

Financial Statements

September, 30 2022



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BANK AND CONSOLIDATED INTERIM STATEMENTS

as of September 30, 2022

(In thousands of Reais, unless otherwise started)

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Report on review of parent company and consolidated interim financial statements

To the Board of Directors and Shareholders
Banco Votorantim S.A.

Introduction

We have reviewed the accompanying interim financial statements of Banco Votorantim S.A. ("Bank") as at September 30, 2022, and the related income statement, statement of other comprehensive income for the three and nine-month periods then ended and statement of changes in shareholder's equity and statement of cash flows for the nine-month period then ended, as well as the accompanying consolidated statement of financial position of Banco Votorantim S.A. and its subsidiaries ("Consolidated") as at September 30, 2022, and the related consolidated income statement, consolidated statement of other comprehensive income for the three and nine-month periods then ended and consolidated statement of changes in shareholder's equity and consolidated statement of cash flows for the nine-month period then ended, and the notes, comprising significant accounting policies and other elucidative information.

Management is responsible for the preparation and fair presentation of these parent company and consolidated interim financial statements in accordance with accounting standards adopted in Brazil applicable to institutions authorized to operate by the Brazilian Central Bank. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information 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 Brazilian and International Standards on Auditing and consequently did 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

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim financial statements referred to above do not present fairly, in all material respects, the financial position of Banco Votorantim S.A. and of Banco Votorantim S.A. and its subsidiaries as at September 30, 2022, and the parent company financial performance for the three and nine-month periods then ended and its cash flows for the nine-month period then ended, as well as the consolidated financial performance for the three and nine-month periods then ended and its consolidated cash flows for the nine-month period then ended, in accordance with accounting standards adopted in Brazil applicable to institutions authorized to operate by the Brazilian Central Bank.



Banco Votorantim S.A.

Other matters

Statements of added value

The interim financial statements referred to above include the parent company and consolidated statements of value added for nine-month period ended September 30, 2022. These statements are the responsibility of the Bank's management and are presented as supplementary information for the Central Bank of Brazil. These statements have been subjected to review procedures performed together with the review of the interim financial statements for the purpose of concluding whether they are reconciled with the interim financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated interim financial statements taken as a whole.

São Paulo, November 7, 2022.

A handwritten signature in blue ink, appearing to read "PricewaterhouseCoopers", written over the printed name of the auditor.

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5

DocuSigned by:
Maria José De Mula Cury
Signed By: MARIA JOSE DE MULA CURY:10357176898
CPF: 10357176898
Signing Time: 07 de novembro de 2022 | 17:54 BRT

A green digital stamp from the Brazilian government (ICP-Brasil) certifying the digital signature.

Maria José De Mula Cury
Accountant CRC 1SP192785/O-4



STATEMENT OF FINANCIAL POSITION

as of September 30, 2022 and December 31, 2021

(In thousands of Reals, unless otherwise started)

