
Management Report

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1H
23



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

Dear reader,

In the first half of 2023, we achieved a net profit of R\$16.6 billion. This result reflects Banco always do Brasil's relevance in the lives of clients. We seek excellence in the relationship, in an innovative and efficient way, bringing hyperpersonalized solutions, to see Brazilians thriving more and more.

We reached R\$42.9 billion in value added, through the payment of dividends, taxes, and other components. In addition, we adopt actions that generate positive social and environmental impacts through our initiatives, partnerships and the performance of the Banco do Brasil Foundation. We are inducers of sustainable best practices and support our clients to migrate to greener and more inclusive business models.

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

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

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

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

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

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

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

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

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

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

Happy reading!

Consolidated Financial Statements Result

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

Net income of R\$16.6 billion in 1H23 was a reflection of good commercial performance in several business lines, notably in the disbursement with credit quality, exploring value chains and an adequate risk-return mix. This performance is bolstered by growth in service revenues, while administrative expenses remained under control. The proper management of liquidity and revenues of the group companies are added to the result. BIS reached 15.7% and the CET1 ended June at 12.2%.

In addition to the result, we reached R\$42.9 billion in value added, through the payment of dividends, taxes and other components, a growth of 15% over the same period of the previous year.

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

Net Income

R\$16.6 billion

Growth of 15.2%
compared to 1H22

Value Added

R\$42.9 billion

Growth of 15.0%
compared to 1H22

		Banco do Brasil		BB Consolidated		
	Earnings (R\$ million)	1H23	1H22	1H23	1H22	
	Net Income	16,444	14,243	16,561	14,370	
	Income from Financial Intermediation	26,505	24,631	31,594	27,313	
	Fee Income	10,359	9,924	16,418	15,372	
	Administrative and Personnel Expenses	(17,654)	(15,968)	(18,668)	(16,875)	
	Equity (R\$ million)	Jun/23	Dec/22	Jun/23	Dec/22	
	Assets	2,124,392	2,062,967	2,103,152	2,029,399	
	Classified Loan Portfolio	907,553	877,064	921,558	891,283	
	Customer Resources	734,788	722,516	768,531	753,263	
	Shareholders Equity	157,200	153,839	167,680	164,029	

Shareholders and Holders of Debt Instruments

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

Compensation to Shareholders

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

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

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



Corporate Strategy

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

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

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

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

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



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

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

Clients

A bank for every customer

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

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

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

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

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

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

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

NPS: improvement of
13 points
in a year

Digital Transformation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



Agenda ESG

(Environmental, Social and Governance)

