the development of the country and in the construction of an increasingly sustainable future for society. The BB Credit Energia Renovável PF line, launched in 2021, had its maximum payment period extended from 60 to 96 months in 2022, boosting business opportunities. Since the launch of the line, more than R\$700 million have already been disbursed, contributing to the transition to clean energy in around 23,000 residential projects. In addition, of the target of R\$ 15 billion in credit for renewable energy, which includes other lines with this characteristic, we have already reached R\$ 12.8 billion - growth of 60% in 12 months.

Our Sustainable Credit Portfolio is submitted to an independent evaluation, which considers the main international classifications of the customers and lines of credit that make up the portfolio. The methodology is continuously revised to incorporate the best practices and pioneering references of recent years and to add new products with ESG attributes.

**R\$ 15 billion
in credit for
renewable energy**

Diversity, Equity and Inclusion Program



Over the last few decades, Banco do Brasil has been the protagonist of equity in diversity, equity and inclusion actions and we have increasingly improved our practices. We were the first Brazilian bank to adhere to the Standards of Conduct for Companies, developed by the UN, which aims to promote equal rights and fair treatment for the LGBTQIAP community, we are the first of the main financial institutions in the country to standardize the social name of employees trans. At the beginning of 2023, the first woman to occupy the Presidency of BB took office, Tarciana Medeiros, who nominated three women for the Vice Presidencies of Retail, Digital Business and Corporate. For the first time in history, Banco do Brasil has 45% women, 22% black people and two self-declared members of the LGBTQIAPN+ group on the Board of Directors.

The first woman to occupy the Presidency of BB

In order to sustain the necessary and important transformations, on March 8, we announced the review of the composition of governance bodies, the Executive Committee of People and Organizational Culture, subordinated to the Board of Directors, is now called the Executive Committee of People, Equity and Diversity with the inclusion of specific assignments related to as well as monitoring the evolution and dissemination of diversity at BB and we created the Diversity, Equity and Inclusion Advisory Board whose role is to discuss necessary advances in management, analyze trends and best practices, and propose initiatives associated with the themes.

As one of the largest financial institutions in the country, we are aware that our social responsibility requires commitment to all stakeholders. As a way of accelerating transformations, we gathered employees from different areas into a matrix team who work exclusively to integrate and address solutions, developing policies, action plans, metrics and indicators that should guide BB's performance in promoting Diversity, Equity and Inclusion for internal and external audiences and in relations with our clients and suppliers to influence and create positive impacts throughout society.



We have supported sports for over three decades. Among the sports sponsored are indoor and beach volleyball, surfing, skateboarding, street running, eSports, as well as sponsored individual athletes in different sports.

In a survey with Ibope/Repucom, from June/22, Banco do Brasil is in the third position of the most remembered brand as “encouraging sports in Brazil”. Still in the same survey, games and eSports occupy the 5th position among the 10 sports with the most fans among Brazilians aged 16 to 40 years. Sponsoring sports is also part of our brand rejuvenation strategy and associates Banco do Brasil with an activity whose attributes are quality of life, sustainability and preservation of the environment.

With regard to Culture, a territory in which BB has been renowned for more than 30 years, Banco do Brasil believes that when culture generates connection it inspires, sensitizes, generates repertoire, promotes critical thinking and has the power to impact lives. Therefore, we expand the connection with culture so that it is present in people's lives and is always a reason for interest. From this idea, we promote access to national and international cultural productions, through a simple and inclusive approach that provokes identification and representativeness.

We are present in four major Brazilian capitals – Rio de Janeiro, São Paulo, Brasília and Belo Horizonte – where we have already received more than 100

million visitors, carrying out more than 4,500 projects in the areas of performing arts, music, exhibitions, cinema, educational ideas and programs, which consolidated us as one of the main cultural centers in the Brazilian and international scenario.

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

Over 30 years supporting culture

People Management

We are a living organism. And our digital transformation will be consolidated by the continued training and protagonism of employees. Our teams will be flexible to adapt to market dynamics, ensuring operational efficiency and high performance. To this end, we will encourage an organizational culture that promotes pride in belonging, leadership, innovative capacity and fair recognition of the results achieved.

Through the Evolution Movement, we advance in the transformation movement towards a culture of innovation. We offer incentives for undergraduate, lato sensu postgraduate, master's and doctoral degrees focused on technology and innovation, in addition to language scholarships and other training. We expanded the options in corporate education with partners, notably Alura, the Massachusetts Institute of Technology (MIT), Gartner, Fundação Getúlio Vargas (FGV) and Instituto de Ensino Insper (Brazil), in addition to our renowned Corporate University, Unibb.

With the objective of identifying and developing leaders capable of reconciling the challenges of the business in the present and the construction of the Bank of the future, we launched the selection process for executive and managers abroad. The initiative is part of our process of cultural, digital transformation and succession to the enhancement of skills essential for the Bank's sustainability. In this process, with a view to valuing diversity, there was an increase in the number of positions for women classified in the recruitment process. The last phase of the process is expected to take place in July 2023. Also, within the scope of developing potential and retaining talent, we train the middle management of the Bank's strategic units with a view to developing the skills needed

to lead in a world in constant transformation in the target audience.

As for quality of life, we expanded psychological care online. With a focus on the integral health of employees, the new platform is a partner of By-pass, and on it the employee can have up to four free online sessions per month with licensed and specialized therapists, in addition to participating in conversation circles, searching for interactive content and carry out journeys for mental well-being. In addition, in February we launched the Accessibility Consultancy tool to promote a culture of respect for diversity and equality for people with disabilities (PWD).

Through it, any employee can clarify doubts and contribute to improving the experience of a PwD employee on their premises. We implemented the Joga Junto Program, a platform that allows employees to recognize their colleagues in a transversal, and systemic way, evaluating behaviors and achievements that generate sustainable results for the Bank. The methodology aims to encourage an organizational culture that promotes pride of belonging, protagonism, innovative capacity and fair recognition for the results achieved. In addition, it aims to promote a collaborative, diverse, reliable and transparent work environment and also highlight relevant contributions made by employees in their daily work.

For the tenth time, we received the Top Employers certification from the Dutch independent foundation Top Employers Institute. More than 400 people management practices were evaluated, with emphasis on: Training Leaders, Mentoring Portal, PIT+, Digital Leader Journey, BB Managers Program, Academy of Educators, among others. So far, 2053 companies worldwide and

57 in Brazil have been certified. With the aim of attracting talent, we point out that our contest, for all states and the Federal District, received more than 1.4 million applicants for the Clerk - Commercial Agent vacancies and more than 130 thousand applicants for the Clerk vacancies - Technology Agent. This is already the second largest external selection in the history of BB and is also the largest technology selection ever made in the country.

For this contest, Banco do Brasil increased the number of vacancies reserved for people with disabilities from 5% to 12.5%, as a result of a more inclusive and diverse approach to our policies and practices.



Photo: Manoela Gimima, employee of BB.

Independent Audit

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

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

In compliance with article 243 of Law 6,404/1976, we inform that the company's investments in affiliated and controlled companies are listed in explanatory notes 2 – Presentation of Financial Statements and 14 – Investments.

Additional Information

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

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

Report on the Individual and Consolidated Financial Statements prepared in accordance with the Accounting Standards for Institutions Regulated by the Central Bank of Brazil (Cosif).

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



Condensed Consolidated Interim Financial Statements IFRS

1st quarter/2023



In thousands of Reais, unless otherwise stated

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

REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the Board of Directors, Management and Shareholders of

Banco do Brasil S.A.

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Banco do Brasil S.A. ("Bank") for the period ended March 31, 2023, which comprise the condensed consolidated balance sheet as at March 31, 2023 and the related condensed consolidated statements of income, of comprehensive income, of changes in equity and of cash flows for the three-month period then ended, and notes to the financial statements.

Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review of Interim Financial Information (NBC TR 2410 – "Revisão de Informações Intermediárias Executada pelo Auditor da Entidade and ISRE 2410" - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the condensed consolidated interim financial statements

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements referred to above have not been prepared, in all material respects, in accordance with international standard IAS 34 - Interim Financial Reporting, issued by the IASB.

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Other matters

Statements of value added

The condensed consolidated statements of value added (“DVA”) for the three-month period ended March 31, 2023, prepared under the responsibility of the Bank’s Management, whose presentation is required by Brazilian corporate law for public companies and presented as supplementary information by International Financial Reporting Standards - IFRS, issued by the International Accounting Standards Board - IASB, were subject to the review procedures performed together with the review of the condensed consolidated interim financial statements of the Bank, to reach a conclusion on whether they are reconciled with the condensed consolidated interim financial statements and accounting records, as applicable, and if their form and content are consistent with the criteria set out in technical pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that this condensed consolidated statement of value added is not fairly presented, in all material respects, in accordance with the criteria set out in such technical pronouncement CPC 09 and consistently with the accompanying condensed consolidated interim financial statements taken as a whole.

Convenience translation into English

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

Brasília, May 12, 2023

DELOITTE TOUCHE TOHMATSU Luiz Carlos Oseliero Filho

Auditores Independentes Ltda. Engagement Partner



In thousands of Reais, unless otherwise stated

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Note	1st quarter/2023	1st quarter/2022
Interest income		65,909,746	48,490,439
Interest expense		(44,693,912)	(33,095,095)
Net interest income	[5]	21,215,834	15,395,344
Net (constitution)/reversal of expected credit losses with:		(6,333,170)	(5,654,515)
Loans to financial institutions		(8,946)	10,576
Loans to customers	[14]	(3,674,560)	(4,839,234)
Other financial assets		(2,649,664)	(825,857)
Net interest income after allowance for losses		14,882,664	9,740,829
Non-interest income		10,202,748	9,810,969
Net commissions and fee income	[6]	6,113,532	5,715,536
Net gains/(losses) from financial instruments:		(340,287)	(2,703,950)
Fair value through profit or loss		320,653	(2,749,468)
Fair value through other comprehensive income		(660,940)	45,518
Net gains from equity method investments	[15]	1,560,568	1,018,919
Net income on foreign exchange and translation of foreign currency transactions		(128,707)	2,721,322
Other operating income	[7]	2,997,642	3,059,142
Non-interest expenses		(16,002,933)	(14,552,324)
Personnel expenses	[8]	(6,643,901)	(5,998,167)
Other administrative expenses	[9]	(2,086,474)	(1,911,616)
Contributions, fees and other taxes		(1,863,599)	(1,668,134)
Amortization of intangible assets		(576,653)	(283,905)
Labor, tax and civil lawsuits	[19]	(2,027,035)	(1,840,204)
Depreciation		(688,378)	(657,486)
Other operating expenses	[7]	(2,116,893)	(2,192,812)
Income before taxes		9,082,479	4,999,474
Income taxes	[20]	(1,791,497)	5,276
Current		(1,033,650)	(1,215,747)
Deferred		(757,847)	1,221,023
Net income		7,290,982	5,004,750
Attributable to shareholders of the Bank		6,691,197	4,587,882
Attributable to non-controlling interests		599,785	416,868
Earnings per share			
Earnings per share (R\$) – basic and diluted		2.34	1.61
Weighted average shares outstanding – basic		2,853,992,740	2,853,771,411
Weighted average shares outstanding – diluted		2,853,597,836	2,853,433,826

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



In thousands of Reais, unless otherwise stated

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	1st quarter/2023	1st quarter/2022
Net income	7,290,982	5,004,750
Items that are or may be subsequently reclassified to profit or loss		
Financial assets at fair value through other comprehensive income	658,935	268,657
Unrealized gains/(losses) on financial assets at fair value through other comprehensive income	(30,704)	1,144,968
Realized (gains)/losses on financial assets at fair value through other comprehensive income – reclassified to profit or loss	660,940	(45,518)
Tax effect	28,699	(830,793)
Share in other comprehensive income of associates and joint ventures	(33,063)	58,477
Unrealized gains/(losses) on financial assets at fair value through other comprehensive income	(130,426)	253,864
Unrealized gains/(losses) on cash flow hedge	(85,005)	(124,647)
Unrealized gains/(losses) on other comprehensive income	158,477	(6,100)
Tax effect	23,891	(64,640)
Hedge of net investment in a foreign operation	13,281	29,371
Unrealized gains/(losses) on hedge of net investment in a foreign operation	25,323	56,006
Tax effect	(12,042)	(26,635)
Foreign currency translation differences	(689,339)	(1,020,859)
Items that will not be subsequently reclassified to profit or loss		
Defined benefit pension plans	--	3,897,271
Gains/(losses) remeasurement related to defined benefit pension plans	--	7,414,592
Tax effect	--	(3,517,321)
Total other comprehensive income net of tax effects	(50,186)	3,232,917
Total comprehensive income	7,240,796	8,237,667
Attributable to shareholders of the Bank	6,756,768	8,015,945
Attributable to non-controlling interests	484,028	221,722

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



In thousands of Reais, unless otherwise stated

CONDENSED CONSOLIDATED BALANCE SHEETS

	Note	Mar 31, 2023	Dec 31, 2022
Assets			
Cash and bank deposits	[10]	24,989,738	18,310,546
Compulsory deposits with Brazilian Central Bank		94,994,646	95,119,085
Financial assets at amortized cost, net		1,421,933,608	1,352,904,935
Loans to financial institutions		48,001,602	62,607,954
Securities purchased under resale agreements	[11]	421,923,222	360,620,474
Loans to customers	[13],[14]	852,903,153	832,938,557
Securities	[12]	48,675,717	47,996,424
Other financial assets		50,429,914	48,741,526
Financial assets at fair value through profit or loss	[12]	14,852,067	12,078,012
Debt and equity instruments		10,961,773	10,439,943
Derivatives		3,890,294	1,638,069
Financial assets at fair value through other comprehensive income	[12]	371,653,795	369,770,754
Non current assets held for sale		191,616	203,473
Investments in associates and joint ventures	[15]	20,826,790	20,199,203
Property and equipment		13,152,517	13,200,128
Use		8,956,955	9,194,568
Right of use		4,195,562	4,005,560
Intangible assets		10,663,091	11,030,985
Tax assets		67,119,104	67,241,980
Current		9,105,916	9,914,030
Deferred	[20]	58,013,188	57,327,950
Other assets		49,550,623	48,094,647
Total		2,089,927,595	2,008,153,748
Liabilities			
Financial liabilities at amortized cost		1,831,045,817	1,753,201,995
Customers resources	[16]	750,723,612	753,263,047
Amount payable to financial institutions		24,288,732	24,082,857
Financial institutions resources	[17]	641,405,713	564,453,599
Funds from issuance of securities	[18]	341,865,567	328,608,124
Other financial liabilities		72,762,193	82,794,368
Financial liabilities at fair value through profit or loss	[12]	4,901,944	2,764,797
Provisions for labor, tax and civil lawsuits	[19]	19,057,450	18,372,705
Expected losses for guarantees provided and loan commitments		3,488,051	3,584,878
Tax liabilities		16,062,868	18,192,089
Current		1,342,090	4,625,471
Deferred	[20]	14,720,778	13,566,618
Other liabilities		47,238,153	48,534,390
Total		1,921,794,283	1,844,650,854
Shareholders' equity	[21]		
Share capital		90000023	90,000,023
Instruments qualifying as common equity tier 1 capital		7,100,000	7,100,000
Treasury shares		(268,255)	(272,570)
Capital reserves		6,634,358	6,630,709
Profit reserves		66,948,629	70,142,173
Accumulated other comprehensive income		(7,495,046)	(7,560,617)
Unallocated retained earnings		309,280	(6,800,823)
Shareholders' equity attributable to shareholders of the Bank		163,228,989	159,238,895
Shareholders' equity attributable to non-controlling interests		4,904,323	4,263,999
Total		168,133,312	163,502,894
Total liabilities and shareholders' equity		2,089,927,595	2,008,153,748

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



In thousands of Reais, unless otherwise stated

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Attributable to shareholders of the Bank												
						Other comprehensive income					Shareholders' equity attributable to shareholders of the Bank		
						Financial assets at fair value through other comprehensive income	Defined benefit plans remeasurement	Foreign currency translation	Gains/(losses) on hedge/ others				
	Share capital	Instruments qualifying as common equity tier 1 capital	Treasury shares	Capital reserves	Profit reserves					Unallocated retained earnings		Shareholders' equity attributable to non-controlling interests	Total shareholders' equity
Balance at December 31, 2021	90,000,023	8,100,000	(276,913)	6,627,633	51,180,290	(1,664,736)	(4,699,652)	(1,873,586)	175,983	(4,817,560)	142,751,482	3,358,751	146,110,233
Transition to IFRS 17	--	--	--	--	--	--	--	--	--	76,408	76,408	38,733	115,141
Balance at January 01, 2022	90,000,023	8,100,000	(276,913)	6,627,633	51,180,290	(1,664,736)	(4,699,652)	(1,873,586)	175,983	(4,741,152)	142,827,890	3,397,484	146,225,374
Net income	--	--	--	--	--	--	--	--	--	4,587,882	4,587,882	416,868	5,004,750
Other comprehensive income	--	--	--	--	--	396,464	3,897,271	(822,439)	(43,233)	--	3,428,063	(195,146)	3,232,917
Total comprehensive income	--	--	--	--	--	396,464	3,897,271	(822,439)	(43,233)	4,587,882	8,015,945	221,722	8,237,667
Share-based payments	--	--	4,343	3,076	--	--	--	--	--	--	7,419	--	7,419
Other	--	--	--	--	--	--	--	--	--	613	613	22,982	23,595
Constitution of profit reserve	--	--	--	--	28,312	--	--	--	--	(28,312)	--	--	--
Interest on instruments qualifying as common equity (Note 21.c)	--	--	--	--	--	--	--	--	--	(272,762)	(272,762)	--	(272,762)
Distribution of interest on own capital and dividends	--	--	--	--	(2,521,674)	--	--	--	--	--	(2,521,674)	--	(2,521,674)
Hyperinflation adjustments in Argentina	--	--	--	--	--	--	--	--	--	340,845	340,845	74,880	415,725
Balance at March 31, 2022	90,000,023	8,100,000	(272,570)	6,630,709	48,686,928	(1,268,272)	(802,381)	(2,696,025)	132,750	(112,886)	148,398,276	3,717,068	152,115,344
Balance at December 31, 2022	90,000,023	7,100,000	(272,570)	6,630,709	70,142,173	(2,632,077)	(1,845,703)	(3,193,840)	111,003	(7,083,363)	158,956,355	4,120,768	163,077,123
Application to IFRS 17	--	--	--	--	--	--	--	--	--	282,540	282,540	143,231	425,771
Balance at January 01, 2023	90,000,023	7,100,000	(272,570)	6,630,709	70,142,173	(2,632,077)	(1,845,703)	(3,193,840)	111,003	(6,800,823)	159,238,895	4,263,999	163,502,894
Net income	--	--	--	--	--	--	--	--	--	6,691,197	6,691,197	599,785	7,290,982
Other comprehensive income	--	--	--	--	--	489,153	--	(494,549)	70,967	--	65,571	(115,757)	(50,186)
Total comprehensive income	--	--	--	--	--	489,153	--	(494,549)	70,967	6,691,197	6,756,768	484,028	7,240,796
Share-based payments	--	--	4,315	3,649	--	--	--	--	--	--	7,964	274	8,238
Other	--	--	--	--	--	--	--	--	--	4,563	4,563	(12,049)	(7,486)
Constitution of profit reserve	--	--	--	--	29,629	--	--	--	--	(29,629)	--	--	--
Interest on instruments qualifying as common equity (Note 21.c)	--	--	--	--	--	--	--	--	--	(60,063)	(60,063)	--	(60,063)
Distribution of interest on own capital and dividends	--	--	--	--	(3,223,173)	--	--	--	--	--	(3,223,173)	--	(3,223,173)
Change in non-controlling interest	--	--	--	--	--	--	--	--	--	--	--	45,114	45,114
Hyperinflation adjustments in Argentina	--	--	--	--	--	--	--	--	--	504,035	504,035	122,957	626,992
Balance at March 31, 2023	90,000,023	7,100,000	(268,255)	6,634,358	66,948,629	(2,142,924)	(1,845,703)	(3,688,389)	181,970	309,280	163,228,989	4,904,323	168,133,312