	Note	Parent Company		Consolidated	
		09.30.2022	12.31.2021	09.30.2022	12.31.2021
Cash and cash equivalents	7	530,995	2,892,037	578,945	2,935,119
Availabilities		158,749	235,301	206,699	278,383
Interbank funds applied		372,246	2,656,736	372,246	2,656,736
Financial assets		115,259,493	102,550,902	117,303,435	107,162,395
Interbank investments	8a	3,539,390	5,050,887	1,344,402	3,423,243
Securities	9b	44,662,703	33,628,761	43,238,683	35,897,868
Securities portfolio		45,623,942	34,616,765	44,201,674	36,885,872
(Provision for impairment of securities)		(961,239)	(988,004)	(962,991)	(988,004)
Derivative financial instruments	10a	4,296,641	4,386,747	4,296,641	3,713,757
Interbank accounts	11a	1,882,189	1,490,076	2,071,083	1,492,118
Loan portfolio	12a	56,811,010	56,073,621	61,834,841	60,288,771
Loans		57,468,902	55,569,267	60,172,001	57,332,216
Other receivables with loan characteristics		3,938,913	5,437,360	7,164,757	8,452,836
Lease portfolio		-	-	42,650	48,739
(Allowance for losses associated with credit risk)		(4,596,805)	(4,933,006)	(5,544,567)	(5,545,020)
Other financial assets	13a	4,067,560	1,920,810	4,517,785	2,346,638
Non-financial assets held for sale	14	144,085	108,769	227,806	200,640
Tax assets		6,673,038	6,996,647	8,053,729	8,125,519
Current tax assets	26a.1	536,893	447,097	617,012	499,250
Deferred tax assets	26a.2	6,136,145	6,549,550	7,436,717	7,626,269
Investments		2,816,094	3,911,807	194,941	110,447
Investments in subsidiaries, associates and joint ventures	15a	2,816,094	3,911,523	194,941	110,163
Other investments	15e	-	284	-	284
Property, plant and equipment	16	89,953	81,092	90,180	81,408
Other Property, plant and equipment		420,236	390,080	429,740	399,581
(Accumulated depreciation)		(330,283)	(308,988)	(339,560)	(318,173)
Intangibles and goodwill		821,371	594,519	917,070	674,658
Intangible assets	17a	1,655,928	1,280,807	1,797,460	1,391,171
(Accumulated amortization)	17a	(666,230)	(517,961)	(702,234)	(538,357)
(Accumulated impairment)	17a	(168,327)	(168,327)	(178,156)	(178,156)
Other assets	13a	868,661	939,310	804,625	875,317
TOTAL ASSETS		127,203,690	118,075,083	128,170,731	120,165,503

The accompanying notes are an integral part of these financial statements.



STATEMENT OF FINANCIAL POSITION

as of September 30, 2022 and December 31, 2021

(In thousands of Reals, unless otherwise stated)

	Note	Parent Company		Consolidated	
		09.30.2022	12.31.2021	09.30.2022	12.31.2021
Financial liabilities		111,780,149	102,517,581	110,161,839	104,109,826
Deposits	18a	22,787,014	25,002,756	21,925,275	24,046,720
Money market repurchase commitments	18c	21,398,960	18,010,986	20,939,069	16,820,593
Funds from acceptance and issuance of securities	20	40,347,534	38,273,281	40,347,534	38,273,281
Interbank accounts	11a	79,462	16,946	3,220,498	2,840,131
Borrowings and domestic onlendings	19a	6,068,028	5,102,555	6,068,028	5,102,555
Derivative financial instruments	10a	4,061,358	2,439,455	4,061,358	2,365,339
Subordinated debts and debt instruments eligible as capital	21a	4,290,247	3,588,447	4,290,247	3,588,447
Other financial liabilities	22a	12,747,546	10,083,155	9,309,830	11,072,760
Tax liabilities		340,589	893,272	463,408	1,122,621
Current tax liabilities	26b.1	178,833	230,910	300,909	459,590
Deferred tax liabilities	26b.2	161,756	662,362	162,499	663,031
Provisions for contingencies	29e	641,351	679,559	688,211	732,091
Other liabilities	22a	1,851,267	2,061,981	2,164,019	2,272,414
Shareholders' equity		12,590,334	11,922,690	14,693,254	11,928,551
Controlling shareholders' equity		12,590,334	11,922,690	12,620,775	11,928,551
Capital	25a	8,480,372	8,130,372	8,480,372	8,130,372
Capital reserves	25b	372,120	372,120	372,120	372,120
Profit reserves		2,997,266	2,955,632	2,988,475	2,946,841
Other comprehensive	25g	65,964	464,566	137,677	479,218
Accumulated profits		674,612	-	642,131	-
Non-controlling interests ⁽¹⁾	25h	-	-	2,072,479	-
TOTAL LIABILITIES AND EQUITY		127,203,690	118,075,083	128,170,731	120,165,503

⁽¹⁾ As of 2022, non-controlling interests, predominantly the position of shares in controlled investment funds held by third parties, began to be presented as a component of shareholders' equity (Note 3c).

The Explanatory Notes are integrant part of the accounting statements.