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



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

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

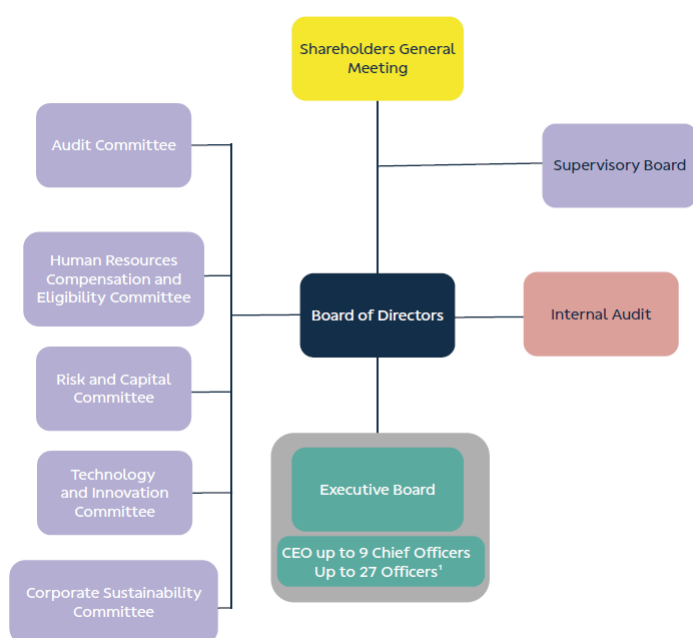


Corporate Governance

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

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

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



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

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

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

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

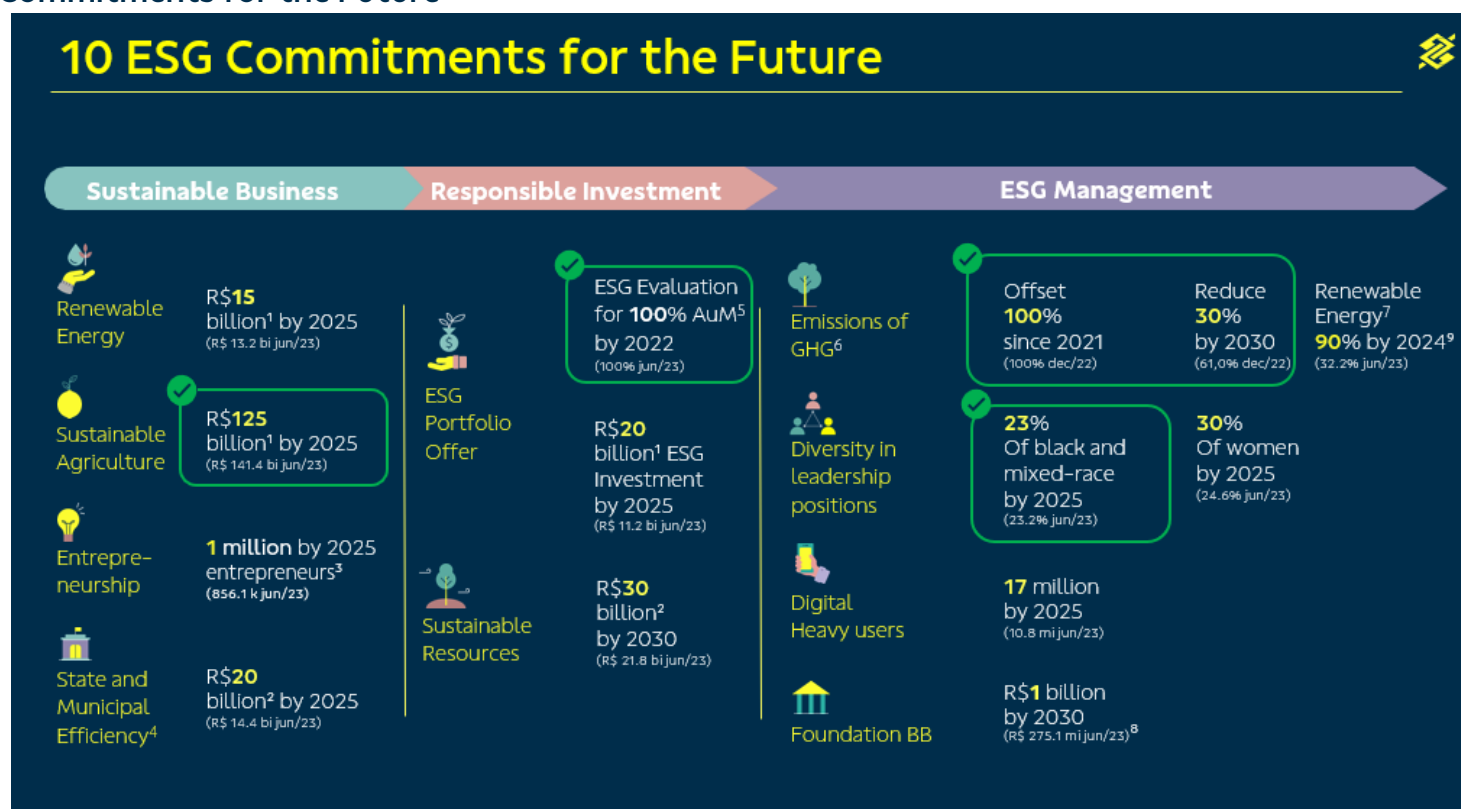
Social, Environmental and Climate Risks and Opportunities

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

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

Global carbon market

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



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

Sustainable Credit Portfolio

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

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

Eco-efficiency

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

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

Diversity, Equity and Inclusion



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

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

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

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

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

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

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

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

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

Sport and Culture

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

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

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

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



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

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

Awards and Recognitions

January

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

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

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

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

February

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

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

March

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

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

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

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

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

April

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

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

May

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

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

June

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

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

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

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

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

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

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

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

July

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

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



People Management

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

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



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

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

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

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

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

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

Risk Management

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

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

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

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

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

Liquidity risk management promoted a review and updating of governance related to manuals and models, among which we highlight the revision of the reserve and liquidity cushion models, the revision of the Free Resources Availability (DRL) indicator model,



as well as the revisions of the prospective models related to the regulatory indicators, LCR and NSFR.

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

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

Independent Audit

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

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

Securities and Information of Affiliates and Subsidiaries

In accordance with article 8 of Bacen Circular 3.068/2001, we affirm our intention and financial capacity to maintain, until maturity, the securities classified in the category "Securities Held until Maturity". Our financial capacity is supported by a cash flow projection that does not consider the possibility of selling these securities. The opening of securities by category and the reclassification of securities can be found in explanatory note 10 – Securities. The amounts related to unrealized gains and losses in the period, related to securities, are disclosed in explanatory note 30 – Risk and Capital Management.

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

Additional Clarifications

We have R\$1.2 billion (individual and consolidated) of non-activated tax credits, presented in explanatory note 22 – Taxes of the Individual and Consolidated Financial Statements (subitem "f").

We kept recorded in clearing accounts, according to the rules set forth in the Accounting Plan of Financial Institutions (Cosif), the amount of R\$15.7 billion arising from co-obligations and risks in guarantees provided to clients and companies that are members of the Banco do Brasil Conglomerate.

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

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

Report related to the Individual and Consolidated Financial Statements prepared in the Accounting Standard of the Institutions Regulated by the Central Bank of Brazil (Cosif).

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