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



In thousands of Reais, unless otherwise stated

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the first quarter of year ended on March 31,	2023	2022
Operating activities		
Net income	7,290,982	5,004,750
Adjustments for:	10,288,271	10,837,253
Net expected loss on loans to customers	5,171,897	6,492,453
Provision for labor, tax and civil lawsuits	2,027,035	1,840,204
Income taxes	1,791,497	(5,276)
Effect of exchange rate changes on cash and cash equivalents	1,775,655	6,541,844
Depreciation	688,378	657,486
Net (gains)/losses from financial assets at fair value through other comprehensive income	660,940	(45,518)
Amortization of intangible assets	576,653	283,905
Net (gains)/losses on foreign exchange and translation of foreign currency transactions	128,707	(2,721,322)
Net losses of capital in other assets	15,066	46,257
Impairment of other assets	12,963	8,885
Net expected loss/(reversal) on loans to financial institutions	8,946	(10,576)
Net gains from disposal of property	(54,766)	(48,714)
Adjustment of actuarial assets/liabilities and surplus allocation funds	(897,234)	(725,217)
Net gains from equity method investments	(1,560,568)	(1,018,919)
Other	(56,898)	(458,239)
Adjustments for net change in operating assets and liabilities	(30,141,956)	891,910
Compulsory deposits with central banks	124,439	(3,821,051)
Loans to financial institutions	(4,000,385)	137,951
Securities purchased under resale agreements	(63,055,146)	(79,263,157)
Financial assets at fair value through profit or loss	(2,774,055)	1,921,815
Loans to customers	(25,104,329)	(9,154,508)
Non-current assets held for sale	33,437	111,522
Other assets	(18,464,549)	(12,193,251)
Deposits of clients	(2,539,435)	(9,060,916)
Amounts payable to financial institutions	205,875	(1,472,458)
Financial liabilities at fair value through profit or loss	2,137,147	3,824,890
Securities sold under repurchase agreements	76,952,114	84,112,581
Liabilities from issuance of securities and other financial liabilities	20,508,816	13,903,378
Other liabilities	(9,743,888)	14,761,036
Income taxes paid	(4,421,997)	(2,915,922)
Net cash provided by (used in) operating activities	(12,562,703)	16,733,913



In thousands of Reais, unless otherwise stated

Continued	2023	2022
Investing activities		
Acquisition of financial assets at fair value through other comprehensive income	(39,539,564)	(56,863,782)
Disposal of financial assets at fair value through other comprehensive income	52,484,252	51,685,450
Acquisition of securities at amortized cost	(812,160)	(1,114,629)
Redemption of securities at amortized cost	340,810	1,394,823
Acquisition of property and equipment	(294,969)	(215,131)
Disposal of property and equipment	1,104	--
Acquisition of intangible assets	(217,079)	(186,006)
Dividends and interest on own capital received	1,070,460	634,617
Capital investment – Broto S.A.	(31,200)	--
Disposal of interest in Banco Digio S.A.	--	645,060
Net cash provided by (used in) investing activities	13,001,654	(4,019,598)
Financing activities		
Settlement of long-term liabilities	(7,251,374)	(11,353,356)
Interest paid on additional equity instrument	(258,196)	(272,761)
Repayments and extinguishments of lease liabilities	(249,645)	(262,946)
Dividends and interest on own capital paid to Bank's shareholders	(3,313,185)	(2,912,342)
Dividends and interest on own capital paid to non-controlling interests	(1,261,893)	(624,697)
Net cash used in financing activities	(12,334,293)	(15,426,102)
Net increase or decrease in cash and cash equivalents	(11,895,342)	(2,711,787)
Cash and cash equivalents at the beginning of the year	68,826,279	54,494,681
Effect of exchange rate changes on cash and cash equivalents	(1,775,655)	(6,541,844)
Cash and cash equivalents at the end of the year	55,155,282	45,241,050
Increase/(decrease) in cash and cash equivalents	(11,895,342)	(2,711,787)
Complementary information about cash flow	19,527,030	19,498,880
Interest paid	(41,212,139)	(27,838,820)
Interest received	60,739,169	47,337,700
Accounting changes not involving cash and cash equivalents		
Assets reclassified as non-current assets held for sale	21,581	9,034
Loans to customers transferred to non-operating assets (other assets)	--	2,502
Unpaid dividends	2,218,605	1,920,667

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



In thousands of Reais, unless otherwise stated

CONDENSED CONSOLIDATED STATEMENTS OF VALUE ADDED

	Note	1st quarter/2023	1st quarter/2022
Income		68,218,756	51,627,974
Financial intermediation		65,440,752	48,507,811
Service rendering		9,111,174	8,774,678
Net (constitution)/reversal of expected credit losses with:		(6,333,170)	(5,654,515)
Loans to customers		(3,674,560)	(4,839,234)
Loans to financial institutions		(8,946)	10,576
Other financial assets		(2,649,664)	(825,857)
Financial intermediation expenses		(44,693,912)	(33,095,095)
Purchased inputs from third parties		(6,037,339)	(5,803,111)
Supplies, energy and others	[9]	(1,583,437)	(1,480,876)
Outsourced services	[9]	(309,974)	(289,219)
Other		(4,143,928)	(4,033,016)
Adjustment of actuarial liabilities	[7]	(315,929)	(297,162)
Performance bonus paid to customers for loyalty	[7]	(332,211)	(454,796)
Inflation adjustments of tax obligations under legal discussion	[7]	--	(189,172)
Operating losses	[7]	(64,237)	(49,924)
Liabilities for operations linked to assignments	[7]	(4,297)	(4,724)
Other		(3,427,254)	(3,037,238)
Gross Value Added		17,487,505	12,729,768
Depreciation, depletion and amortization		(1,265,031)	(941,391)
Net Value Added produced by the entity		16,222,474	11,788,377
Value Added received in transference		1,560,568	1,018,919
Net income/(loss) from equity method investments		1,560,568	1,018,919
Total Value Added created		17,783,042	12,807,296
Distribution of Value Added created		17,783,042	12,807,296
Personnel	[8]	6,794,582	6,137,687
Wages and salaries		4,502,710	4,039,909
Benefits		1,169,580	1,072,163
Social security cost - FGTS		191,412	181,952
Other charges		930,880	843,663
Taxes, fees and contributions		3,655,096	1,662,858
Federal		3,014,362	1,175,636
State		430	403
Municipal		640,304	486,819
Borrowed capital repayment		42,382	2,001
Rental	[9]	42,382	2,001
Own capital repayment	[21.h]	7,290,982	5,004,750
Interest on own capital - Brazilian Government		1,436,068	1,039,189
Interest on own capital - others		1,436,068	1,039,189
Dividends - Brazilian Government		175,519	221,648
Dividends - others		175,518	221,648
Non-controlling interest's dividends		--	--
Interest on instrument qualifying as common equity tier 1 capital		60,063	61,469
Profit retained/loss		3,407,961	2,004,739
Non-controlling interest on retained profit		599,785	416,868

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



1 – THE BANK AND ITS OPERATIONS

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

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

The Group’s business activities include the following:

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

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

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

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

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

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

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

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



In thousands of Reais, unless otherwise stated

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

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

The Bank's public disclosures are designed to meet the needs of external users and to comply with the requirements of regulatory agencies such as Bacen, Brazil's Security and Exchange Commission (CVM) and the United States Securities and Exchange Commission (SEC). The Bank follows the highest standards of corporate governance, providing information that is transparent, accurate, complete, consistent, fair and timely.

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

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

2 – PRESENTATION OF CONSOLIDATED INTERIM FINANCIAL STATEMENTS

a) Statement of compliance

These consolidated interim financial statements for the three-month period ended Mar 31, 2023 have been prepared in accordance with the requirements of IAS 34 – Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

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

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

The Bank's Board of Directors approved these consolidated interim financial statements and authorized for issuance on May 12, 2023.

b) Functional and presentation currency

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



c) Going concern

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

d) Significant judgments and accounting estimates

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

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

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

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

e) Changes in accounting policies

These consolidated interim financial statements were prepared using the same policies and accounting methods used to prepare the consolidated financial statements for the year ended Dec 31, 2022.

f) Seasonality of operations

The business of the Bank and its subsidiaries is non-cyclic and non-seasonal. Consequently, there are no specific disclosures in these notes to the consolidated interim financial statements for the three-month period ended Mar 31, 2023, except by the adoption of these standards:

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

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

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

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



In thousands of Reais, unless otherwise stated

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

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

Condensed Consolidated Balance Sheets

Dec 31, 2022	Original report	Adjustments	Restated balances
Assets			
Investments in associates and joint ventures	19,773,432	425,771	20,199,203
Total	2,007,727,977	425,771	2,008,153,748
Shareholders' equity			
Unallocated retained earnings	(7,083,363)	282,540	(6,800,823)
Shareholders' equity attributable to shareholders of the Bank	158,956,355	282,540	159,238,895
Shareholders' equity attributable to non-controlling interests	4,120,768	143,231	4,263,999
Total	163,077,123	425,771	163,502,894
Total liabilities and shareholders' equity	2,007,727,977	425,771	2,008,153,748

Condensed Consolidated Statements of Income

Mar 31, 2023	Original report	Adjustments	Restated balances
Non-interest income	9,780,883	30,086	9,810,969
Net gains from equity method investments	988,833	30,086	1,018,919
Income before taxes	4,969,388	30,086	4,999,474
Net income	4,974,664	30,086	5,004,750
Attributable to shareholders of the Bank	4,567,917	19,965	4,587,882
Attributable to non-controlling interests	406,747	10,121	416,868

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

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

Amendment to IAS 8 – Accounting Policies, Changes in Estimates and Errors – In February 2021, the IASB distinguished the differences between amendments in accounting policy and amendments in accounting estimates.

The amendment had no material impact on the financial statements.



In thousands of Reais, unless otherwise stated

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

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

g) Standards yet to be adopted

A summary of certain amendments, interpretations and standards recently issued by the IASB that will become effective after Mar 31, 2023, are presented below:

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

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

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

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

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

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

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



In thousands of Reais, unless otherwise stated

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



In thousands of Reais, unless otherwise stated

i) Consolidated interim financial statements

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

	Activity	Country	Functional currency	% Total share	
				Mar 31, 2023	Dec 31, 2022
Banking segment					
Banco do Brasil AG	Banking	Austria	Real	100.00%	100.00%
BB Leasing S.A. – Arrendamento Mercantil	Leasing	Brazil	Real	100.00%	100.00%
Banco do Brasil Securities LLC.	Broker	USA	Real	100.00%	100.00%
BB Securities Ltd.	Broker	England	Real	100.00%	100.00%
BB USA Holding Company, Inc.	Broker	USA	Real	100.00%	100.00%
BB Cayman Islands Holding	Holding	Cayman Islands	Real	100.00%	100.00%
Banco do Brasil Americas	Holding	USA	American Dollar	100.00%	100.00%
Banco Patagonia S.A.	Banking	Argentina	Argentinian Peso	80.39%	80.39%
Investment segment					
BB Banco de Investimento S.A.	Investment bank	Brazil	Real	100.00%	100.00%
Segment of fund management					
BB Gestão de Recursos – Distribuidora de Títulos e Valores Mobiliários S.A. – BB Asset	Asset management	Brazil	Real	100.00%	100.00%
Segment of insurance, private pension fund and capitalization					
BB Seguridade Participações S.A. ⁽¹⁾	Holding	Brazil	Real	66.36%	66.36%
BB Corretora de Seguros e Administradora de Bens S.A. ⁽¹⁾	Broker	Brazil	Real	66.36%	66.36%
BB Seguros Participações S.A. ⁽¹⁾	Holding	Brazil	Real	66.36%	66.36%
Segment of payment methods					
BB Administradora de Cartões de Crédito S.A.	Service rendering	Brazil	Real	100.00%	100.00%
BB Elo Cartões Participações S.A.	Holding	Brazil	Real	100.00%	100.00%
Other segments					
Ativos S.A. Securitizadora de Créditos Financeiros	Credits acquisition	Brazil	Real	100.00%	100.00%
Ativos S.A. Gestão de Cobrança e Recuperação de Crédito	Collection management	Brazil	Real	100.00%	100.00%
BB Administradora de Consórcios S.A.	Consortium	Brazil	Real	100.00%	100.00%
BB Tur Viagens e Turismo Ltda.	Tourism	Brazil	Real	100.00%	100.00%
BB Asset Management Ireland Limited	Asset management	Ireland	Real	100.00%	100.00%
BB Tecnologia e Serviços ⁽¹⁾	IT	Brazil	Real	99.99%	99.99%
Fundo de Investimento em Direitos Creditórios – Bancos Emissores de Cartão de Crédito V ⁽²⁾	Investment funds	Brazil	Real	80.18%	84.09%
BB Impacto ASG I Fundo em Investimento em Multiestratégia Investimento no Exterior ⁽²⁾	Investment funds	Brazil	Real	100.00%	100.00%
BB Ventures I Fundo de Investimento em Participações Multiestratégia – Investimento no Exterior ⁽²⁾	Investment funds	Brazil	Real	100.00%	100.00%
FIP Aventures II Multiestratégias ⁽²⁾	Investment funds	Brazil	Real	54.42%	54.45%
BB Multi Criptoativos Full IE LP FIC FI ⁽³⁾	Investment funds	Brazil	Real	--	63.96%
BB Asset Renda Fixa Plus FICFI ⁽³⁾	Investment funds	Brazil	Real	--	52.99%
BB Asset Renda Fixa Crédito Privado Longo Prazo ⁽³⁾	Investment funds	Brazil	Real	81.28%	82.06%
BB Ações Seleção Fatorial Funci FI ⁽³⁾	Investment funds	Brazil	Real	64.91%	72.10%
BB MM Multiestratégia LP Funci FIC FI ⁽³⁾	Investment funds	Brazil	Real	51.17%	54.74%
BB Ações BRL Global Superdividendos Global X Superdividendos ⁽³⁾	Investment funds	Brazil	Real	99.92%	100.00%
BB Multigestor Crédito Privado FIC FIM ⁽³⁾	Investment funds	Brazil	Real	--	99.78%
BB Fx MM Allspring Climate Transition FI IE ⁽³⁾	Investment funds	Brazil	Real	100.00%	100.00%
BB Ações FX Pictet Global Environmental Opportunities ⁽³⁾	Investment funds	Brazil	Real	100.00%	100.00%
BB MM Global Select Equity Value IE FIC FI ⁽³⁾	Investment funds	Brazil	Real	--	100.00%
BB Multimercado High Alpha LP FIC FI ⁽³⁾	Investment funds	Brazil	Real	100.00%	--

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

(2) Investment funds in which the Bank substantially assumes or retains risks and benefits.

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



j) Involvement with consolidated structured entities

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

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

SPE Dollar

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

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

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

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

SPE Loans

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

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

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

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



In thousands of Reais, unless otherwise stated

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

Mar 31, 2023	BB Seguridade Participações S.A.	Banco Patagonia S.A.	Other
Current assets	77,960	23,304,959	1,683,099
Non-current assets	10,069,062	6,019,730	198,001
Current liabilities	11,468	22,811,582	408,172
Non-current liabilities	61	28,099	--
Income	1,801,859	3,133,765	415,899
Net income	1,714,328	80,112	74,772
Comprehensive income	1,525,479	(109,162)	74,772
Dividends paid to NCI	--	--	--
Ownership interest held by NCI	33.64%	19.61%	--
Net income attributable to NCI	576,700	15,710	7,375
Accumulated shareholder NCI	3,409,580	1,271,710	223,033

Dec 31, 2022	BB Seguridade Participações S.A.	Banco Patagonia S.A.	Other
Current assets	3,768,306	23,547,407	1,674,003
Non-current assets	8,120,307	5,335,397	199,586
Current liabilities	3,686,067	21,955,744	462,661
Non-current liabilities	28	173,450	--
Income	6,091,165	9,103,357	1,460,574
Net income	6,040,886	883,814	157,777
Comprehensive income	6,187,933	1,184,319	157,777
Dividends paid to NCI	1,931,830	--	--
Ownership interest held by NCI	33.64%	19.61%	0.00%
Net income attributable to NCI	2,032,154	173,316	13,458
Accumulated shareholder NCI	2,759,327	1,324,383	180,289

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

Mar 31, 2023	BB Seguros Participações S.A.	BB Corretora de Seg. e Adm. de Bens S.A.
Current assets	1,075,500	2,930,536
Non-current assets	8,509,457	2,030,431
Current liabilities	30,791	2,206,837
Non-current liabilities	310,321	2,040,028
Income	1,187,631	1,322,587
Net income	1,135,030	707,712
Comprehensive income	946,234	707,660



In thousands of Reais, unless otherwise stated

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

3 – ACQUISITIONS, DISPOSALS AND CORPORATE RESTRUCTURING

a) Disposal of indirect equity interest

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

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

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

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

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

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

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

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

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



In thousands of Reais, unless otherwise stated

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

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

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

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

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

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

On January 04, 2023, according to the Assembleia Geral 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.