INCOME STATEMENT

Nine-month period ended September 30, 2022 and 2021
(In thousands of Reais, unless otherwise started)

	Note	Parent Company			
		07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
FINANCIAL INTERMEDIATION INCOME		4,501,407	4,157,189	11,555,859	8,421,490
Loans	12b	2,550,001	2,083,382	7,109,342	5,744,666
Income from securities	9c	1,133,009	693,104	3,299,679	1,443,138
Income from derivative financial instruments	10h	347,408	862,862	153,314	232,846
Income from exchange foreign operations	13c	128,710	161,530	9,409	212,622
Income from compulsory deposits	11d	53,235	12,918	129,795	24,303
Sale or transfer transactions of financial assets	12h.1	289,044	343,393	854,320	763,915
FINANCIAL INTERMEDIATION EXPENSES		(3,300,078)	(2,618,354)	(7,333,626)	(3,795,279)
Funding operations in the market	18d	(2,645,105)	(2,062,319)	(6,385,918)	(3,220,235)
Borrowings and onlendings	19d	(225,548)	(353,504)	(78,217)	(198,838)
Liabilities associated with assigned financial assets	12h	(429,425)	(202,531)	(869,491)	(376,206)
INCOME (LOSS) FROM FINANCIAL INTERMEDIATION		1,201,329	1,538,835	4,222,233	4,626,211
RESULT OF PROVISION FOR LOSSES		(88,634)	(333,228)	(579,378)	(1,083,308)
(Provision) / reversal of provision for loan losses	12f.1	(91,736)	(312,636)	(620,295)	(1,024,646)
Other (provision) / reversal of provision associated with credit risk	12f.1	5,380	13,415	14,152	20,442
(Provision) / reversal of provision for securities impairment	9d	(2,278)	(34,007)	26,765	(79,104)
OPERATING INCOME/EXPENSES		(762,370)	(637,546)	(2,102,338)	(1,623,777)
Service income	23a	92,370	73,820	255,371	271,544
Income from banking fees	23b	151,283	182,151	396,743	523,521
Personnel expenses	23c	(357,132)	(321,534)	(979,966)	(778,861)
Other administrative expenses	23d	(382,685)	(336,187)	(1,067,751)	(924,946)
Tax expenses	26c	(124,933)	(91,727)	(303,012)	(271,649)
Share of profit (loss) in subsidiaries, associates and jointly controlled subsidiaries	15a	37,457	90,541	129,994	224,408
(Provision) / reversal of provision for contingent liabilities	29e.3	26,647	34,154	38,208	66,455
Other operating income	23e	27,393	5,159	72,049	31,198
Other operating expenses	23f	(232,770)	(273,923)	(643,974)	(765,447)
OPERATING INCOME		350,325	568,061	1,540,517	1,919,126
OTHER NON-OPERATING INCOME AND EXPENSES	24	4,360	11,888	13,989	25,889
INCOME BEFORE TAXES AND CONTRIBUTIONS AND PROFIT SHARING		354,685	579,949	1,554,506	1,945,015
INCOME TAX AND SOCIAL CONTRIBUTION	26d.1	76,884	(180,790)	(191,050)	(639,026)
PROFIT SHARING - EMPLOYEES AND MANAGEMENT		(47,999)	(29,657)	(147,210)	(121,881)
NET PROFIT		383,570	369,502	1,216,246	1,184,108
EARNINGS PER SHARE	25e				
Earnings per share - R\$		114.04	109.86	361.62	352.06
Number of shares (thousand lot)		3,363,364	3,363,364	3,363,364	3,363,364

The accompanying notes are an integral part of these financial statements.



INCOME STATEMENT

Nine-month period ended September 30, 2022 and 2021
(In thousands of Reais, unless otherwise started)

	Note	Consolidated			
		07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
FINANCIAL INTERMEDIATION INCOME		4,856,267	4,371,995	12,529,930	8,974,681
Leasing operations	12b	3,046,230	2,380,589	8,369,058	6,369,953
Income from securities	9c	990,938	690,358	2,879,575	1,410,538
Income (Losses) from derivative financial instruments	10h	347,408	783,207	287,071	193,350
Income from exchange foreign operations	13c	128,710	161,530	9,409	212,622
Income from compulsory deposits	11d	53,937	12,918	130,497	24,303
Sale or transfer transactions of financial assets	12h	289,044	343,393	854,320	763,915
FINANCIAL INTERMEDIATION EXPENSES		(3,257,603)	(2,608,087)	(7,331,307)	(3,764,366)
Funding operations in the market	18d	(2,602,630)	(2,034,757)	(6,230,733)	(3,172,030)
Borrowings and onlendings	19d	(225,548)	(353,504)	(78,217)	(198,838)
Liabilities associated with assigned financial assets	12h	(429,425)	(219,826)	(1,022,357)	(393,498)
INCOME (LOSS) FROM FINANCIAL INTERMEDIATION		1,598,664	1,763,908	5,198,623	5,210,315
RESULT OF PROVISION FOR LOSSES		(422,263)	(501,906)	(1,246,833)	(1,451,548)
(Provision) / reversal of provision for loan losses	12f.1	(425,365)	(481,314)	(1,287,750)	(1,392,886)
Other (provision) / reversal of provision associated with credit risk	12f.1	5,380	13,415	14,152	20,442
(Provision) / reversal of provision for securities impairment	9d	(2,278)	(34,007)	26,765	(79,104)
OPERATING INCOME/EXPENSES		(739,659)	(628,697)	(2,209,327)	(1,564,429)
Service income	23a	444,104	424,881	1,174,377	1,217,987
Income from banking fees	23b	185,391	215,097	495,887	621,574
Personnel expenses	23c	(431,763)	(382,048)	(1,210,620)	(940,260)
Other administrative expenses	23d	(491,243)	(428,959)	(1,411,677)	(1,159,003)
Tax expenses	26c	(173,012)	(134,551)	(433,710)	(383,482)
Share of profit (loss) in subsidiaries, associates and jointly controlled subsidiaries	15a	(8,826)	(187)	(14,670)	(718)
(Provision) / reversal of provision for contingent liabilities	29e.3	20,634	33,607	43,880	71,880
Other operating income	23e	71,010	17,387	141,489	62,463
Other operating expenses	23f	(355,954)	(373,924)	(994,283)	(1,054,870)
OPERATING INCOME		436,742	633,305	1,742,463	2,194,338
OTHER NON-OPERATING INCOME AND EXPENSES	24	6,695	16,647	19,182	(37,908)
INCOME BEFORE TAXES AND CONTRIBUTIONS AND PROFIT SHARING		443,437	649,952	1,761,645	2,156,430
INCOME TAX AND SOCIAL CONTRIBUTION	26d.1	77,881	(241,383)	(182,800)	(815,761)
PROFIT SHARING - EMPLOYEES AND MANAGEMENT		(62,769)	(38,434)	(191,298)	(154,695)
NON-CONTROLLING PARTICIPATION ⁽¹⁾	25h	(74,296)	-	(203,782)	-
NET PROFIT		384,253	370,135	1,183,765	1,185,974
NET INCOME ATTRIBUTABLE TO SHAREHOLDERS		458,549	370,135	1,387,547	1,185,974
Controllers		384,253	370,135	1,183,765	1,185,974
Non controllers ⁽¹⁾	25h	74,296	-	203,782	-

⁽¹⁾ As of 2022, as of 2022, the result is highlighted by the controlling shareholders in the non-income statement of non-controlling interests (Note 3c).

The accompanying notes are an integral part of these financial statements



STATEMENT OF OTHER COMPREHENSIVE INCOME

Nine-month period ended September 30, 2022 and 2021
(In thousands of Reais, unless otherwise stated)