4 – OPERATING SEGMENTS

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

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

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



In thousands of Reais, unless otherwise stated

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

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

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

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

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

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

a) Banking

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

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

b) Investments

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

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

c) Fund management

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



d) Insurance

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

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

e) Electronic payments

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

f) Other

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



In thousands of Reais, unless otherwise stated

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

	1st quarter/2023									
	Banking	Investments	Fund management	Insurance and related	Electronic payments	Other	Intersegment transactions	Consolidated management statement	Adjustments	Consolidated IFRS
Interest income	65,962,563	224,289	87,351	172,641	212,312	372,004	(677,956)	66,353,204	(443,458)	65,909,746
Interest expense	(45,125,924)	(214,188)	--	--	--	(152,295)	677,956	(44,814,451)	120,539	(44,693,912)
Net interest income	20,836,639	10,101	87,351	172,641	212,312	219,709	--	21,538,753	(322,919)	21,215,834
Expected losses	(2,531,124)	--	--	--	(384)	--	--	(2,531,508)	(3,801,662)	(6,333,170)
Net interest income after expected losses	18,305,515	10,101	87,351	172,641	211,928	219,709	--	19,007,245	(4,124,581)	14,882,664
Non-interest income	3,396,119	136,669	819,126	2,344,475	458,233	1,037,775	(715,558)	7,476,839	2,725,909	10,202,748
Net commissions and fee income	3,149,850	47,221	817,467	1,206,641	11,468	955,817	(344,237)	5,844,227	269,305	6,113,532
Net gains/(losses) from financial instruments	(2,910,454)	71,300	--	--	(75)	(23,741)	--	(2,862,970)	2,522,683	(340,287)
Net gains/(losses) from equity method investments	134,124	(7,437)	--	1,131,661	398,334	--	--	1,656,682	(96,114)	1,560,568
Other operating income	3,022,599	25,585	1,659	6,173	48,506	105,699	(371,321)	2,838,900	30,035	2,868,935
Non-interest expenses	(14,660,952)	(71,117)	(143,834)	(291,651)	(84,957)	(642,498)	715,558	(15,179,451)	(823,482)	(16,002,933)
Personnel expenses	(6,491,590)	(5,953)	(34,836)	(19,573)	(1,549)	(81,097)	1,482	(6,633,116)	(10,785)	(6,643,901)
Administrative expenses	(2,545,403)	(9,222)	(15,111)	(59,809)	(246)	(200,688)	420,036	(2,410,443)	323,969	(2,086,474)
Contributions, fees and other taxes	(1,504,656)	(10,292)	(58,700)	(150,960)	(20,012)	(140,152)	--	(1,884,772)	21,173	(1,863,599)
Amortization of intangible assets	(575,368)	--	--	(204)	--	(1,132)	--	(576,704)	51	(576,653)
Labor, tax and civil claims	(2,130,487)	(23,748)	(1,732)	(1,455)	(23)	(34,560)	--	(2,192,005)	164,970	(2,027,035)
Depreciation	(386,386)	--	--	(5)	--	(8,727)	--	(395,118)	(293,260)	(688,378)
Other operating expenses	(1,027,062)	(21,902)	(33,455)	(59,645)	(63,127)	(176,142)	294,040	(1,087,293)	(1,029,600)	(2,116,893)
Income before taxes	7,040,682	75,653	762,643	2,225,465	585,204	614,986	--	11,304,633	(2,222,154)	9,082,479
Income taxes	(1,296,761)	(36,931)	(305,138)	(366,299)	(81,482)	(197,147)	--	(2,283,758)	492,261	(1,791,497)
Current	(12,200)	(50,360)	(305,653)	(366,794)	(68,304)	(233,587)	--	(1,036,898)	3,248	(1,033,650)
Deferred	(1,284,561)	13,429	515	495	(13,178)	36,440	--	(1,246,860)	489,013	(757,847)
Net income	5,743,921	38,722	457,505	1,859,166	503,722	417,839	--	9,020,875	(1,729,893)	7,290,982
Attributable to shareholders of the Bank	5,555,891	38,722	457,505	1,240,288	503,722	410,464	--	8,206,592	(1,515,395)	6,691,197
Attributable to non-controlling interests	188,030	--	--	618,878	--	7,375	--	814,283	(214,498)	599,785
Total assets	2,109,585,696	7,882,595	2,557,793	13,732,298	12,165,853	13,530,790	(44,710,821)	2,114,744,204	(24,816,609)	2,089,927,595
Total liabilities	1,945,434,681	6,974,790	713,431	4,282,923	2,206,878	9,971,662	(24,372,793)	1,945,211,572	(23,417,289)	1,921,794,283
Total equity	164,151,015	907,805	1,844,362	9,449,375	9,958,975	3,559,128	(20,338,028)	169,532,632	(1,399,320)	168,133,312



In thousands of Reais, unless otherwise stated

	1st quarter/2022									
	Banking	Investments	Fund management	Insurance and related	Electronic payments	Other	Intersegment transactions	Consolidated management statement	Adjustments	Consolidated IFRS
Interest income	48,518,830	89,139	69,988	83,556	127,975	280,594	(335,157)	48,834,925	(344,486)	48,490,439
Interest expense	(32,563,109)	(89,939)	--	--	--	(47,373)	334,912	(32,365,509)	(729,586)	(33,095,095)
Net interest income	15,955,721	(800)	69,988	83,556	127,975	233,221	(245)	16,469,416	(1,074,072)	15,395,344
Expected losses	(2,754,039)	--	--	--	--	--	--	(2,754,039)	(2,900,476)	(5,654,515)
Net interest income after expected losses	13,201,682	(800)	69,988	83,556	127,975	233,221	(245)	13,715,377	(3,974,548)	9,740,829
Non-interest income	5,483,932	200,007	789,082	1,728,726	654,957	874,796	(486,272)	9,245,228	565,741	9,810,969
Net commissions and fee income	3,099,455	75,330	786,531	1,085,850	11,638	846,073	(279,278)	5,625,599	89,937	5,715,536
Net gains/(losses) from financial instruments	(2,570,282)	113,380	--	--	39	(5,761)	--	(2,462,624)	(241,326)	(2,703,950)
Net gains/(losses) from equity method investments	193,370	(5,498)	--	637,903	256,967	--	--	1,082,742	(63,823)	1,018,919
Other operating income	4,761,389	16,795	2,551	4,973	386,313	34,484	(206,994)	4,999,511	780,953	5,780,464
Non-interest expenses	(13,664,569)	(41,460)	(119,116)	(261,430)	(32,509)	(589,492)	486,517	(14,222,059)	(330,265)	(14,552,324)
Personnel expenses	(5,874,423)	(5,402)	(28,591)	(16,387)	(1,501)	(104,653)	1,052	(6,029,905)	31,738	(5,998,167)
Administrative expenses	(2,342,225)	(7,807)	(17,232)	(64,899)	(923)	(178,350)	345,119	(2,266,317)	354,701	(1,911,616)
Contributions, fees and other taxes	(1,355,460)	(10,573)	(55,906)	(129,231)	(10,811)	(123,533)	--	(1,685,514)	17,380	(1,668,134)
Amortization of intangible assets	(282,749)	--	--	(212)	--	(1,087)	--	(284,048)	143	(283,905)
Labor, tax and civil claims	(1,919,715)	(14)	4,847	(108)	--	(2,616)	--	(1,917,606)	77,402	(1,840,204)
Depreciation	(354,730)	--	--	(3)	--	(7,229)	--	(361,962)	(295,524)	(657,486)
Other operating expenses	(1,535,267)	(17,664)	(22,234)	(50,590)	(19,274)	(172,024)	140,346	(1,676,707)	(516,105)	(2,192,812)
Income before taxes	5,021,045	157,747	739,954	1,550,852	750,423	518,525	--	8,738,546	(3,739,072)	4,999,474
Income taxes	(500,695)	(71,372)	(296,204)	(312,739)	(174,564)	(175,901)	--	(1,531,475)	1,536,751	5,276
Current	(210,872)	(61,752)	(294,130)	(314,569)	(157,982)	(176,624)	--	(1,215,929)	182	(1,215,747)
Deferred	(289,823)	(9,620)	(2,074)	1,830	(16,582)	723	--	(315,546)	1,536,569	1,221,023
Net income	4,520,350	86,375	443,750	1,238,113	575,859	342,624	--	7,207,071	(2,202,321)	5,004,750
Attributable to shareholders of the Bank	4,410,009	86,375	443,750	821,616	575,859	342,774	--	6,680,383	(2,092,501)	4,587,882
Attributable to non-controlling interests	110,341	--	--	416,497	--	(150)	--	526,688	(109,820)	416,868
Total assets	2,035,310,528	5,533,546	2,756,973	11,376,798	10,073,094	8,852,466	(36,271,073)	2,037,632,332	(39,179,943)	1,998,452,389
Total liabilities	1,886,616,086	4,577,031	1,018,751	3,513,765	242,968	6,507,439	(17,887,954)	1,884,588,086	(38,142,000)	1,846,446,086
Total equity	148,694,442	956,515	1,738,222	7,863,033	9,830,126	2,345,027	(18,383,119)	153,044,246	(1,037,943)	152,006,303



In thousands of Reais, unless otherwise stated

h) Geographical information

	Brazil	Other countries			Total
	1st quarter/2023	Before eliminations	Eliminations	After eliminations	1st quarter/2023
Assets	1,971,319,759	302,043,897	(183,436,061)	118,607,836	2,089,927,595
Income	71,619,147	7,691,712	(3,198,365)	4,493,347	76,112,494
Expenses (including income tax)	(63,382,514)	(6,148,419)	709,421	(5,438,998)	(68,821,512)
Income/(loss) before taxes	11,060,981	510,442	(2,488,944)	(1,978,502)	9,082,479
Net income/(loss)	8,236,633	1,543,293	(2,488,944)	(945,651)	7,290,982

	Brazil	Other countries			Total
	1st quarter/2022	Before eliminations	Eliminations	After eliminations	1st quarter/2022
Assets	1,895,264,125	276,437,670	(173,279,492)	103,158,178	1,998,422,303
Income	58,126,250	2,116,825	(1,941,667)	175,158	58,301,408
Expenses (including income tax)	(49,908,796)	(3,286,576)	(101,286)	(3,387,862)	(53,296,658)
Income/(loss) before taxes	9,340,724	(2,298,297)	(2,042,953)	(4,341,250)	4,999,474
Net income/(loss)	8,217,454	(1,169,751)	(2,042,953)	(3,212,704)	5,004,750

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

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



In thousands of Reais, unless otherwise stated

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

	Mar 31, 2023						
	Banking	Investments	Fund management	Insurance and related	Electronic payments	Other	Consolidated IFRS
Investments in associates and joint ventures	6,737,110	224,070	--	8,405,587	5,460,023	--	20,826,790
Non-current assets ⁽¹⁾	23,604,426	--	--	3,946	--	207,236	23,815,608
Property and equipment	12,961,378	--	--	41	--	191,098	13,152,517
Intangible	10,643,048	--	--	3,905	--	16,138	10,663,091

	Dec 31, 2022						
	Banking	Investments	Fund management	Insurance and related	Electronic payments	Other	Consolidated IFRS
Investments in associates and joint ventures	6,728,900	221,271	--	8,102,667	5,146,365	--	20,199,203
Non-current assets ⁽¹⁾	24,022,602	--	--	4,067	--	204,444	24,231,113
Property and equipment	13,011,819	--	--	46	--	188,263	13,200,128
Intangible	11,010,783	--	--	4,021	--	16,181	11,030,985

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



In thousands of Reais, unless otherwise stated

5 – NET INTEREST INCOME

	1st quarter/2023	1st quarter/2022
Interest income	65,909,746	48,490,439
Loans to customers	31,506,987	23,059,874
Securities purchased under resale agreements	14,280,134	12,854,484
Financial assets at fair value through other comprehensive income	13,162,460	8,107,691
Compulsory deposits with Brazilian Central Bank	1,834,336	1,107,499
Securities at amortized cost	1,607,609	801,595
Loans to financial institutions	753,564	119,344
Financial assets at fair value through profit or loss	326,104	149,083
Other interest income ⁽¹⁾	2,438,552	2,290,869
Interest expense	(44,693,912)	(33,095,095)
Securities sold under repurchase agreements	(20,580,774)	(16,646,559)
Deposits of clients	(15,938,698)	(10,875,990)
Liabilities from issuance of securities and other financial liabilities	(7,689,805)	(5,163,704)
Amount payable to financial institutions	(357,279)	(297,096)
Lease liabilities	(127,356)	(111,746)
Net interest income	21,215,834	15,395,344

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



In thousands of Reais, unless otherwise stated

6 – NET COMMISSIONS AND FEE INCOME

	1st quarter/2023	1st quarter/2022
Commissions and fee income	7,600,989	7,074,378
Services rendered to customers	3,080,793	2,927,411
Account fee	1,454,243	1,405,648
Card income	663,265	550,093
Billing	368,881	365,786
Collection	254,088	253,208
Loans and customer information file	146,499	154,326
Capital market income	79,022	92,955
Interbank and funds transfer	38,395	36,235
Foreign exchange	15,628	23,850
Other	60,772	45,310
Asset management	2,713,959	2,592,541
Commissions	1,306,114	1,179,477
Insurance distribution	1,120,176	991,253
Capitalization distribution	119,778	124,538
Pension plans distribution	66,160	63,686
Guarantees provided	31,364	25,299
Other services	468,759	349,650
Commissions and fee expense	(1,487,457)	(1,358,842)
Service rendering	(1,344,815)	(1,230,264)
Commission expense	(284)	(681)
Other services	(142,358)	(127,897)
Net commissions and fee income	6,113,532	5,715,536

7 – OTHER INCOME/EXPENSES

a) Other operating income

	1st quarter/2023	1st quarter/2022
Gains from benefit plans – Surplus agreements	897,159	562,323
Receivables income	632,417	587,172
Recovery of charges and expenses	409,040	360,269
Gains from defined benefit plans – Plano 1 – Previ	345,274	495,470
Card transactions	141,572	45,391
Clube de Benefícios	93,931	100,470
Capital gains ⁽¹⁾	57,465	255,952
Gains/(losses) from the disposal of other assets	54,766	48,714
Reversal of provisions for sundry payments	36,565	52,726
Gains/(losses) from permanent investments disposal ⁽²⁾	--	337,850
Other	329,453	212,805
Total	2,997,642	3,059,142

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

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



In thousands of Reais, unless otherwise stated

b) Other operating expenses

	1st quarter/2023	1st quarter/2022
Loss on the monetary position ⁽¹⁾	(808,969)	(518,157)
Performance bonus paid to customers for loyalty	(332,211)	(454,796)
Adjustment of actuarial liabilities	(315,929)	(297,162)
Compensation for transactions of banking correspondents and business partners	(171,162)	(149,701)
Life insurance premium – consumer credit	(88,048)	(59,673)
Operating losses	(64,237)	(49,924)
Commission for credit recovery	(23,336)	(21,062)
Capital losses	(21,846)	(69,517)
Recognition of impairment for devaluation of other assets	(12,963)	(8,885)
Inflation adjustment of amounts to be paid	(11,900)	(12,747)
Fees for the use of Sisbacen – Brazilian Central Bank System	(9,094)	(9,469)
Liabilities for operations linked to assignments	(4,297)	(4,724)
Inflation adjustments of payables to the National Treasury	(95)	(2,194)
Proagro expenses	(61)	(31)
Inflation adjustments of tax obligations under legal discussion	--	(189,172)
Other	(252,745)	(345,598)
Total	(2,116,893)	(2,192,812)

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

8 – PERSONNEL EXPENSES

	1st quarter/2023	1st quarter/2022
Wages and salaries	(3,287,948)	(3,035,202)
Social security costs	(1,122,292)	(1,025,615)
Profit sharing ⁽¹⁾	(1,050,297)	(852,700)
Benefits	(944,646)	(858,936)
Private pension plans	(216,230)	(202,744)
Directors' and officers' remuneration	(13,784)	(12,487)
Staff training	(8,704)	(10,483)
Total	(6,643,901)	(5,998,167)

(1) It includes the amount of R\$ 2,734 thousand in the 1st quarter/2023 (R\$ 2,734 thousand in the 1st quarter/2022) related to Share-based payment for the Executive Board (Note 21.I).



In thousands of Reais, unless otherwise stated

9 – OTHER ADMINISTRATIVE EXPENSES

	1st quarter/2023	1st quarter/2022
Surveillance and security services	(313,087)	(289,441)
Outsourced services	(309,974)	(289,219)
Data processing	(227,960)	(166,808)
Maintenance and preservation	(221,421)	(185,748)
Transportation	(160,899)	(137,710)
Programa de Desempenho Gratificado - PDG	(150,681)	(139,520)
Communication expenses	(128,084)	(106,719)
Water, energy and gas	(121,773)	(143,403)
Specialized technical services	(119,496)	(96,177)
Marketing expenses	(91,711)	(88,303)
Rental and operating leases expenses	(42,382)	(2,001)
Promotion and public relations	(39,653)	(41,409)
Travel expenses	(24,339)	(13,923)
Office supplies	(8,291)	(11,738)
Philanthropic contributions	(2,182)	(78,745)
Other	(124,541)	(120,752)
Total	(2,086,474)	(1,911,616)

10 – CASH AND CASH EQUIVALENTS

	Mar 31, 2023	Dec 31, 2022
Cash and bank deposits	24,989,738	18,310,546
Local currency	13,341,488	8,407,179
Foreign currency	11,648,250	9,903,367
Interbank investments ⁽¹⁾	30,165,544	50,515,733
Securities purchased under resale agreements	2,355,166	4,107,564
Interbank deposits	27,810,378	46,408,169
Total	55,155,282	68,826,279

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



In thousands of Reais, unless otherwise stated

11 – SECURITIES PURCHASED UNDER RESALE AGREEMENTS

	Mar 31, 2023	Dec 31, 2022
Reverse repos - own resources	2,554,872	4,564,647
National Treasury notes	394,725	--
Treasury Financial bills	338,337	13,635
National Treasury bills	--	368,662
Other securities	1,821,810	4,182,350
Reverse repos - financed position ⁽¹⁾	419,368,350	356,055,827
National Treasury notes	348,354,806	247,312,465
Treasury Financial bills	71,000,693	--
National Treasury bills	12,851	107,411,310
Other securities	--	1,332,246
Expected losses on other securities	--	(194)
Total	421,923,222	360,620,474

(1) Refers to securities purchased under resale agreements and resold to other borrowers, with an obligation to repurchase. Liabilities resulting from these operations are presented in Note 17, third-party portfolio sub-group.