	Note	Parent Company			
		07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Net income attributable to controlling shareholders		383,570	369,502	1,216,246	1,184,108
Items that are or can be subsequently reclassified to profit or loss:					
Net variation in the fair value of financial assets available for sale	25g	38,397	(18,359)	(4,665)	(152,481)
Adjustment to fair value against shareholder's equity		84,132	(48,364)	60,518	(250,824)
Adjustment to fair value transferred to income		(5,485)	14,826	(69,236)	(26,013)
Tax effect		(40,250)	15,179	4,053	124,356
Cash flow hedge	25g	(184,131)	207,443	(393,937)	445,217
Adjustment to fair value against shareholder's equity		(340,219)	379,949	(723,289)	816,594
Adjustment to fair value transferred to income		5,434	(2,778)	7,039	(7,109)
Tax effect		150,654	(169,728)	322,313	(364,268)
Total of other comprehensive income for the period		(145,734)	189,084	(398,602)	292,736
Total comprehensive income		237,836	558,586	817,644	1,476,844
Comprehensive income attributable to controlling shareholders		237,836	558,586	817,644	1,476,844
	Note	Consolidated			
		07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Net income for the period		384,253	370,135	1,183,765	1,185,974
Net income attributable to non-controlling shareholders ⁽¹⁾		74,296	-	203,782	-
Total net income for the period		458,549	370,135	1,387,547	1,185,974
Items that are or can be subsequently reclassified to profit or loss					
Net variation in the fair value of financial assets available for sale	25g	37,264	(19,415)	52,396	(155,592)
Adjustment to fair value against shareholder's equity		82,999	(49,420)	57,179	(253,935)
Adjustment to fair value transferred to income ⁽²⁾		(5,485)	14,826	(8,836)	(26,013)
Tax effect		(40,250)	15,179	4,053	124,356
Cash flow hedge	25g	(184,131)	207,443	(393,937)	445,217
Adjustment to fair value against shareholder's equity		(340,219)	379,949	(723,289)	816,594
Adjustment to fair value transferred to income		5,434	(2,778)	7,039	(7,109)
Tax effect		150,654	(169,728)	322,313	(364,268)
Total of other comprehensive income for the period		(146,867)	188,028	(341,541)	289,625
Total comprehensive income		237,386	558,163	842,224	1,475,599
Comprehensive income attributable to controlling shareholders		161,239	558,163	635,784	1,475,599
Comprehensive income attributable to non-controlling shareholders ⁽¹⁾		76,147	-	206,440	-

⁽¹⁾ As of 2022, the result of non-controlling interests is highlighted in the comprehensive income for the period (Note 3c).

⁽²⁾ On a consolidated basis, it includes the unrealized result arising from transactions between affiliates.

The accompanying notes are an integral part of these financial statements.



STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

Nine-month period ended September 30, 2022 and 2021
(In thousands of Reais, unless otherwise stated)

Parent Company Events	Note	Share capital	Capital reserves	Profit reserves		Other comprehensive income	Retained earnings	Total
		Paid-up capital		Legal	Other reserves			
Balance in 12.31.2020		8,130,372	372,120	257,043	1,837,281	149,353	-	10,746,169
Adjustments to fair value, net of taxes	25g	-	-	-	-	292,736	-	292,736
Net income for the period		-	-	-	-	-	1,184,108	1,184,108
Destinations:								
Legal Reserve	25d	-	-	40,730	-	-	(40,730)	-
Balance in 09.30.2021		8,130,372	372,120	297,773	1,837,281	442,089	1,143,378	12,223,013
Changes in the period		-	-	40,730	-	292,736	1,143,378	1,476,844
Balance in 12.31.2021		8,130,372	372,120	335,108	2,620,524	464,566	-	11,922,690
Adjustments to fair value, net of taxes	25g	-	-	-	-	(398,602)	-	(398,602)
Capital Increase	25a	350,000	-	-	-	-	-	350,000
Net income for the period		-	-	-	-	-	1,216,246	1,216,246
Destinations:								
Legal reserve	25d	-	-	41,634	-	-	(41,634)	-
Interest on equity	25d	-	-	-	-	-	(500,000)	(500,000)
Balance in 09.30.2022		8,480,372	372,120	376,742	2,620,524	65,964	674,612	12,590,334
Changes in the period		350,000	-	41,634	-	(398,602)	674,612	667,644

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

Nine-month period ended September 30, 2022 and 2021
(In thousands of Reais, unless otherwise stated)