Changes in expected losses

	Dec 31, 2022	(Constitution)/ Reversal	Mar 31, 2023
Expected losses on other securities	(194)	194	--

	Dec 31, 2021	(Constitution)/ Reversal	Dec 31, 2022
Expected losses on other securities	(162)	(32)	(194)

12 – FINANCIAL ASSETS AND LIABILITIES

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

Financial assets at fair value

Mar 31, 2023	Cost value	Gains/(losses)	Fair value
Debt instruments	10,775,622	13,001	10,788,623
Securities issued by non-financial companies	4,228,152	(190,970)	4,037,182
Securities issued by financial companies	2,592,528	(68,527)	2,524,001
Brazilian federal government bonds	3,489,722	32,298	3,522,020
Investments in mutual funds	201,420	99,298	300,718
Federal government bonds	141,233	142,280	283,513
Brazilian government bonds issued abroad	122,567	(1,378)	121,189
Equity instruments	196,603	(23,453)	173,150
Marketable equity shares	196,603	(23,453)	173,150
Total	10,972,225	(10,452)	10,961,773



In thousands of Reais, unless otherwise stated

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

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

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

Derivative financial instruments (assets)

Mar 31, 2023	Cost value	Gains/(losses)	Fair value
Swaps	1,324,714	307,125	1,631,839
Forwards	2,173,672	(135,720)	2,037,952
Options	330,265	(118,401)	211,864
Other ⁽¹⁾	5,610	3,029	8,639
Total	3,834,261	56,033	3,890,294

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

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



In thousands of Reais, unless otherwise stated

Derivative financial instruments (liabilities)

Mar 31, 2023	Cost value	Gains/(losses)	Fair value
Forwards	(3,166,994)	508,503	(2,658,491)
Swaps	(1,173,192)	(267,198)	(1,440,390)
Options	(348,968)	(327,871)	(676,839)
Other	(140,974)	14,750	(126,224)
Total	(4,830,128)	(71,816)	(4,901,944)

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

b) Financial assets at fair value through other comprehensive income

Mar 31, 2023	Cost value	Gains/(losses)	Expected credit losses	Fair value
Debt instruments				
Brazilian federal government bonds	288,173,220	(1,414,879)	--	286,758,341
Securities issued by non-financial companies	55,963,102	(1,404,577)	(66,313)	54,492,212
Federal government bonds	18,018,614	(172,117)	(121,679)	17,724,818
Brazilian government bonds issued abroad	9,590,876	(1,145,597)	(12,477)	8,432,802
Investments in mutual funds	2,441,671	1,731,859	(1,310)	4,172,220
Securities issued by financial companies	73,409	(7)	--	73,402
Total	374,260,892	(2,405,318)	(201,779)	371,653,795

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



In thousands of Reais, unless otherwise stated

Reconciliation of changes concerning expected credit losses

	Dec 31, 2022	(Allowance) / reversal	Mar 31, 2023
Expected credit losses			
Federal government bonds	(50,313)	(71,365)	(121,678)
Brazilian government bonds issued abroad	(50,112)	37,635	(12,477)
Securities issued by non-financial companies	(26,908)	(39,405)	(66,313)
Investments in mutual funds	(1,608)	297	(1,311)
Securities issued by financial companies	--	--	--
Total	(128,941)	(72,838)	(201,779)

Fair value of the financial assets that are pledged as collateral

	Mar 31, 2023	Dec 31, 2022
Repurchase agreements	218,486,654	205,713,059
Guarantees provided	8,729,358	4,004,104
Total	227,216,012	209,717,163

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

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

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

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

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

c) Securities at amortized cost

	Up to 1 year	1 to 5 years	5 to 10 years	Over 10 years	Dec 30, 2022
Debt instruments					
Securities issued by non-financial companies	10,547,289	13,879,085	5,781,950	3,914,896	34,123,220
Brazilian federal government bonds	10,325,658	2,721,296	--	--	13,046,954
Brazilian government bonds issued abroad	--	2,577,093	--	--	2,577,093
Federal government bonds	464,612	1,249,664	--	--	1,714,276
Securities issued by financial companies	128,267	--	--	3	128,270
Subtotal	21,465,826	20,427,138	5,781,950	3,914,899	51,589,813
Expected losses on securities	(64,064)	(109,884)	(26,488)	(2,713,660)	(2,914,096)
Total	21,401,762	20,317,254	5,755,462	1,201,239	48,675,717



In thousands of Reais, unless otherwise stated

	Up to 1 year	1 to 5 years	5 to 10 years	Over 10 years	Dec 31, 2021
Debt instruments					
Securities issued by non-financial companies	10,139,533	12,999,221	5,934,388	1,166,518	30,239,660
Brazilian federal government bonds	7,382,193	5,449,886	--	--	12,832,079
Brazilian government bonds issued abroad	--	1,281,039	1,361,842	--	2,642,881
Federal government bonds	1,384,299	1,116,551	--	--	2,500,850
Securities issued by financial companies	20,927	--	--	3	20,930
Subtotal	18,926,952	20,846,697	7,296,230	1,166,521	48,236,400
Expected losses on securities	(93,717)	(104,835)	(35,322)	(6,101)	(239,976)
Total	18,833,235	20,741,862	7,260,908	1,160,420	47,996,424

Reconciliation of changes concerning expected credit losses

	Dec 31, 2021	(Allowance) / reversal	Dec 30, 2022
Expected credit losses			
Securities issued by non-financial companies	(158,154)	(2,693,895)	(2,852,049)
Federal government bonds	(73,504)	15,409	(58,095)
Brazilian government bonds issued abroad	(8,318)	4,366	(3,952)
Total	(239,976)	(2,674,120)	(2,914,096)

No securities at amortized cost were reclassified during 2023.

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



In thousands of Reais, unless otherwise stated

13 – LOANS TO CUSTOMERS

a) Loan portfolio by type

	Average maturity (months)	Mar 31, 2023	Dec 31, 2022
Loans		813,972,511	796,326,140
Loans and discounted credits rights ⁽¹⁾	42	339,141,107	332,280,880
- Corporations		149,655,803	148,481,510
- Individuals		189,485,304	183,799,370
Financing ⁽²⁾	55	123,690,846	124,277,536
- Corporations		118,222,663	118,754,528
- Individuals		5,468,183	5,523,008
Rural and agribusiness financing	84	299,309,431	288,354,433
- Corporations		13,841,324	13,612,531
- Individuals		285,468,107	274,741,902
Real estate financing	348	51,677,203	51,251,488
- Corporations		2,145,846	1,878,527
- Individuals		49,531,357	49,372,961
Loan portfolio transferred with substantial retention of risks	266	153,924	161,803
- Individuals		153,924	161,803
Others receivables with loan characteristics		87,586,476	86,385,440
Credit card operations	4	49,542,348	49,502,383
- Corporations		3,162,916	2,972,431
- Individuals		46,379,432	46,529,952
Advances on foreign exchange contracts	12	22,502,443	23,910,738
- Corporations		22,400,380	23,784,268
- Individuals		102,063	126,470
Receivables acquisition	8	12,628,292	10,160,141
- Corporations		12,628,292	10,160,141
Guarantees honored	4	32,871	31,023
- Corporations		30,028	28,180
- Individuals		2,843	2,843
Others	262	2,880,522	2,781,155
- Corporations		2,880,136	2,780,755
- Individuals		386	400
Leasing portfolio	45	476,342	414,726
- Corporations		469,120	407,774
- Individuals		7,222	6,952
Total loans to customers portfolio		902,035,329	883,126,306
Expected credit losses for loans to customers		(49,132,176)	(50,187,749)
Expected credit losses for loans		(45,941,690)	(46,910,808)
Expected credit losses for other receivables		(3,184,874)	(3,270,844)
Expected credit losses for leasing portfolio		(5,612)	(6,097)
Total loans to customers, net		852,903,153	832,938,557

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

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



In thousands of Reais, unless otherwise stated

b) Loan portfolio by economic sectors

	Mar 31, 2023	%	Dec 31, 2022	%
Public sector	56,360,302	6.3	57,543,027	6.5
Public administration	51,603,410	5.7	52,816,209	5.9
Oil sector	2,590,696	0.3	2,625,600	0.3
Electricity	842,259	0.1	846,818	0.1
Services	598,466	0.1	539,490	0.1
Other activities	725,471	0.1	714,910	0.1
Private sector	845,675,027	93.7	825,583,279	93.5
Individuals	576,598,821	63.9	560,265,661	63.4
Corporations	269,076,206	29.8	265,317,618	30.1
Agribusiness of plant origin	37,158,789	4.2	39,441,363	4.6
Services	29,961,752	3.4	32,044,525	3.7
Mining and metallurgy	20,697,981	2.3	19,739,757	2.2
Retail commerce	16,087,220	1.8	16,260,340	1.8
Electricity	15,930,009	1.8	13,563,642	1.5
Transportation	15,265,925	1.7	14,795,926	1.7
Agribusiness of animal origin	14,907,379	1.7	14,291,895	1.6
Financial services	13,814,851	1.5	11,765,975	1.3
Automotive sector	12,988,621	1.4	12,955,178	1.5
Agricultural inputs	12,077,208	1.3	11,716,655	1.3
Fuel	11,064,199	1.2	10,829,193	1.2
Specific activities of construction	10,266,489	1.1	9,857,040	1.1
Electronics	9,746,415	1.1	9,842,819	1.1
Chemical	9,081,541	1.0	9,234,899	1.0
Wholesale and various industries	8,550,462	0.9	8,583,571	1.0
Real estate agents	7,594,769	0.8	7,136,047	0.8
Textile and clothing	7,243,012	0.8	7,101,570	0.8
Woodworking and furniture market	5,403,535	0.6	5,220,448	0.6
Pulp and paper	3,953,037	0.4	3,984,616	0.5
Heavy construction	3,151,026	0.3	2,986,726	0.3
Telecommunications	2,460,454	0.3	2,248,711	0.3
Other activities	1,671,532	0.2	1,716,722	0.2
Total loans to customers portfolio	902,035,329	100.0	883,126,306	100.0

c) Loans to customers by maturity

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



In thousands of Reais, unless otherwise stated

	Mar 31, 2023	Dec 31, 2022
Installments falling due		
1 to 30 days	72,745,324	71,144,420
31 to 60 days	37,952,035	33,134,830
61 to 90 days	38,834,057	28,363,524
91 to 180 days	99,640,847	90,678,011
181 to 360 days	128,555,431	145,510,865
361 to 1080 days	226,290,415	218,763,096
1081 to 1800 days	123,702,962	119,412,573
More than 1800 days	159,853,873	162,146,527
Subtotal	887,574,944	869,153,846
Installments overdue		
1 to 14 days	1,150,539	1,576,508
15 to 30 days	952,072	1,011,515
31 to 60 days	1,407,682	1,313,804
61 to 90 days	1,671,863	1,133,203
91 to 180 days	3,456,063	3,210,068
181 to 360 days	5,342,557	5,272,431
More than 360 days	479,609	454,931
Subtotal	14,460,385	13,972,460
Total	902,035,329	883,126,306

d) Leasing portfolio by maturity

	Mar 31, 2023			Dec 31, 2022		
	Minimum lease payments	Unearned finance income	Present value	Minimum lease payments	Unearned finance income	Present value
Up to one year ⁽¹⁾	209,107	(50,478)	158,629	183,639	(43,984)	139,655
Over one year to five years	414,075	(99,957)	314,118	359,182	(86,030)	273,152
Over five years	4,739	(1,144)	3,595	2,523	(604)	1,919
Total	627,921	(151,579)	476,342	545,344	(130,618)	414,726

(1) Includes amounts related to installments overdue.



In thousands of Reais, unless otherwise stated

e) Loans to customers by stages

	Mar 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
Loans	723,184,820	37,108,223	53,679,468	813,972,511
Loans and discounted credits rights	280,082,768	23,652,298	35,406,041	339,141,107
Financing	115,248,224	4,163,467	4,279,155	123,690,846
Rural and agribusiness financing	285,168,491	5,384,132	8,756,808	299,309,431
Real estate financing	42,533,727	3,908,264	5,235,212	51,677,203
Loans sold under assignment	151,610	62	2,252	153,924
Others receivables with loan characteristics	85,425,716	605,721	1,555,039	87,586,476
Credit card operations	48,337,358	573,694	631,296	49,542,348
Advances on foreign exchange contracts	21,896,033	26,861	579,549	22,502,443
Receivables acquisition	12,310,704	--	317,588	12,628,292
Guarantees honored	1,186	5,079	26,606	32,871
Other	2,880,435	87	--	2,880,522
Leasing portfolio	471,576	4,309	457	476,342
Total loans to customers portfolio	809,082,112	37,718,253	55,234,964	902,035,329
Expected credit losses for loans to customers	(10,574,847)	(5,904,973)	(32,652,356)	(49,132,176)
Total loans to customers, net	798,507,265	31,813,280	22,582,608	852,903,153

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



In thousands of Reais, unless otherwise stated

f) Renegotiated credit transactions

	1st quarter/2023	1st quarter/2022
Credits renegotiated during the period	22,761,788	17,549,238
Renegotiated for delay ⁽¹⁾	4,500,139	3,218,718
- Corporations	2,497,829	1,236,005
- Individuals	2,002,310	1,982,713
Renewed ⁽²⁾	18,261,649	14,330,520
- Corporations	4,493,082	3,180,701
- Individuals	13,768,567	11,149,819
Changes in renegotiated credit transactions for delay		
Opening balance	32,689,826	28,512,842
Contracts ⁽¹⁾	4,500,139	3,218,718
Interest or principal payment net of interest accrual ⁽³⁾	(4,934,202)	(1,441,672)
Write-off	(875,941)	(944,467)
Closing balance ⁽⁴⁾	31,379,822	29,345,421
Loans 90 days or more past due	4,159,592	2,178,023
(%) Portfolio which is 90 days or more past due	13.3%	7.4%

(1) Renegotiated credit transactions due to payment delay by clients.

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

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

(4) Includes the amount of R\$ 1,348 thousand (R\$ 7,648 thousand as of Mar 31, 2022) related to renegotiated rural credits. The amount of R\$ 14,528,246 thousand (R\$ 10,399,077 thousand as of Mar 31, 2022), related to deferred credits from rural portfolio governed by specific legislation, is not included.

14 – EXPECTED CREDIT LOSSES ON LOANS TO CUSTOMERS

a) Expected credit losses on loans to customers, net

	1st quarter/2023	1st quarter/2022
Constitution	(5,171,897)	(6,492,453)
Recovery ⁽¹⁾	1,497,337	1,653,219
Expected credit losses for loans to customers, net	(3,674,560)	(4,839,234)

(1) Refers to recovery of principal.



In thousands of Reais, unless otherwise stated

b) Reconciliation of changes

	1st quarter/2023				
	Opening balance	Constitution/ (reversal) for losses	Write-offs	Exchange rate changes	Closing balance
Loans	46,910,808	5,250,563	(6,192,157)	(27,524)	45,941,690
Loans and discounted credits rights	33,679,430	4,008,364	(5,320,626)	(27,630)	32,339,538
Financing	3,609,110	197,973	(217,422)	106	3,589,767
Rural and agribusiness financing	6,878,675	584,959	(507,877)	--	6,955,757
Real estate financing	2,740,895	459,413	(146,232)	--	3,054,076
Loans sold under assignment	2,698	(146)	--	--	2,552
Other receivables with loan characteristics	3,270,844	(78,352)	(3,113)	(4,505)	3,184,874
Credit card operations	2,676,268	(99,697)	(1,248)	(4,505)	2,570,818
Advances on foreign exchange contracts	444,017	(6,253)	--	--	437,764
Receivables acquisition	134,288	27,247	--	--	161,535
Guarantees honored	15,210	510	(1,812)	--	13,908
Other	1,061	(159)	(53)	--	849
Leasing portfolio	6,097	(314)	(37)	(134)	5,612
Total	50,187,749	5,171,897	(6,195,307)	(32,163)	49,132,176

	1st quarter/2022				
	Opening balance	Constitution/ (reversal) for losses	Write-offs	Exchange rate changes	Closing balance
Loans	40,707,832	6,014,847	(4,809,499)	(128,248)	41,784,932
Loans and discounted credits rights	24,884,437	5,964,589	(3,817,665)	(117,181)	26,914,180
Financing	4,867,012	(633,300)	(145,280)	(11,067)	4,077,365
Rural and agribusiness financing	8,372,262	347,549	(540,064)	--	8,179,747
Real estate financing	2,581,180	336,012	(306,490)	--	2,610,702
Loans sold under assignment	2,941	(3)	--	--	2,938
Other receivables with loan characteristics	2,378,163	476,678	(29,437)	(6,268)	2,819,136
Credit card operations	2,089,382	210,487	(1,505)	(6,268)	2,292,096
Advances on foreign exchange contracts	254,469	247,218	--	--	501,687
Receivables acquisition	9,182	(3,975)	--	--	5,207
Guarantees honored	22,480	24,384	(27,468)	--	19,396
Other	2,650	(1,436)	(464)	--	750
Leasing portfolio	4,418	928	(39)	(94)	5,213
Total	43,090,413	6,492,453	(4,838,975)	(134,610)	44,609,281