Consolidated Events	Note	Share Capital	Capital reserves	Profit reserves		Other comprehensive income	Retained earnings	Non-controlling interests ⁽¹⁾	Total
		Paid-up capital		Legal	Other reserves				
Balance in 12.31.2020		8,130,372	372,120	257,043	1,825,959	168,223	-	-	10,753,717
Adjustments to fair value, net of taxes	25g	-	-	-	-	289,625	-	-	289,625
Net income for the period		-	-	-	-	-	1,185,974	-	1,185,974
Destinations:									
Legal reserve	25d	-	-	40,730	-	-	(40,730)	-	-
Balance in 09.30.2021		8,130,372	372,120	297,773	1,825,959	457,848	1,145,244	-	12,229,316
Changes in the period		-	-	40,730	-	289,625	1,145,244	-	1,475,599
Balance in 12.31.2021		8,130,372	372,120	335,108	2,611,733	479,218	-	-	11,928,551
Adjustments to fair value, net of taxes	25g	-	-	-	-	(341,541)	-	-	(341,541)
Capital increase	25a	350,000	-	-	-	-	-	-	350,000
Non-controlling interests	25h	-	-	-	-	-	-	1,868,697	1,868,697
Net income for the period		-	-	-	-	-	1,183,765	203,782	1,387,547
Destination:									
Legal reserve	25d	-	-	41,634	-	-	(41,634)	-	-
Interest on equity	25d	-	-	-	-	-	(500,000)	-	(500,000)
Balance in 09.30.2022 ⁽¹⁾		8,480,372	372,120	376,742	2,611,733	137,677	642,131	2,072,479	14,693,254
Changes in the period		350,000	-	41,634	-	(341,541)	642,131	2,072,479	2,764,703

⁽¹⁾ As of 2022, the position of shares in controlled investment funds held by third parties, started to be presented as a component of shareholders' equity (Note 3c).

Earnings per share are disclosed in the Income Statement.

The accompanying notes are an integral part of these financial statements.



STATEMENT OF CASH FLOW

Nine-month period ended September 30, 2022 and 2021
(In thousands of Reais, unless otherwise stated)