In thousands of Reais, unless otherwise stated

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

	Mar 31, 2023							
	Stage 1		Stage 2		Stage 3		Total	
	Credit amount	Expected credit losses	Credit amount	Expected credit losses	Credit amount	Expected credit losses	Credit amount	Expected credit losses
Loans	723,184,820	(8,498,333)	37,108,223	(5,737,309)	53,679,468	(31,706,048)	813,972,511	(45,941,690)
Loans and discounted credits rights	280,082,768	(5,540,863)	23,652,298	(4,508,499)	35,406,041	(22,290,176)	339,141,107	(32,339,538)
Financing	115,248,224	(630,930)	4,163,467	(139,441)	4,279,155	(2,819,396)	123,690,846	(3,589,767)
Rural and agribusiness financing	285,168,491	(1,855,100)	5,384,132	(573,902)	8,756,808	(4,526,755)	299,309,431	(6,955,757)
Real estate financing	42,533,727	(469,735)	3,908,264	(515,442)	5,235,212	(2,068,899)	51,677,203	(3,054,076)
Loans sold under assignment	151,610	(1,705)	62	(25)	2,252	(822)	153,924	(2,552)
Other receivables with loan characteristics	85,425,716	(2,071,206)	605,721	(167,614)	1,555,039	(946,054)	87,586,476	(3,184,874)
Credit card operations	48,337,358	(1,976,248)	573,694	(160,574)	631,296	(433,996)	49,542,348	(2,570,818)
Advances on foreign exchange contracts	21,896,033	(88,719)	26,861	(4,785)	579,549	(344,260)	22,502,443	(437,764)
Receivables acquisition	12,310,704	(5,055)	--	--	317,588	(156,480)	12,628,292	(161,535)
Guarantees honored	1,186	(336)	5,079	(2,254)	26,606	(11,318)	32,871	(13,908)
Other	2,880,435	(848)	87	(1)	--	--	2,880,522	(849)
Leasing portfolio	471,576	(5,308)	4,309	(50)	457	(254)	476,342	(5,612)
Total	809,082,112	(10,574,847)	37,718,253	(5,904,973)	55,234,964	(32,652,356)	902,035,329	(49,132,176)



In thousands of Reais, unless otherwise stated

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



In thousands of Reais, unless otherwise stated

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

	Mar 31, 2023	Dec 31, 2022
Loans	45,941,690	46,910,808
Loans and discounted credits rights	32,339,538	33,679,430
- Corporations	14,120,816	16,055,354
- Individuals	18,218,722	17,624,076
Financing	3,589,767	3,609,110
- Corporations	3,278,660	3,319,953
- Individuals	311,107	289,157
Rural and agribusiness financing	6,955,757	6,878,675
- Corporations	214,395	221,505
- Individuals	6,741,362	6,657,170
Real estate financing	3,054,076	2,740,895
- Corporations	15,315	14,406
- Individuals	3,038,761	2,726,489
Loans sold under assignment	2,552	2,698
- Individuals	2,552	2,698
Others receivables with loan characteristics	3,184,874	3,270,844
Credit card operations	2,570,818	2,676,268
- Corporations	172,961	174,138
- Individuals	2,397,857	2,502,130
Advances on foreign exchange contracts	437,764	444,017
- Corporations	437,571	443,757
- Individuals	193	260
Receivables acquisition	161,535	134,288
- Corporations	161,535	134,288
Guarantees honored	13,908	15,210
- Corporations	12,229	14,024
- Individuals	1,679	1,186
Other	849	1,061
- Corporations	848	1,060
- Individuals	1	1
Leasing portfolio	5,612	6,097
- Corporations	5,466	5,938
- Individuals	146	159
Total	49,132,176	50,187,749



In thousands of Reais, unless otherwise stated

15 – INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

a) Equity method investments

Company	Equity interest percentage				Adjusted shareholders' equity of investee		Carrying amount of investment		Net gains/(losses) from equity method investments		Dividends	
	Mar 31, 2023		Dec 31, 2022									
	Total	Commo n stock	Total	Commo n stock	Mar 31, 2023	Dec 31, 2022	Mar 31, 2023	Dec 31, 2022	1st quarter/2023	1st quarter/2022	1st quarter/2023	1st quarter/2022
Associates ⁽¹⁾ and joint ventures ⁽²⁾												
Banco Votorantim S.A. ⁽³⁾	50.00	49.99	50.00	49.99	12,500,381	12,565,823	6,248,673	6,281,244	154,490	136,466	156,000	84,746
Brasilprev Seguros e Previdência S.A. ⁽⁴⁾	74.99	49.99	74.99	49.99	6,787,989	6,568,698	5,089,091	4,919,900	346,736	353,543	374,975	248,487
Cielo S.A. ⁽⁵⁾	28.84	28.84	28.89	28.89	11,203,365	10,950,835	3,595,764	3,527,700	126,876	55,035	56,594	18,758
Cateno Gestão de Contas de Pagamentos S.A. ⁽⁶⁾	30.00	22.22	30.00	22.22	9,570,483	9,553,126	2,871,145	2,865,938	84,573	63,299	79,366	43,846
BB Mapfre Participações S.A. ⁽⁷⁾	74.99	49.99	74.99	49.99	2,724,695	2,576,020	2,731,671	2,620,178	613,877	241,371	512,181	316,820
Elo Participações Ltda.	49.99	49.99	49.99	49.99	3,063,018	2,640,061	1,531,203	1,319,766	186,886	138,633	--	--
UBS BB Serviços de Assessoria Financeira e Participações S.A. ⁽⁸⁾	49.99	49.99	49.99	49.99	1,455,967	1,468,858	727,836	734,280	(4,872)	(6,772)	--	--
Brasilcap Capitalização S.A. ⁽⁹⁾	66.77	49.99	66.77	49.99	682,302	650,829	566,320	544,591	41,855	35,456	30,824	555
Others ⁽¹⁰⁾							573,780	534,662	10,147	1,888	25,359	4,407
Unrealized profit ⁽¹¹⁾							(3,108,693)	(3,149,056)				
Total							20,826,790	20,199,203	1,560,568	1,018,919	1,235,299	717,619

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

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

(3) Investment is reduced on the amount of R\$ 1,518 thousand due to the unrealized profit with Ativos S.A. Securitizadora de Créditos Financeiros referring to the assignment of credit rights (R\$ 1,668 thousand on Dec 31, 2022).

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

(5) Includes the amount of R\$ 364,332 thousand related to goodwill on acquisition of the investment. The market value of this investment is R\$ 3,774,852 thousand (R\$ 4,078,397 thousand on Dec 31, 2022).

(6) Indirect ownership interest held by the Bank in Cateno, through its wholly-owned subsidiary BB Elo Cartões Participações S.A. The total interest held by the Bank is 50.19% (50.22% on Dec 31, 2022), considering that Cielo S.A. holds 70% of direct participation in Cateno.

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

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

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

(10) Refers to investments in the following companies: Brasil dental Operadora de Planos Odontológicos S.A., Cadam S.A., Ciclic Corretora de Seguros S.A., Gestora de Inteligência de Crédito S.A. – QUOD, Estruturadora Brasileira de Projetos – EBP, Galgo Sistemas de Informações S.A., Tecnologia Bancária S.A. – Tecban and Câmara Interbancárias de Pagamentos – CIP, Broto S.A. Investment value is reduced by impairment losses of R\$ 3,150 thousand (R\$ 3,145 thousand on Dec 31, 2022).

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



In thousands of Reais, unless otherwise stated

b) Qualitative information of associates and joint ventures

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

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



In thousands of Reais, unless otherwise stated

c) Reconciliation of changes

Company	Opening balance	Changes			Closing balance
	Dec 31, 2022	Net gains / (losses) from equity method investments	Dividends	Other changes ⁽¹⁾	Mar 31, 2023
Banco Votorantim S.A.	6,281,244	154,490	(156,000)	(31,061)	6,248,673
Brasilprev Seguros e Previdência S.A.	4,919,900	346,736	(374,975)	197,430	5,089,091
Cielo S.A.	3,527,700	126,876	(56,594)	(2,218)	3,595,764
Cateno Gestão de Contas de Pagamentos S.A.	2,865,938	84,573	(79,366)	--	2,871,145
BB Mapfre Participações S.A.	2,620,178	613,877	(512,181)	9,797	2,731,671
Elo Participações Ltda.	1,319,766	186,886	--	24,551	1,531,203
UBS BB Serviços de Assessoria Financeira e Participações S.A.	734,280	(4,872)	--	(1,572)	727,836
Brasilcap Capitalização S.A.	544,591	41,855	(30,824)	10,698	566,320
Others	534,662	10,147	(25,359)	54,330	573,780
Subtotal	23,348,259	1,560,568	(1,235,299)	261,955	23,935,483
Unrealized profit	(3,149,056)	--	--	40,363	(3,108,693)
Total	20,199,203	1,560,568	(1,235,299)	302,318	20,826,790

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

d) Other information

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

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

None of the associates or joint ventures had discontinued operations.

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



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16 – CUSTOMER RESOURCES

	Mar 31, 2023	Dec 31, 2022
Domestic	700,262,832	701,588,908
Demand deposits	88,439,984	93,739,078
Non-interest bearing deposits	88,119,789	93,504,697
Interest bearing deposits ⁽¹⁾	320,195	234,381
Savings deposits	206,768,061	213,435,806
Time deposits	405,054,787	394,414,024
Abroad	50,460,780	51,674,139
Demand deposits	13,490,703	14,537,779
Non-interest bearing deposits	13,490,703	14,537,779
Time deposits	36,970,077	37,136,360
Total	750,723,612	753,263,047

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

17 – FINANCIAL INSTITUTIONS RESOURCES

	Mar 31, 2023	Dec 31, 2022
Own portfolio	222,037,364	209,729,852
Treasury Financial bills	207,341,123	194,439,807
Private securities	7,320,937	10,524,493
National Treasury bills	2,596,517	7
Securities abroad	4,778,787	4,765,545
Third-party portfolio	419,368,349	354,723,747
National Treasury notes	348,354,806	247,312,446
Treasury Financial bills	71,000,693	--
National Treasury bills	12,850	107,411,301
Total	641,405,713	564,453,599

18 – FUNDS FROM ISSUANCE OF SECURITIES

	Mar 31, 2023	Dec 31, 2022
Liabilities from issuance of securities	193,763,387	174,913,838
On-lendings	43,042,033	43,991,197
Financial and development funds	38,983,202	34,475,895
Subordinated debts	47,325,036	54,832,126
Other	18,751,909	20,395,068
Total	341,865,567	328,608,124



19 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Civil lawsuits

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

Indemnifications for material and moral damages are ordinarily based on consumer protection laws and generally settled in specific civil courts. In them, compensations are limited to forty times the minimum wage (R\$ 1,302.00 on March 31, 2023).

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

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

With respect to cases involving the financial investments related to Economic Plans, the Federal Supreme Court (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 the Federal Supreme Court. Since May 2018, savers could join the agreement, through a tool made available by Febraban. On March 12, 2020, the contract was extended for another 30 months, extendable for another 30 months, according to the Amendment signed by the entities representing financial institutions and consumers, according to the ratification ruling rendered by the STF Plenary on December 16, 2022, published on January 09, 2023.

Regarding lawsuits related to inflationary purges in judicial deposits, Minister Edson Fachin of the Federal Supreme Court, after acknowledging the general repercussion of the constitutional matter dealt with in the Extraordinary Appeal interposed by the Bank, the Caixa Econômica Federal, the Federal Government and the Febraban (RE no. 1,141,156/RJ), has ordered the suspension of the processes that deal with the matter and that process in the national territory, which was confirmed by STF on September 11, 2019.

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



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suspensive effect previously attributed to the Extraordinary Appeal filed by the Bank. On June 22, 2021, the same appeal was rejected, and the appropriate appeals were filed, which are awaiting judgment.

Labor lawsuits

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

Tax lawsuits

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

a) Provisions

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

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

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



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

	1st quarter/2023	1st quarter/2022
Civil lawsuits		
Opening balance	12,015,464	11,409,264
Addition	1,196,844	861,110
Reversal of the provision	(52,230)	(70,897)
Write-off	(909,889)	(799,805)
Inflation adjustment and exchange fluctuation	134,182	105,934
Closing balance	12,384,371	11,505,606
Labor lawsuits		
Opening balance	5,431,614	4,746,919
Addition	649,383	569,963
Reversal of the provision	(104,578)	(21,808)
Write-off	(402,222)	(310,045)
Inflation adjustment and exchange fluctuation	121,489	88,310
Closing balance	5,695,686	5,073,339
Tax lawsuits		
Opening balance	925,627	570,356
Addition	52,271	305,733
Reversal of the provision	(3,188)	(4,961)
Write-off	(25,124)	(46,638)
Inflation adjustment and exchange fluctuation	27,807	6,820
Closing balance	977,393	831,310
Total civil, labor and tax	19,057,450	17,410,255

Civil, labor and tax claims expenses

	1st quarter/2023	1st quarter/2022
Civil lawsuits	(1,283,851)	(896,147)
Labor lawsuits	(666,294)	(636,465)
Tax lawsuits	(76,890)	(307,592)
Total	(2,027,035)	(1,840,204)

Expected outflows of economic benefits

	Civil	Labor	Tax
Up to 5 years	11,126,422	5,126,639	410,128
Over 5 years	1,257,949	569,047	567,265
Total	12,384,371	5,695,686	977,393

The scenario of unpredictability of the duration of proceedings, and the possibility of changes in the case law of the courts, make values and the expected outflows of economic benefits uncertain.



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b) Contingent liabilities - possible loss

The civil, labor and tax lawsuits for which the risk of loss is considered possible do not require provisions when the final outcome of the process is unclear and when the probability of losing is less than probable and higher than the remote, in accordance with IAS 37.

The balances of contingent liabilities classified as possible loss

	Mar 31, 2023	Dec 31, 2022
Tax lawsuits ⁽¹⁾	16,975,076	16,441,899
Civil lawsuits	2,728,268	2,359,110
Labor lawsuits	131,754	124,079
Total	19,835,098	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\$ 2,194,206 thousand; and meal tickets in the amount of R\$ 2,727,017 thousand; and (ii) notices of tax assessment drawn by the Treasuries of the Municipalities, aiming at the collection of service tax (ISSQN), which amounts R\$ 2,169,552 thousand.

c) Contingent assets

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

d) Deposits in guarantee

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

Deposits given in guarantee of contingencies

	Mar 31, 2023	Dec 31, 2022
Civil lawsuits	19,567,305	19,399,827
Tax lawsuits	8,972,569	8,804,854
Labor lawsuits	7,777,114	7,421,326
Total	36,316,988	35,626,007



In thousands of Reais, unless otherwise stated

20 – TAXES

a) Reconciliation of income taxes expense

	1st quarter/2023	1st quarter/2022
Income before taxes	9,082,479	4,999,474
Total charges of IR (25%) and CSLL (20%)	(4,087,116)	(2,249,763)
Interest on own capital	1,292,461	935,270
Revenues from the Center-West Financing Fund – FCO	595,385	555,207
Net gains from equity method investments	702,255	458,514
Income from subsidiaries with different income tax rates	197,549	206,870
Non-taxable revenues/non-deductible expenses	(492,031)	99,178
Income taxes benefit (expense)	(1,791,497)	5,276
Effective rate	19.72%	--

b) Deferred income taxes recognized in the consolidated balance sheet

Assets

	Mar 31, 2023	Dec 31, 2022
Deferred tax assets		
Expected loss on loans to customers	30,701,447	30,610,125
Provisions – others	14,578,870	14,764,413
Income taxes carryforwards	3,669,779	2,991,198
Business combination	2,380,085	2,380,424
Negative fair value adjustments of financial assets	1,835,786	1,789,570
Expected loss on guarantees provided and loan commitments	1,435,098	1,423,294
Negative adjustments of benefits plans	959,100	959,100
Recoverable social contribution	636,538	636,538
Provisions – taxes and social security	640,151	611,107
Deferral of fees and commissions for adjustment based on the effective interest rate method	323,526	330,745
Other provisions ⁽¹⁾	852,808	831,436
Total	58,013,188	57,327,950

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



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Liabilities

	Mar 31, 2023	Dec 31, 2022
Deferred tax liabilities		
From actuarial gains	(9,950,983)	(9,438,940)
Arising from recovered term credits	(2,103,529)	(1,592,516)
Positive fair value adjustments of financial assets	(1,358,567)	(1,459,045)
Bargain purchase gains	(337,712)	(337,712)
Inflation adjustments of judicial deposits	(134,144)	(134,144)
Adjustments from leasing portfolio	(41,172)	(36,487)
Other	(794,671)	(567,774)
Total	(14,720,778)	(13,566,618)

21 – SHAREHOLDERS' EQUITY

a) Book value and market value per common share

	Mar 31, 2023	Dec 31, 2022
Shareholders' equity	163,228,989	159,238,895
Book value per share (R\$) ⁽¹⁾	57.20	55.80
Fair value per share (R\$)	39.11	34.73

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

b) Share capital

Banco do Brasil's share capital of R\$ 90,000,023 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 Bank may, even without amending its by-laws, if approved by the Meeting of Shareholders, and in the conditions established therein, increase its capital up to the limit of R\$ 120,000,000 thousand by issuing common shares, for which shareholders should be granted preference in the subscription in proportion to the number of shares held.

c) Instruments qualifying as common equity tier 1 capital

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

As result of the amendment, in 08.28.2014, the interest rate was changed to variable rate, and the interest period was changed to match the Bank's fiscal year (January 1 to December 31). Each years' interest is paid in a single annual installment, adjusted by the Selic rate up to the effective payment date. Payment must be made within 30 calendar days after the dividend payment for the fiscal year.

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



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

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

According to the Information to the Market, dated April 8, 2021, the Bank presented a proposal to return the referred instrument in seven annual installments of R\$ 1 billion and a final installment of R\$ 1.1 billion, based on a schedule between July/2022 and July/2029. On July 28, 2022, the Bank returned to the National Treasury the amount of R\$ 1 billion referring to the first installment, which early settlement has been authorized by Bacen on July 19, 2022.

d) Capital reserves

The capital reserves, totaling R\$ 6.634.358 thousand (R\$ 6,630,709 thousand on December 31, 2022), relates mainly to changes in the Bank's ownership interest in BB Seguridade after the IPO, increased ownership interest in Banco Patagonia resulting from the exercise of a put option, by minority shareholders, as provided for in a Shareholders Agreement entered into on 04.12.2011 between the Bank and the minority shareholders, as well as the sale of treasury shares, occurred on 10.23.2019.

e) Profit reserves

	Mar 31, 2023	Dec 31, 2022
Profit reserves	66,948,629	70,142,173
Legal reserve	11,777,636	11,777,636
Statutory reserves	55,170,993	58,364,537
Operating margin	51,090,085	51,047,561
Capital payout equalization	4,080,908	7,316,976

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

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

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

f) Accumulated other comprehensive income/(loss)

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



In thousands of Reais, unless otherwise stated

	Mar 31, 2023	Dec 31, 2022
Financial assets at fair value through other comprehensive income	(2,142,924)	(2,632,077)
Hedge of investment in a foreign operation	22,603	9,323
Foreign exchange variation in investments abroad	(3,688,389)	(3,193,840)
Actuarial gains/(losses) on pension plans	(1,845,703)	(1,845,703)
Cash flow hedge	(3,098)	43,654
Other	162,465	58,026
Total	(7,495,046)	(7,560,617)

g) Unallocated retained earnings

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

h) Interest on own capital/dividends

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

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

Payment schedule of interest on own capital and dividends:

2023	Amount	Amount per share (R\$)	Base date of payment	Payment date
1st quarter				
Dividends	351,037	0.123	Jun 01, 2023	Jun 12, 2023
Interest on own capital ⁽¹⁾	1,004,568	0.352	Mar 13, 2023	Mar 31, 2023
Complementary interest on own capital ⁽¹⁾	1,867,568	0.654	Jun 01, 2023	Jun 12, 2023
Total allocated to the shareholders	3,223,173	1.129		
Dividends	351,037	0.123		
Interest on own capital ⁽¹⁾	2,872,136	1.006		

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

2022	Amount	Amount per share (R\$)	Base date of payment	Payment date
1st quarter				
Dividends	443,296	0.155	May 23, 2022	May 31, 2022
Interest on own capital ⁽¹⁾	601,008	0.211	Mar 14, 2022	Mar 31, 2022
Complementary interest on own capital ⁽¹⁾	1,477,370	0.518	May 23, 2022	May 31, 2022
Total allocated to the shareholders	2,521,674	0.884		
Dividends	443,296	0.155		
Interest on own capital ⁽¹⁾	2,078,378	0.729		

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



In thousands of Reais, unless otherwise stated

i) Shareholders (number of shares)

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

Shareholders	Mar 31, 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	132,007,314	4.6	131,948,214	4.6
Treasury shares ⁽¹⁾	11,640,980	0.4	11,830,375	0.4
Other shareholders	1,289,060,184	45.0	1,288,929,889	45.0
Total	2,865,417,020	100.0	2,865,417,020	100.0

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

	Common shares (ON) ⁽¹⁾	
	Mar 31, 2023	Dec 31, 2022
Board of Directors (except for the Bank's CEO)	3,988	3,988
Executive Committee (includes the Bank's CEO)	120,790	128,355
Fiscal Council	1,000	1,000
Audit Committee	2,012	2,012

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

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

	Quantity of shares	
	Common shares	Treasury shares
Balance on Dec 31, 2021	2,865,417,020	11,830,375
Movements	--	(189,395)
Balance on Dec 31, 2022	2,865,417,020	11,640,980

	Mar 31, 2023		Dec 31, 2022	
	Amount	%	Amount	%
Free float at the beginning of period	1,420,745,751	49.6	1,420,591,910	49.6
Other changes ⁽¹⁾	196,960		153,841	
Free float at the end of period ⁽²⁾	1,420,942,711	49.6	1,420,745,751	49.6

(1) It includes changes coming from Technical and Advisory Bodies.

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



In thousands of Reais, unless otherwise stated

k) Treasury shares

The composition of the treasury shares is shown below:

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

l) Share-based payments

The program of variable remuneration

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

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

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

The number of Banco do Brasil shares to be allocated to each participant is calculated by dividing the net amount equivalent to 50% of variable remuneration to which one is entitled, to the average price of the share in the week prior to the payment. The average price is the simple arithmetic mean of the daily average prices of the week prior to the payment. 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 for a period of four years, in which: 20% within one year, 20% within two years, 20% within three years and 20% within four years.

The effects of the Program of Variable Remuneration on the income of Banco were R\$ 5,469 thousand in the 1st quarter/2023 (R\$ 5,469 thousand in the 1st quarter/2022).

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



In thousands of Reais, unless otherwise stated

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

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

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



In thousands of Reais, unless otherwise stated

22 – FAIR VALUE OF FINANCIAL INSTRUMENTS

	Mar 31, 2023		Dec 31, 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Assets				
Cash and bank deposits	24,989,738	24,989,738	18,310,546	18,310,546
Compulsory deposits with Brazilian Central Bank	94,994,646	94,994,646	95,119,085	95,119,085
Financial assets at amortized cost, net	1,421,933,608	1,408,602,160	1,352,904,935	1,327,888,759
Loans to financial institutions	48,001,602	49,065,352	62,607,954	63,066,978
Securities purchased under resale agreements	421,923,222	421,920,215	360,620,474	360,557,861
Loans to customers	852,903,153	839,065,371	832,938,557	808,100,015
Securities	48,675,717	48,121,308	47,996,424	47,422,379
Other financial assets	50,429,914	50,429,914	48,741,526	48,741,526
Financial assets at fair value through profit or loss	14,852,067	14,852,067	12,078,012	12,078,012
Financial assets at fair value through other comprehensive income	371,653,795	371,653,795	369,770,754	369,770,754
Liabilities				
Financial liabilities at amortized cost	1,831,045,817	1,833,105,686	1,753,201,995	1,755,011,768
Customers resources	750,723,612	750,849,343	753,263,047	753,309,420
Amount payable to financial institutions	24,288,732	24,572,775	24,082,857	24,278,125
Financial institutions resources	641,405,713	642,768,601	564,453,599	565,851,849
Funds from issuance of securities	341,865,567	342,152,774	328,608,124	328,778,006
Other financial liabilities	72,762,193	72,762,193	82,794,368	82,794,368
Financial liabilities at fair value through profit or loss	4,901,944	4,901,944	2,764,797	2,764,797

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

a) Fair value input levels for financial assets and liabilities

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

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

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

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

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



In thousands of Reais, unless otherwise stated

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

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

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

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

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

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

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

As a result, the methodologies discussed above (market prices, indicative prices, historical mathematical relationships and rating aggregation models), which all use market-based data, could result in higher prices compared to figures based credit spreads.



In thousands of Reais, unless otherwise stated

	Mar 31, 2023	Distribution by level		
		Level 1	Level 2	Level 3
Financial assets and liabilities measured at fair value in the balance sheet on a recurring basis				
Assets	386,505,862	321,489,862	61,917,318	3,098,682
Financial assets at fair value through profit or loss	14,852,067	4,279,989	10,110,354	461,724
Debt and equity instruments	10,961,773	4,279,989	6,220,060	461,724
Government bonds	3,926,722	3,926,722	--	--
Corporate bonds	7,035,051	353,267	6,220,060	461,724
Derivatives	3,890,294	--	3,890,294	--
Forward operations	2,037,951	--	2,037,951	--
Swaps	1,631,839	--	1,631,839	--
Options	211,865	--	211,865	--
Other derivative financial instruments	8,639	--	8,639	--
Financial assets at fair value through other comprehensive income	371,653,795	317,209,873	51,806,964	2,636,958
Government bonds	312,915,961	312,866,966	48,995	--
Corporate bonds	58,737,834	4,342,907	51,757,969	2,636,958
Liabilities	4,901,944	--	4,901,944	--
Financial liabilities at fair value through profit or loss	4,901,944	--	4,901,944	--
Derivatives	4,901,944	--	4,901,944	--
Forward operations	2,658,491	--	2,658,491	--
Swaps	1,440,390	--	1,440,390	--
Options	676,839	--	676,839	--
Other derivative financial instruments	126,224	--	126,224	--
Financial assets and liabilities not measured at fair value in the balance sheet				
Assets	1,408,602,160	16,835,645	28,799,232	1,362,967,283
Financial assets at amortized cost, net	1,408,602,160	16,835,645	28,799,232	1,362,967,283
Loans to financial institutions	49,065,352	--	--	49,065,352
Securities purchased under resale agreements	421,920,215	--	--	421,920,215
Loans to customers	839,065,371	--	--	839,065,371
Securities	48,121,308	16,835,645	28,799,232	2,486,431
Other financial assets	50,429,914	--	--	50,429,914
Liabilities	1,833,105,686	--	--	1,833,105,686
Financial liabilities at amortized cost	1,833,105,686	--	--	1,833,105,686
Customers resources	750,849,343	--	--	750,849,343
Amount payable to financial institutions	24,572,775	--	--	24,572,775
Financial institutions resources	642,768,601	--	--	642,768,601
Funds from issuance of securities	342,152,774	--	--	342,152,774
Other financial liabilities	72,762,193	--	--	72,762,193



In thousands of Reais, unless otherwise stated

	Dec 31, 2022	Distribution by level		
		Level 1	Level 2	Level 3
Financial assets and liabilities measured at fair value in the balance sheet on a recurring basis				
Assets	381,848,766	321,952,749	57,182,317	2,713,700
Financial assets at fair value through profit or loss	12,078,012	2,554,362	9,419,109	104,541
Debt and equity instruments	10,439,943	2,554,362	7,781,040	104,541
Government bonds	2,258,875	2,258,875	--	--
Corporate bonds	8,181,068	295,487	7,781,040	104,541
Derivatives	1,638,069	--	1,638,069	--
Swaps	1,134,779	--	1,134,779	--
Forward operations	395,025	--	395,025	--
Options	89,042	--	89,042	--
Other derivative financial instruments	19,223	--	19,223	--
Financial assets at fair value through other comprehensive income	369,770,754	319,398,387	47,763,208	2,609,159
Government bonds	315,329,345	315,277,702	51,643	--
Corporate bonds	54,441,409	4,120,685	47,711,565	2,609,159
Liabilities	2,764,797	--	2,764,797	--
Financial liabilities at fair value through profit or loss	2,764,797	--	2,764,797	--
Derivatives	2,764,797	--	2,764,797	--
Forward operations	1,073,427	--	1,073,427	--
Swaps	1,024,936	--	1,024,936	--
Options	525,576	--	525,576	--
Other derivative financial instruments	140,858	--	140,858	--
Financial assets and liabilities not measured at fair value in the balance sheet				
Assets	1,327,888,759	17,317,473	27,332,705	1,283,238,581
Financial assets at amortized cost, net	1,327,888,759	17,317,473	27,332,705	1,283,238,581
Loans to financial institutions	63,066,978	--	--	63,066,978
Securities purchased under resale agreements	360,557,861	--	--	360,557,861
Loans to customers	808,100,015	--	--	808,100,015
Securities	47,422,379	17,317,473	27,332,705	2,772,201
Other financial assets	48,741,526	--	--	48,741,526
Liabilities	1,755,011,768	--	--	1,755,011,768
Financial liabilities at amortized cost	1,755,011,768	--	--	1,755,011,768
Customers resources	753,309,420	--	--	753,309,420
Amount payable to financial institutions	24,278,125	--	--	24,278,125
Financial institutions resources	565,851,849	--	--	565,851,849
Funds from issuance of securities	328,778,006	--	--	328,778,006
Other financial liabilities	82,794,368	--	--	82,794,368



23 – RISK MANAGEMENT

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

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

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

Sensitivity analysis

Analysis method and objective

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

Method assumptions and limitations

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

Scope, method application scenarios and implications for income

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

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

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

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

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

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



In thousands of Reais, unless otherwise stated

Results of the sensitivity analysis

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

Sensitivity analysis for trading portfolio

Risk factors / Exposures	Mar 31, 2023			Dec 31, 2022		
	Scenarios I	Scenarios II	Scenarios III	Scenarios I	Scenarios II	Scenarios III
Pre fixed rate	(9,736)	(29,249)	(62,649)	(4)	(16)	(50)
Interest rate coupons	(2,553)	(572)	(1,143)	(2,321)	(455)	(910)
Price index coupons	(329,431)	(471,217)	(890,697)	(418,639)	(604,520)	(1,134,951)
Foreign currency coupons	(14,763)	(14,728)	(28,897)	(13,819)	(15,175)	(29,809)
Total	(356,483)	(515,766)	(983,386)	(434,783)	(620,166)	(1,165,720)

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

Risk factors / Exposures	Mar 31, 2023			Dec 31, 2022		
	Scenarios I	Scenarios II	Scenarios III	Scenarios I	Scenarios II	Scenarios III
Pre fixed rate	(9,075,157)	(25,613,560)	(48,792,452)	(8,159,424)	(25,235,622)	(47,994,780)
Interest rate coupons	(9,278,840)	(23,936,505)	(51,885,102)	(6,412,350)	(22,980,508)	(49,931,838)
Price index coupons	(460,747)	(594,643)	(1,135,841)	(545,442)	(719,616)	(1,364,325)
Foreign currency coupons	(2,870,817)	(557,875)	(1,139,104)	(2,909,671)	(679,352)	(1,385,770)
Total	(21,685,561)	(50,702,583)	(102,952,499)	(18,026,887)	(49,615,098)	(100,676,713)

Foreign exchange and gold exposure

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

Net foreign exchange exposure, March 31, 2023, was an asset in the amount of US\$ 908.2 million, and on December 31, 2022, was an asset in the amount of US\$ 947.4 million.



In thousands of Reais, unless otherwise stated

Foreign currencies and gold balance

Currency	Balance sheet accounts			
	Mar 31, 2023		Dec 31, 2022	
	Assets	Liabilities	Assets	Liabilities
USA Dollar	187,568,433	194,722,542	209,136,236	214,507,601
Euro	16,544,416	11,207,528	17,035,552	11,072,786
Pound Sterling	187,083	194,923	192,082	206,134
Yen	3,244,944	3,682,186	4,079,189	4,734,647
Swiss Franc	83,228	75,507	4,233	118,601
Canadian Dollar	36,413	30,737	8,475	4,809
Gold	32,293	--	30,220	--
Other currencies	26,889,561	26,324,380	11,265,403	10,173,213
Total	234,586,371	236,237,803	241,751,390	240,817,791
Net position – balance sheet accounts		1,651,432	933,599	

Currency	Derivatives			
	Mar 31, 2023		Dec 31, 2022	
	Long position	Short position	Long position	Short position
USA Dollar	45,263,025	36,002,507	43,920,024	35,895,791
Euro	2,906,921	7,991,576	2,964,228	8,681,191
Pound Sterling	154,632	127,421	293,126	181,670
Yen	1,461,868	634,276	877,933	456,249
Swiss Franc	83	666	--	--
Canadian Dollar	--	336	140,702	140,712
Other currencies	1,235,759	--	1,169,369	--
Total	51,022,288	44,756,782	49,365,382	45,355,613
Net position – derivatives	6,265,506		4,009,769	

Currency	Mar 31, 2023	Dec 31, 2022
	Net position	Net position
USA Dollar	2,106,409	2,652,868
Euro	252,233	245,803
Pound Sterling	19,371	97,404
Yen	390,350	(233,774)
Swiss Franc	7,138	(114,368)
Canadian Dollar	5,340	3,656
Gold	32,293	30,220
Other currencies	1,800,940	2,261,559
Net position total	4,614,074	4,943,368



In thousands of Reais, unless otherwise stated

Summary	Mar 31, 2023		Dec 31, 2022	
	Assets	Liabilities	Assets	Liabilities
Balance sheet accounts and derivatives	285,608,659	280,994,585	291,116,772	286,173,404
Net position total	4,614,074		4,943,368	
Net position total – US\$ ⁽¹⁾	908,211		947,423	

(1) US Dollar Exchange rate March 31, 2023 – 1 US\$ = R\$ 5.0804. US Dollar Exchange rate December 31, 2022 – 1 US\$ = R\$ 5.2177.

b) Liquidity risk

Liquidity risk is the possibility that the institution will not be able to efficiently honor its expected and unexpected, current and future obligations, without affecting its daily operations and without incurring significant losses. For risk management purposes, liquidity is evaluated in monetary values according to the composition of assets and liabilities established by the liquidity manager.