	Note	Parent Company		Consolidated	
		01.01 to 09.30.2022	01.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Cash flows from operating activities					
Income (loss) before income and social contribution taxes		1,554,506	1,945,015	1,761,645	2,156,430
Adjustments to income (loss) before income and social contribution taxes		527,288	925,786	1,396,524	1,625,584
Provision / (reversal of provision) for loan losses	12f.1	1,153,139	1,472,936	1,860,508	1,869,022
Provision / (reversal of provision) for securities impairment		(26,765)	6,520	(26,765)	6,520
Other provision / (reversal of provision) associated with credit risk	12f.1	(14,152)	(20,442)	(14,152)	(20,442)
Depreciation and amortization	23d	146,212	115,858	191,199	140,910
Provision / (reversal of provision) for investment losses due to tax incentives	24	(5,230)	(1,483)	(8,853)	(3,616)
Income from investments in subsidiaries, associates and joint ventures	15a	(129,994)	(224,408)	14,670	718
Exchange variation of investments abroad	10h	51,957	(76,399)	51,957	(76,399)
Exchange variation of subordinated debts and debt instruments eligible for capital	32d	(52,170)	72,810	(52,170)	72,810
(Profit) / Loss on disposal of assets	24	4,591	(21,598)	4,487	(21,583)
Provision / (provision reversal) for devaluation of other assets	24	(10,241)	(5,740)	(14,451)	(5,312)
Expenses / (Reversal of expenses) with civil, labor and tax provisions	29e.3	(38,208)	(66,455)	(43,880)	(71,880)
Effect of changes in foreign exchange rates on cash and cash equivalents		13,448	(20,048)	13,448	(20,048)
Interest expense on subordinated debt obligations and debt instruments eligible for capital	32d	307,406	197,916	307,406	197,916
Interest income from securities held to maturity		(850,883)	(510,577)	(850,883)	(510,577)
Expenses with goodwill and impairment of subsidiaries	24	-	-	3,010	65,720
Expenses / (Reversal of expenses) of restatement of judicial deposits	23e/23f	(21,994)	3,821	(23,599)	3,114
Other operating income and expenses		167	3,080	(15,413)	(1,284)
Other adjustments		5	(5)	5	(5)
Equity variations		(3,142,646)	549,493	(4,877,885)	218,718
(Increase) / decrease in interbank investments		1,511,497	926,807	2,078,841	2,540,536
(Increase) Decrease in trading securities and derivative financial instruments		(6,628,140)	1,456,874	(5,806,855)	1,257,530
(Increase) / decrease in interbank accounts		(329,597)	116,520	(198,598)	734,315
(Increase) / decrease in loans and leases		(2,338,946)	(4,918,656)	(3,871,475)	(6,433,619)
(Increase) / decrease in other assets		(1,250,034)	256,115	(1,276,740)	48,870
(Increase) Decrease in tax assets		(114,614)	161,967	(142,180)	156,697
(Increase) / Decrease in non-financial assets held for sale		(29,666)	28,397	(17,202)	55,452
(Decrease) / increase in deposits		(2,215,742)	(1,423,088)	(2,121,445)	(1,556,271)
(Decrease) / increase in money market repurchase commitments		3,387,974	3,658,748	4,118,476	2,998,161
(Decrease) / increase in securities issued		2,074,253	(3,279,562)	2,074,253	(3,279,562)
(Decrease) / increase in liabilities from borrowings and onlendings		965,473	595,733	965,473	595,733
(Reduction) / increase in other liabilities		2,065,452	2,751,663	(419,360)	2,915,060
(Reduction) / increase in tax liabilities		(240,556)	217,975	(261,073)	185,816
Income tax and social contribution paid		(64,954)	(254,594)	(366,970)	(445,264)
CASH USED BY OPERATING ACTIVITIES		(1,125,806)	3,165,700	(2,086,686)	3,555,467
Cash flows from investing activities					
(Acquisition / increase) of securities available for sale		(6,160,775)	(5,291,056)	(4,680,046)	(5,167,229)
(Acquisition / increase) of securities held to maturity		(2,741,622)	(2,699,428)	(2,741,622)	(2,699,428)
Acquisition of property for use		(30,218)	(10,248)	(30,219)	(10,253)
(Acquisition / activation) of intangible		(381,001)	(240,199)	(412,169)	(264,359)
(Acquisition / increase) of investments in associates and joint ventures		(601,408)	(240,976)	(164,348)	(98,028)
Disposal / decrease of securities available for sale		5,235,290	4,328,838	6,084,589	4,384,361
Maturity of securities held to maturity		1,125,994	478,182	1,125,994	478,182
Disposal / decrease of investments in interests in subsidiaries, affiliates and joint ventures ⁽¹⁾		1,231,227	16,243	10,217	18,865
Dividends / interest on equity received ⁽²⁾		549,161	19,321	-	-
NET CASH GENERATED BY INVESTING ACTIVITIES		(1,773,352)	(3,639,323)	(807,604)	(3,357,889)
Cash flows from financing activities					
Capital Increase ⁽³⁾		350,000	-	350,000	-
Dividends / interest on own capital paid ⁽²⁾	32d	(245,000)	(72,709)	(245,000)	(72,709)
Settlement of subordinated debts and debt instruments eligible for capital	32d	(271,143)	(672,739)	(271,143)	(672,739)
Fundraising of subordinated debt and capital-eligible debt instruments	32d	700,200	503,565	700,200	503,565
Other changes in subordinated debts and debt instruments eligible to capital	32d	17,507	18,462	17,507	18,462
CASH GENERATED BY FINANCING ACTIVITIES		551,564	(223,421)	551,564	(223,421)
Net variation in cash and cash equivalents		(2,347,594)	(697,044)	(2,342,726)	(25,843)
Beginning of the period		2,892,037	5,457,830	2,935,119	4,808,466
Effect of changes in foreign exchange rates on cash and cash equivalents		(13,448)	20,048	(13,448)	20,048
End of the period	7	530,995	4,780,834	578,945	4,802,671
Net increase (decrease) in cash and cash equivalents		(2,347,594)	(697,044)	(2,342,726)	(25,843)

⁽¹⁾ Mainly includes the capital reduction of BV Corretora de Seguros in the amount of R\$ 735,960, without cancellation of shares of the respective Company and also the distribution of dividends in the amount of R\$ 473,842, approved on April 29, 2022.

⁽²⁾ Amount net of taxes.