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

Liquidity risk management

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

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

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



In thousands of Reais, unless otherwise stated

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

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

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

Liquidity risk analysis

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

Funding management

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

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

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

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



In thousands of Reais, unless otherwise stated

Funding Breakdown

Liabilities	Mar 31, 2023						Part %
	Up to 1 month	1 to 6 months	6 to 12 months	1 to 5 years	> 5 years	Total gross	
Term deposits	3,820,546	1,226,356	1,015,569	6,636,140	50,204	12,748,815	0.7%
Treasury funding	24,017,266	111,909	1,472,146	1,520,848	11,714,285	38,836,454	2.3%
Judicial deposits	218,162,254	--	--	--	--	218,162,254	12.7%
Funding in the foreign market	6,587,946	14,432,107	7,683,785	23,658,452	27,110,641	79,472,931	4.6%
Other retail funding	16,821,706	36,603	--	--	--	16,858,309	1.0%
Retail funding – no defined maturity (NDM)	441,636,989	--	--	--	--	441,636,989	25.6%
Other retail funding (NDM)	147,937,353	--	--	--	--	147,937,353	8.6%
Funds and onlendings	5,452,290	7,389,144	3,063,739	12,980,914	84,377,260	113,263,347	7.3%
Repurchase agreement	588,033,600	35,714,557	6,884,345	10,773,211	--	641,405,713	37.2%
Total gross	1,452,469,950	58,910,676	20,119,584	55,569,565	123,252,390	1,710,322,165	100.0%

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

Derivative financial instruments

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

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

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

c) Credit risk

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



In thousands of Reais, unless otherwise stated

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

Maximum credit risk exposure

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

	Mar 31, 2023	Dec 31, 2022
Financial assets at amortized cost, net	1,421,933,608	1,352,904,935
Loans to financial institutions	48,001,602	62,607,954
Securities purchased under resale agreements	421,923,222	360,620,474
Loans to customers	852,903,153	832,938,557
Securities	48,675,717	47,996,424
Other financial assets	50,429,914	48,741,526
Financial assets at fair value through profit or loss	14,852,067	12,078,012
Debt and equity instruments	10,961,773	10,439,943
Derivatives	3,890,294	1,638,069
Financial assets at fair value through other comprehensive income	371,653,795	369,770,754
Off-balance sheet Items	202,471,574	201,933,644



In thousands of Reais, unless otherwise stated

Loans to customers

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

	Mar 31, 2023															
	Stage 1				Stage 2				Stage 3				Total			
	Loans	Loans to concede	Financial guarantees	Total	Loans	Loans to concede	Financial guarantees	Total	Loans	Loans to concede	Financial guarantees	Total	Loans	Loans to concede	Financial guarantees	Total
Individuals	518,456,902	109,478,162	828,104	628,763,168	25,403,177	114,085	--	25,517,262	32,738,742	150,203	531	32,889,476	576,598,821	109,742,450	828,635	687,169,906
Retail Individuals	240,698,045	99,715,598	812,851	341,226,494	20,867,460	107,600	--	20,975,060	26,149,579	128,906	429	26,278,914	287,715,084	99,952,104	813,280	388,480,468
Retail rural producer	277,758,857	9,762,564	15,253	287,536,674	4,535,717	6,485	--	4,542,202	6,589,163	21,297	102	6,610,562	288,883,737	9,790,346	15,355	298,689,438
Corporations	290,625,210	75,452,905	9,884,845	375,962,960	12,315,076	146,726	185,479	12,647,281	22,496,222	3,061,381	1,028,744	26,586,347	325,436,508	78,661,012	11,099,068	415,196,588
Wholesale	222,140,529	53,691,320	9,813,795	285,645,644	6,971,547	74,822	182,704	7,229,073	15,072,942	2,285,547	612,618	17,971,107	244,185,018	56,051,689	10,609,117	310,845,824
Retail MPE	68,475,565	21,760,808	71,050	90,307,423	5,340,262	71,904	2,775	5,414,941	7,416,018	775,761	416,126	8,607,905	81,231,845	22,608,473	489,951	104,330,269
Retail rural producer	9,116	777	--	9,893	3,267	--	--	3,267	7,262	73	--	7,335	19,645	850	--	20,495
Total	809,082,112	184,931,067	10,712,949	1,004,726,128	37,718,253	260,811	185,479	38,164,543	55,234,964	3,211,584	1,029,275	59,475,823	902,035,329	188,403,462	11,927,703	1,102,366,494
%	80.53%	18.41%	1.07%	100.00%	98.83%	0.68%	0.49%	100.00%	92.87%	5.40%	1.73%	100.00%	81.83%	17.09%	1.08%	100.00%

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



In thousands of Reais, unless otherwise stated

Other financial assets

Financial assets at fair value through other comprehensive income

Mar 31, 2023	Stage 1	Stage 2	Stage 3	Total
Debt instruments				
Brazilian federal government bonds	286,758,341	--	--	286,758,341
Securities issued by non-financial companies	52,265,277	441,131	1,785,804	54,492,212
Federal government bonds	17,724,818	--	--	17,724,818
Brazilian government bonds issued abroad	8,432,802	--	--	8,432,802
Investments in mutual funds	4,172,220	--	--	4,172,220
Securities issued by financial companies	73,402	--	--	73,402
Total	369,426,860	441,131	1,785,804	371,653,795

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

Securities at amortized cost

Mar 31, 2023	Stage 1	Stage 2	Stage 3	Total
Debt instruments				
Securities issued by non-financial companies	28,602,751	618,701	4,901,768	34,123,220
Brazilian federal government bonds	13,046,954	--	--	13,046,954
Brazilian government bonds issued abroad	2,577,093	--	--	2,577,093
Foreign government bonds	1,714,276	--	--	1,714,276
Securities issued by financial companies	128,270	--	--	128,270
Subtotal	46,069,344	618,701	4,901,768	51,589,813
Expect losses on securities	(92,957)	(2)	(2,821,137)	(2,914,096)
Total	45,976,387	618,699	2,080,631	48,675,717



In thousands of Reais, unless otherwise stated

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

Concentration

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

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

Exposures by geographic region

	Mar 31, 2023	Dec 31, 2022
Banco do Brasil		
Domestic market	864,689,652	845,605,208
Southeast	337,421,831	338,528,795
South	165,111,194	161,020,600
Midwest	178,768,198	168,130,285
Northeast	123,811,519	120,350,530
North	59,576,910	57,574,998
Foreign market	37,345,677	37,521,098
Total	902,035,329	883,126,306

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

d) Operational risk

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

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



In thousands of Reais, unless otherwise stated

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

Specific risk and capital management policy

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

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

Management instruments and Monitoring

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

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

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

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



In thousands of Reais, unless otherwise stated

24 – EMPLOYEE BENEFITS

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

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

Number of participants covered by benefit plans sponsored by the Bank

	Mar 31, 2023			Dec 31, 2022		
	Number of participants			Number of participants		
	Active	Retired/users	Total	Active	Retired/users	Total
Retirement and pension plans	86,941	122,704	209,645	87,342	123,024	210,366
Benefit Plan 1 – Previ	3,381	100,357	103,738	3,500	100,458	103,958
Previ Futuro	73,177	3,773	76,950	73,413	3,680	77,093
Informal Plan	--	2,045	2,045	--	2,045	2,045
Other plans	10,383	16,529	26,912	10,429	16,841	27,270
Health care plans	88,602	107,072	195,674	89,007	107,329	196,336
Cassi	79,854	101,437	181,291	80,236	101,619	181,855
Other plans	8,748	5,635	14,383	8,771	5,710	14,481



In thousands of Reais, unless otherwise stated

Bank's contributions to benefit plans

	1st quarter/2023	1st quarter/2022
Retirement and pension plans	479,845	451,753
Benefit Plan 1 – Previ ⁽¹⁾	153,631	148,681
Previ Futuro	230,556	206,663
Informal Plan	28,824	30,532
Other plans	66,834	65,877
Health care plans	499,731	473,572
Cassi	446,282	425,550
Other plans	53,449	48,022
Total	979,576	925,325

(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 24.d). Agreement 97 aims to regulate the funding required to constitute a portion equivalent to 53.7% of guaranteed amount relating to the supplementary pension due to the participants who joined the Bank up to April 14, 1967 and who have retired or will retire after the aforementioned date, except for those participants who are part of the Informal Plan.

On December 31, 2022 the Bank's contributions to defined benefit plans (post-employment) were estimated at R\$ 942,841 thousand for the next 6 months and R\$ 2,009,721 thousand for the next 12 months.

Amounts recognized in profit or loss

	1st quarter/2023	1st quarter/2022
Retirement and pension plans	596,094	278,915
Benefit Plan 1 – Previ	878,609	542,301
Previ Futuro	(230,556)	(206,663)
Informal Plan	(24,126)	(24,159)
Other plans	(27,833)	(32,564)
Health care plans	(565,744)	(524,858)
Cassi	(513,702)	(478,194)
Other plans	(52,042)	(46,664)
Total	30,350	(245,943)

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

a) Risk factors

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

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

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



In thousands of Reais, unless otherwise stated

b) Actuarial valuations

Actuarial evaluations are performed every six months. The information contained in the below tables refers to the calculations on December 31, 2022 and December 31, 2021, unless otherwise noted.

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

	Benefit Plan 1 – Previ		Informal Plan – Previ		Associates Plan – Cassi		Other plans	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	(152,404,722)	(197,181,895)	(846,025)	(1,058,846)	(9,212,441)	(12,359,453)	(8,975,214)	(11,411,961)
Interest cost	(15,969,282)	(14,713,266)	(84,665)	(71,830)	(989,853)	(931,048)	(948,961)	(855,549)
Current service cost	(68,644)	(171,048)	--	--	(79,866)	(94,349)	(4,578)	(6,698)
Past service cost	--	--	(19,492)	(24,800)	--	--	--	--
Benefits paid using plan assets	15,311,473	14,054,028	140,986	144,088	884,995	806,452	865,173	773,089
Remeasurements of actuarial gain/(losses)	12,404,472	45,607,459	57,025	165,363	588,273	3,365,957	710,971	2,525,905
Experience adjustment	(4,970,461)	(12,926,137)	(7,543)	(52,900)	(335,656)	(68,299)	(268,829)	(566,119)
Changes to biometric/demographic assumptions	--	25,031	--	--	--	(10,078)	17,932	(78,445)
Changes to financial assumptions	17,374,933	58,508,565	64,568	218,263	923,929	3,444,334	961,868	3,170,469
Closing balance	(140,726,703)	(152,404,722)	(752,171)	(846,025)	(8,808,892)	(9,212,441)	(8,352,609)	(8,975,214)
Present value of actuarial liabilities with surplus	(140,726,703)	(152,404,722)	--	--	--	--	(7,476,638)	(7,590,710)
Present value of actuarial liabilities without surplus	--	--	(752,171)	(846,025)	(8,808,892)	(9,212,441)	(875,971)	(1,384,504)



In thousands of Reais, unless otherwise stated

b.2) Changes in fair value of plan assets

	Benefit Plan 1 – Previ		Informal Plan – Previ		Associates Plan – Cassi		Other plans ⁽¹⁾	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	192,870,833	208,906,421	--	--	--	80,750	7,590,710	7,922,125
Interest income	21,777,783	17,967,725	--	--	--	--	873,990	673,786
Advance of consideration ⁽²⁾	--	--	--	--	--	(80,750)	--	--
Contributions received	1,276,540	1,195,417	140,986	144,088	884,995	806,452	459,151	409,667
Participants	638,270	596,810	--	--	--	--	173,101	159,412
Sponsor	638,270	598,607	140,986	144,088	884,995	806,452	286,050	250,255
Benefits paid using plan assets	(15,311,473)	(14,054,028)	(140,986)	(144,088)	(884,995)	(806,452)	(865,173)	(773,090)
Actuarial gain/(loss) on plan assets	(3,074,650)	(21,144,702)	--	--	--	--	(582,040)	(641,778)
Closing balance	197,539,033	192,870,833	--	--	--	--	7,476,638	7,590,710

(1) Refers to the following plans: General Regulation (Economus), Prevmias (Economus), Complementary Regulation 1 (Economus), Multifuturo I (Fusesc), Benefit Plan I (Fusesc) and BEP Plan (Prevbep).

(2) Refers to the advance of employer contributions on Christmas bonus (13th salary) corresponding to the period from 2018 to 2021.

b.3) Amounts recognized in the consolidated balance sheet

	Benefit Plan 1 – Previ		Informal Plan – Previ		Associates Plan – Cassi		Other plans	
	Mar 31, 2023	Dec 31, 2022	Mar 31, 2023	Dec 31, 2022	Mar 31, 2023	Dec 31, 2022	Mar 31, 2023	Dec 31, 2022
1) Fair value of the plan assets	197,539,033	197,539,033	--	--	--	--	7,476,638	7,476,638
2) Present value of actuarial liabilities	(140,726,703)	(140,726,703)	(752,171)	(752,171)	(8,808,892)	(8,808,892)	(8,352,609)	(8,352,609)
3) Surplus/(deficit) (1+2)	56,812,330	56,812,330	(752,171)	(752,171)	(8,808,892)	(8,808,892)	(875,971)	(875,971)
4) Surplus/(deficit) - plot sponsor	28,406,165	28,406,165	(752,171)	(752,171)	(8,808,892)	(8,808,892)	(910,551)	(910,551)
5) Amounts recognized in profit ⁽¹⁾	878,609	--	(24,126)	--	(278,162)	--	(24,359)	--
6) Amounts received from funds (Note 24.d) ⁽¹⁾	153,631	--	--	--	--	--	--	--
7) Benefits paid ⁽¹⁾	--	--	28,824	--	210,742	--	64,766	--
8) Net actuarial asset/(liability) (4+5+6+7) ⁽²⁾	29,438,405	28,406,165	(747,473)	(752,171)	(8,876,312)	(8,808,892)	(870,144)	(910,551)

(1) Changes that occurred after the December actuarial valuation.

(2) Refers to the portion of the surplus/(deficit) due from the sponsor.



In thousands of Reais, unless otherwise stated

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

	Benefit Plan 1 – Previ		Informal Plan – Previ		Associates Plan – Cassi		Other plans	
	1st quarter/2023	1st quarter/2022	1st quarter/2023	1st quarter/2022	1st quarter/2023	1st quarter/2022	1st quarter/2023	1st quarter/2022
Current service cost	(5,418)	(10,471)	--	--	(20,362)	(20,598)	(407)	(662)
Interest cost	(2,046,473)	(1,947,052)	(21,044)	(20,474)	(257,800)	(237,787)	(135,830)	(128,511)
Expected yield on plan assets	2,930,500	2,499,824	--	--	--	--	111,877	99,163
Unrecognized past service cost	--	--	(3,082)	(3,685)	--	--	--	--
Expense with active employees	--	--	--	--	(235,540)	(219,809)	(55,515)	(49,218)
Other adjustments/reversals	--	--	--	--	--	--	--	--
(Expense)/income recognized in profit or loss	878,609	542,301	(24,126)	(24,159)	(513,702)	(478,194)	(79,875)	(79,228)

b.5) Amounts recognized in the shareholders' equity

	Benefit Plan 1 – Previ		Informal Plan – Previ		Associates Plan – Cassi		Other plans	
	Mar 31, 2023	Dec 31, 2022	Mar 31, 2023	Dec 31, 2022	Mar 31, 2023	Dec 31, 2022	Mar 31, 2023	Dec 31, 2022
Opening balance	(3,235,552)	(9,715,783)	(136,659)	(227,609)	(962,540)	(2,813,815)	(364,321)	(1,007,952)
Accumulated other comprehensive income	4,664,911	12,230,480	57,026	165,363	588,273	3,365,956	94,999	1,174,930
Tax effects	(2,218,515)	(5,750,249)	(25,662)	(74,413)	(264,722)	(1,514,681)	(43,315)	(531,299)
Closing balance	(789,156)	(3,235,552)	(105,295)	(136,659)	(638,989)	(962,540)	(312,637)	(364,321)



In thousands of Reais, unless otherwise stated

b.6) Maturity profile of defined benefit actuarial obligations on December 31, 2022

Dec 31, 2022	Duration ⁽¹⁾	Expected benefit payments ⁽²⁾				
		Up to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
Benefit Plan 1 (Previ)	7.78	15,656,792	15,453,143	15,274,256	320,031,549	366,415,740
Informal Plan (Previ)	5.16	136,316	122,262	109,566	957,671	1,325,815
Associates Plan (Cassi)	8.77	961,254	943,837	930,191	27,427,235	30,262,517
General Regulation (Economus)	7.75	677,697	676,703	675,582	13,788,349	15,818,331
Complementary Regulation 1 (Economus)	9.82	3,304	3,471	3,635	136,112	146,522
Plus I and II (Economus)	10.35	40,545	42,224	43,878	2,189,626	2,316,273
B' Group (Economus)	7.15	23,588	23,335	23,056	390,860	460,839
Prevmais (Economus)	9.05	26,446	26,775	27,074	841,459	921,754
Multifuturo Plan I (Fusesc)	8.26	8,551	8,596	8,640	214,285	240,072
Benefit Plan I (Fusesc)	6.63	52,477	51,340	50,236	729,013	883,066
BEP Plan (Prevbep)	7.77	7,409	7,456	7,399	152,361	174,625

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

(2) Amounts considered without discounting at present value.

b.7) Composition of the plan assets

	Benefit Plan 1 – Previ		Other plans	
	Dec 31, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021
Fixed income	115,877,631	111,151,461	6,582,918	6,434,495
Equity and funds ⁽¹⁾	64,138,045	63,685,949	389,605	589,127
Real estate investments	10,765,877	10,627,183	221,068	240,632
Loans and financing	5,215,030	5,168,938	151,513	162,835
Other	1,542,450	2,237,302	131,534	163,621
Total	197,539,033	192,870,833	7,476,638	7,590,710
Amounts listed in fair value of plan assets				
In the sponsor's own financial instruments	6,894,112	9,952,135	43,050	--
In properties or other assets used by the sponsor	1,264,250	1,215,086	31,239	34,606

(1) It includes, in Plano 1 – Previ, the amount of R\$ 6,432,248 thousand (R\$ 5,641,967 thousand on 31.12.2021), related to the assets that are not quoted in active markets.



In thousands of Reais, unless otherwise stated

b.8) Main actuarial assumptions adopted

	Benefit Plan 1 – Previ		Informal Plan – Previ		Associates Plan – Cassi		Other plans	
	Dec 31, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021
Inflation rate (p.a.)	3.45%	3.29%	3.58%	3.43%	3.42%	3.27%	3.45%	3.28%
Real discount rate (p.a.)	8.94%	7.53%	8.79%	7.25%	8.98%	7.59%	8.94%	7.54%
Nominal rate of return on investments (p.a.)	12.70%	11.07%	--	--	--	--	12.69%	11.07%
Real rate of expected salary growth (p.a.)	0.67%	0.67%	--	--	--	--	0.91%	0.92%
Actuarial life table	BR-EMSsb-2015		BR-EMSsb-2015		BR-EMSsb-2015		AT-2000/ AT-83/ RP-2000	AT-2000/ AT-83
Capitalization method	Projected credit unit		Projected credit unit		Projected credit unit		Projected credit unit	

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

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

b.9) Sensitivity analysis

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

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

The table below presents the sensitivity analysis of the most relevant actuarial assumptions, showing the increase/(decrease) in defined benefit obligations, with variations reasonably possible for December 31, 2022.

	Discount rate		Life expectancy		Salary increase	
	+0.25%	-0.25%	+1 age	-1 age	+0.25%	-0.25%
Benefit Plan 1 (Previ)	(2,547,876)	2,639,554	2,070,201	(2,124,799)	9,328	(9,282)
Informal Plan (Previ)	(8,972)	9,207	21,254	(21,121)	--	--
Associates Plan (Cassi)	(145,016)	150,302	97,121	(99,126)	522	(511)
General Regulation (Economus)	(117,568)	121,647	91,413	(94,949)	--	--
Complementary Regulation 1 (Economus)	(1,150)	1,194	(1,835)	1,900	--	--
Plus I and II (Economus)	(13,917)	14,564	15,982	(15,684)	--	--
B' Group (Economus)	(3,423)	3,531	3,805	(3,976)	--	--
Prevmais (Economus)	(6,295)	6,539	1,185	(1,169)	930	(921)
Multifuturo I (Fusesc)	(1,759)	1,857	743	(770)	259	(236)
Benefit Plan I (Fusesc)	(6,408)	6,601	7,481	(7,652)	--	--
BEP Plan (Prevbep)	(1,355)	1,405	821	(859)	2	(2)



In thousands of Reais, unless otherwise stated

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

	Actuarial assets		Actuarial liabilities	
	Mar 31, 2023	Dec 31, 2022	Mar 31, 2023	Dec 31, 2022
Benefit Plan 1 (Previ)	29,438,405	28,406,165	--	--
Informal Plan (Previ)	--	--	(747,473)	(752,171)
Associates Plan (Cassi)	--	--	(8,876,312)	(8,808,892)
General Regulation (Econumus)	--	--	(538,766)	(565,077)
Complementary Regulation 1 (Econumus)	10,496	9,576	--	--
Plus I and II (Econumus)	--	--	(561,983)	(563,390)
B' Group (Econumus)	--	--	(206,918)	(206,165)
Prevmais (Econumus)	151,589	147,230	--	--
Multifuturo I (Fusesc)	123,497	119,869	--	--
Benefit Plan I (Fusesc)	119,434	115,868	--	--
BEP Plan (Prevbep)	32,507	31,538	--	--
Total	29,875,928	28,830,246	(10,931,452)	(10,895,695)

d) Allocations of the surplus – Benefit Plan 1

	1st quarter/2023	1st quarter/2022
Surplus Fund ⁽¹⁾		
Opening balance	11,315,371	10,795,343
Contributions to Plan 1	(153,631)	(148,681)
Interest and inflation adjustment	345,273	495,470
Closing balance	11,507,013	11,142,132

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

25 – RELATED PARTY TRANSACTIONS

a) Bank's key management personnel

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

	1st quarter/2023	1st quarter/2022
Short-term benefits	14,297	12,771
Compensation and social charges	6,712	6,965
Executive Board	6,688	6,954
Board of Directors	24	11
Variable remuneration (cash) and social charges	5,883	5,007
Other ⁽¹⁾	1,702	799
Termination benefits	536	52
Share-based payment benefits	8,595	7,523
Total	23,428	20,346

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



In thousands of Reais, unless otherwise stated

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

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

b) Details of related party transactions

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

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

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

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

- intercompany transactions, such as: interbank deposits, securities, loans, interest bearing and non-interest bearing deposits, securities sold under repurchase agreements, borrowings and onlendings, guarantees given and others;
- receivables from the National Treasury for interest rate equalization under Federal Government programs (Law 8,427/1992). Interest rate equalization represents an economic subsidy for rural credit, which provides borrowers with discounted interest rates compared to the Bank's normal funding costs (including administrative and tax expenses). The equalization payment is updated by the Selic rate in accordance with the National Treasury's budgeting process (as defined by law) and is designed to preserve the Bank's earnings;
- Previ uses the Bank's internal systems for voting, selective processes and access to common internal standards, which generates cost savings for both parties involved;
- related parties loan physical space to the Bank free of charge with the Bank, using the spaces mainly for the installation of self-service terminals, banking service offices and branches. These free of charge loans with related parties do not represent significant value, because the most of them are carried out with third parties;
- provision of business support services for controlled and sponsored entities for which the Bank is reimbursed for its costs with employees, technology and materials. Sharing of structure aims to gain efficiency for the Conglomerate. In the 1st quarter/2023, the Bank was reimbursed a total of R\$ 90,272 thousand (R\$ 97,108 thousand in the 1st quarter/2022), related to the structure sharing and a total of R\$ 145,135 thousand (R\$ 135,177 thousand in the 1st quarter/2022), related to employees assigned;
- contracts in which the Bank rents property owned by the entities sponsored to carry out its activities;
- acquisition of portfolio of loans transferred by Banco Votorantim;
- assignment of credits arising from loans written off as losses to Ativos S.A.;
- hiring specialized services from BB Tecnologia S.A (BBTS) for specialized technical assistance, digitization and copy of documents, telemarketing, extrajudicial collection, support and backing for financial and non- financial business processes, monitoring, supervision and execution of activities inherent to equipment and environments, software development, support and testing, data center support and operation, management of cell phone electronic messages, outsourcing and monitoring of physical security systems and telephony outsourcing;
- amounts receivable arising from the honors requested by the Bank to the Guarantee Funds (in which the Federal Government holds participation), according to the terms and conditions established by the regulation of each guarantee program. The Guarantee Funds are public or private nature instruments intended to guarantee projects and credit operations, aiming to, among others, enable structured enterprises of the Federal Government and support the inclusion of individuals and companies in the credit market; and



In thousands of Reais, unless otherwise stated

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

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

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

Some transactions are disclosed in other notes: the resources applied in federal government securities are listed in Note 12; information about the government funds are related in Note 18; and additional information about the Bank's contributions and other transactions with sponsored entities are listed in Note 24.

Fundação Banco do Brasil (FBB) promotes, encourages and sponsors actions in the areas of education, culture, health, social welfare, recreation and sports, science, technology and community development. In the 1st quarter/2023, the Bank's contributions to FBB totaled R\$ 2,070 thousand (R\$ 78,467 thousand in the 1st quarter/2022).

c) Acquisition of portfolio of loans transferred by Banco Votorantim

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

d) Summary of related party transactions

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

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



In thousands of Reais, unless otherwise stated

	Mar 31, 2023				
	Controlling shareholder	Associates and joint ventures	Key management personnel	Other related parties	Total
Assets	1,921,421	18,062,867	5,441	5,639,014	25,628,743
Loans to financial institutions	--	13,450,025	--	2,268,809	15,718,834
Financial assets	--	3,562,055	--	465,842	4,027,897
Loans to customers ⁽¹⁾	--	1,274	5,441	2,554,893	2,561,608
Other assets	1,921,421	1,049,513	--	349,470	3,320,404
Liabilities	4,964,714	16,799,624	22,386	58,959,767	80,746,491
Customers resources	3,265,116	615,745	1,480	11,123,218	15,005,559
Financial institutions resources	--	60,029	--	3,776,189	3,836,218
Funds from issuance of securities	177,357	--	--	42,864,676	43,042,033
Other liabilities	1,522,241	16,123,850	20,906	1,195,684	18,862,681
Guarantees received	--	--	--	--	--
Guarantees given and other coobligations	304,002	5,001,742	--	32,676	5,338,420
Consolidated statement of income	1st quarter/2023				
Interest income	1,438,598	425,853	184	107,350	1,971,985
Interest expense	(47,290)	(12,390)	(554)	(1,028,405)	(1,088,639)
Commissions and fee income	27,820	1,521,298	3	188,075	1,737,196
Other operating income	10,196	179,013	--	4,383	193,592
Other operating expenses	(248,797)	(147,033)	--	(138,891)	(534,721)

(1) The Bank constituted the amount of R\$ 45 thousand as allowance for losses on loans on transactions with related parties. The constitution of expense was R\$ 6 thousand in the 1st quarter/2023.

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

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



In thousands of Reais, unless otherwise stated

	Dec 31, 2022				
	Controlling shareholder	Associates and joint ventures	Key management personnel	Other related parties	Total
Assets	2,580,362	12,902,253	6,147	6,299,651	21,788,413
Loans to financial institutions	--	8,410,124	--	2,901,626	11,311,750
Financial assets	--	3,694,921	--	498,019	4,192,940
Loans to customers ⁽¹⁾	--	1,211	6,147	2,587,860	2,595,218
Other assets	2,580,362	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	--	100,043	--	1,831,017	1,931,060
Funds from issuance of securities	132,828	--	--	43,858,369	43,991,197
Other liabilities	1,762,815	17,103,288	24,134	1,167,948	20,058,185
Guarantees received	--	20	--	--	20
Guarantees given and other coobligations	344,592	5,004,909	--	33,985	5,383,486
Consolidated statement of income	1st quarter/2022				
Interest income	1,305,090	247,514	205	153,503	1,706,312
Interest expense	(30,731)	(10,958)	(317)	(954,768)	(996,774)
Commissions and fee income	40,779	1,384,723	2	176,089	1,601,593
Other operating income	4,856	232,641	--	6,712	244,209
Other operating expenses	(241,594)	(244,914)	--	(277,968)	(764,476)

(1) The Bank constituted the amount of R\$ 55 thousand as allowance for losses on loans on transactions with related parties. The constitution of expense was R\$ 8 thousand in the 1st quarter/2022.

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

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



In thousands of Reais, unless otherwise stated

26 – CURRENT AND NON CURRENT ASSETS AND LIABILITIES

	Mar 31, 2023		
	Up to 1 year	After 1 year	Total
Assets			
Cash and bank deposits	24,989,738	--	24,989,738
Compulsory deposits with Brazilian Central Bank	94,994,646	--	94,994,646
Financial assets at amortized cost, net	882,033,692	539,899,916	1,421,933,608
Loans to financial institutions	38,381,942	9,619,660	48,001,602
Securities purchased under resale agreements	421,771,575	151,647	421,923,222
Loans to customers	381,613,232	471,289,921	852,903,153
Securities	21,401,762	27,273,955	48,675,717
Other financial assets	18,865,181	31,564,733	50,429,914
Financial assets at fair value through profit or loss	14,852,067	--	14,852,067
Debt and equity instruments	10,961,773	--	10,961,773
Derivatives	3,890,294	--	3,890,294
Financial assets at fair value through other comprehensive income	43,090,946	328,562,849	371,653,795
Non current assets held for sale	191,616	--	191,616
Investments in associates and joint ventures	--	20,826,790	20,826,790
Property and equipment	--	13,152,517	13,152,517
Use	--	8,956,955	8,956,955
Right of use	--	4,195,562	4,195,562
Intangible assets	--	10,663,091	10,663,091
Tax assets	9,105,916	58,013,188	67,119,104
Current	9,105,916	--	9,105,916
Deferred	--	58,013,188	58,013,188
Other assets	18,536,249	31,014,374	49,550,623
Total	1,087,794,870	1,002,132,725	2,089,927,595
Liabilities			
Financial liabilities at amortized cost	1,453,994,598	377,051,219	1,831,045,817
Customers resources	590,209,447	160,514,165	750,723,612
Amount payable to financial institutions	21,487,166	2,801,566	24,288,732
Financial institutions resources	627,361,295	14,044,418	641,405,713
Funds from issuance of securities	146,474,725	195,390,842	341,865,567
Other financial liabilities	68,461,965	4,300,228	72,762,193
Financial liabilities at fair value through profit or loss	4,901,944	--	4,901,944
Provisions for labor, tax and civil lawsuits	6,747,891	12,309,559	19,057,450
Expected losses for guarantees provided and loan commitments	3,341,581	146,470	3,488,051
Tax liabilities	1,342,090	14,720,778	16,062,868
Current	1,342,090	--	1,342,090
Deferred	--	14,720,778	14,720,778
Other liabilities	44,446,389	2,791,764	47,238,153
Shareholders' equity	--	168,133,312	168,133,312
Total	1,514,774,493	575,153,102	2,089,927,595



In thousands of Reais, unless otherwise stated

	Dec 31, 2022		
	Up to 1 year	After 1 year	Total
Assets			
Cash and bank deposits	18,310,546	--	18,310,546
Compulsory deposits with Brazilian Central Bank	95,119,085	--	95,119,085
Financial assets at amortized cost, net	825,013,347	527,891,588	1,352,904,935
Loans to financial institutions	56,456,430	6,151,524	62,607,954
Securities purchased under resale agreements	359,203,442	1,417,032	360,620,474
Loans to customers	372,512,511	460,426,046	832,938,557
Securities	18,833,235	29,163,189	47,996,424
Other financial assets	18,007,729	30,733,797	48,741,526
Financial assets at fair value through profit or loss	12,078,012	--	12,078,012
Debt and equity instruments	10,439,943	--	10,439,943
Derivatives	1,638,069	--	1,638,069
Financial assets at fair value through other comprehensive income	44,800,309	324,970,445	369,770,754
Non current assets held for sale	203,473	--	203,473
Investments in associates and joint ventures	--	20,199,203	20,199,203
Property and equipment	--	13,200,128	13,200,128
Use	--	9,194,568	9,194,568
Right of use	--	4,005,560	4,005,560
Intangible assets	--	11,030,985	11,030,985
Tax assets	9,914,030	57,327,950	67,241,980
Current	9,914,030	--	9,914,030
Deferred	--	57,327,950	57,327,950
Other assets	17,768,738	30,325,909	48,094,647
Total	1,023,207,540	984,946,208	2,008,153,748
Liabilities			
Financial liabilities at amortized cost	1,366,681,217	386,520,778	1,753,201,995
Customers resources	593,072,021	160,191,026	753,263,047
Amount payable to financial institutions	21,373,628	2,709,229	24,082,857
Financial institutions resources	548,630,323	15,823,276	564,453,599
Funds from issuance of securities	125,830,451	202,777,673	328,608,124
Other financial liabilities	77,774,794	5,019,574	82,794,368
Financial liabilities at fair value through profit or loss	2,764,797	--	2,764,797
Provisions for labor, tax and civil lawsuits	6,363,934	12,008,771	18,372,705
Expected losses for guarantees provided and loan commitments	3,146,078	438,800	3,584,878
Tax liabilities	4,625,471	13,566,618	18,192,089
Current	4,625,471	--	4,625,471
Deferred	--	13,566,618	13,566,618
Other liabilities	45,591,895	2,942,495	48,534,390
Shareholders' equity	--	163,502,894	163,502,894
Total	1,429,173,392	578,980,356	2,008,153,748



27 – OTHER INFORMATION

a) Social Bond Issue

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

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

b) Russia and Ukraine Conflict

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

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

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

c) Change in tax treatment applicable to losses incurred

On November 16, 2022, the Provisional Measure 1,128 of May 07, 2022, was converted into Law No. 14,467, promoted changes in the tax treatment applicable to losses incurred in the receipts of credits arising from the activities of financial institutions and other institutions authorized to operate by the Bacen, except consortium administrators and payment institutions.

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



In thousands of Reais, unless otherwise stated

28 – SUBSEQUENT EVENTS

a) Sustainability Bond Issuance

On April 18, 2023, as communicated to the market, the Bank carried out, through its Grand Cayman branch, sustainable international funding of senior debt, of the sustainability bond type, in the amount of US\$ 750 million, with maturity on April 18, 2030 and coupon of 6.250% p.a., which was priced on April 11, 2023 and settled on April 18, 2023.

This was the first sustainability bond issued by Banco do Brasil and the second bond issued within the scope of the Bank's Sustainable Finance Framework. The first bond issued within this framework was the social bond issued in January 2022.

b) Capital increase

On April 27, 2023, the General Shareholders' Meeting deliberated on the increase in the Bank's capital stock, in the amount of R\$30 billion, through the incorporation of part of the statutory reserve for operating margin. Thus, the Bank's share capital will be R\$ 120 billion.

29 – RECONCILIATION OF SHAREHOLDERS' EQUITY AND INCOME

	Reference	Mar 31, 2023	Dec 31, 2022
Shareholders' equity attributable to shareholders of the Bank – BRGAAP		165,321,054	160,561,221
IFRS's adjustments		(2,092,065)	(1,322,326)
Deferral of fees and commissions for adjustment based on the effective interest rate method	(a)	(726,114)	(743,174)
Business combinations and corporate restructuring	(b)	1,486,245	1,571,298
Expected losses on financial instruments	(c)	(3,964,073)	(2,967,816)
Other adjustments		(63,843)	195,226
Income and social contribution taxes on IFRS's adjustments	(d)	1,175,720	622,140
Shareholders' equity attributable to shareholders of the Bank – IFRS		163,228,989	159,238,895
Attributable to non-controlling interests		4,904,323	4,263,999
Shareholders' equity in accordance with IFRS		168,133,312	163,502,894

	Reference	1st quarter/2023	1st quarter/2022
Net income attributable to shareholders of the Bank – BRGAAP		8,206,592	6,680,383
IFRS's adjustments		(1,515,395)	(2,092,501)
Deferral of fees and commissions for adjustment based on the effective interest rate method	(a)	17,060	(7,087)
Business combinations and corporate restructuring	(b)	(85,053)	(24,803)
Expected losses on financial instruments	(c)	(996,257)	(2,995,930)
Other adjustments ⁽¹⁾		(1,004,725)	(372,535)
Income and social contribution taxes on IFRS's adjustments	(d)	553,580	1,307,854
Net income attributable to shareholders of the Bank – IFRS		6,691,197	4,587,882
Attributable to non-controlling interests		599,785	416,868
Net income in accordance with IFRS		7,290,982	5,004,750

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



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

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

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

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

b) Business combinations and corporate restructuring

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

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

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

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

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

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

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



In thousands of Reais, unless otherwise stated

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

The allowance to cover losses on loans to customers, in accordance with the accounting practices adopted by financial institutions in Brazil, must be constituted monthly, and cannot be less than the sum resulting from the application of minimum percentages, which vary from 0% for loans at level AA at 100% for loans classified as level H. Although the model used determines a minimum percentage of allowance for each level of risk, an entity may, at its own discretion, determine an additional allowance.

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

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

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

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

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



In thousands of Reais, unless otherwise stated

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 March 31, 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), May 11, 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 BUSINESS DEVELOPMENT 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)



In thousands of Reais, unless otherwise stated

**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), May 11, 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

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CHIEF CORPORATE OFFICER

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



In thousands of Reais, unless otherwise stated

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
Marco Geovanne Tobias da Silva
Marisa Reghini Ferreira Mattos

BOARD OF DIRECTORS

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Aramis Sá de Andrade
Elisa Vieira Leonel
Gabriel Muricca Galípolo
Kelly Tatiane Martins Quirino
Marcelo Gasparino da Silva
Roberto Juenemann
Tarciana Paula Gomes Medeiros

DIRECTORS

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Antonio Carlos Wagner Chiarello
Daniela de Avelar Gonçalves
Eduardo Cesar Pasa
Euler Antonio Luz Mathias
Guilherme Alexandre Rossi
Gustavo Garcia Lellis
Jayme Pinto Junior
João Vagnes de Moura Silva
Luciano Matarazzo Regno
Lucinéia Possar
Mariana Pires Dias
Neudson Peres de Freitas
Paula Sayão Carvalho Araujo
Pedro Bramont
Rafael Machado Giovanella
Rodrigo Felipe Afonso
Rodrigo Mulinari
Thiago Affonso Borsari
Thompson Soares Pereira César

SUPERVISORY BOARD

Fernando Florêncio Campos
Gileno Gurjão Barrego
Renato da Motta Andrade Neto

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