⁽³⁾ In April 2022, the capital increase was approved through the recapitalization of interest on equity payable, ratified by the Central Bank of Brazil on July 18, 2022 (Note 25a).

The Explanatory Notes are integral part of the accounting statements.



STATEMENT OF ADDED VALUE

Nine-month period ended September 30, 2022 and 2021
(In thousands of Reais, unless otherwise stated)

	Note	Parent Company				Consolidated			
		01.01 to 09.30.2022		01.01 to 09.30.2021		01.01 to 09.30.2022		01.01 to 09.30.2021	
Income		11,567,363		8,078,885		12,907,863		9,235,950	
Financial intermediation income		11,555,859		8,421,490		12,529,930		8,974,681	
Service income and banking fees	23a / 23b	652,114		795,065		1,670,264		1,839,561	
Allowance for loan losses	9d / 12f.1	(579,378)		(1,083,308)		(1,246,833)		(1,451,548)	
(Provision) / reversal of provision for contingent liabilities	29e.3	38,208		66,455		43,880		71,880	
Other income/(expenses)		(99,440)		(120,817)		(89,378)		(198,624)	
Financial Intermediation expenses		(7,333,626)		(3,795,279)		(7,331,307)		(3,764,366)	
Inputs acquired from third parties		(1,361,360)		(1,357,335)		(1,942,964)		(1,804,413)	
Materials, water, electricity and gas	23d	(4,940)		(3,738)		(5,772)		(4,936)	
Outsourced services	23d	(9,413)		(8,901)		(11,658)		(10,436)	
Communications	23d	(16,294)		(19,150)		(21,957)		(32,109)	
Data processing	23d	(204,771)		(156,620)		(336,519)		(247,144)	
Transportation	23d	(4,442)		(2,807)		(4,661)		(3,005)	
Surveillance and security services	23d	(726)		(744)		(969)		(1,022)	
Specialized technical services	23d	(371,742)		(378,254)		(464,783)		(432,307)	
Financial system services	23d	(51,828)		(55,276)		(57,047)		(60,077)	
Advertising and publicity	23d	(84,877)		(29,715)		(129,825)		(49,802)	
Judicial and notary public fee	23d	(57,569)		(44,801)		(58,410)		(46,582)	
Costs associated with production - Business partners	23f	(458,496)		(587,543)		(744,234)		(831,691)	
Costs associated with production - Others expenses	23f	-		-		(21,706)		(1,648)	
Others	23d	(96,262)		(69,786)		(85,423)		(83,654)	
Gross value added		2,872,377		2,926,271		3,633,592		3,667,171	
Amortization/depreciation expenses	23d	(146,212)		(115,858)		(191,199)		(140,910)	
Amortization/depreciation expenses		(141,625)		(112,692)		(186,612)		(137,744)	
Amortization expenses - Carbon credits and green bonds ⁽¹⁾		(4,587)		(3,166)		(4,587)		(3,166)	
Net value added produced by the entity		2,726,165		2,810,413		3,442,393		3,526,261	
Value added received as transfer		129,994		224,408		(14,670)		(718)	
Income from interests in subsidiaries, associates and jointly controlled companies	15a	129,994		224,408		(14,670)		(718)	
Value added payable		2,856,159	100.00%	3,034,821	100.00%	3,427,723	100.00%	3,525,543	100.00%
Distributed value added		2,856,159	100.00%	3,034,821	100.00%	3,427,723	100.00%	3,525,543	100.00%
Philanthropic contributions ⁽¹⁾	23d	1,002	0.04%	1,284	0.04%	1,002	0.03%	1,284	0.04%
Personnel		1,001,250	35.05%	792,932	26.13%	1,242,097	36.24%	962,733	27.31%
Salaries, fees and labor demands		691,299		527,584		844,121		636,609	
Profit sharing - Employees and Management		147,210		121,881		191,298		154,695	
Benefits, training programs and other	23c	118,554		106,741		151,166		125,960	
FGTS		44,144		36,684		55,469		45,427	
Other charges		43		42		43		42	
Taxes, rates and contributions		619,988	21.71%	1,018,485	33.56%	776,331	22.65%	1,331,465	37.77%
Federal		585,700		977,683		719,125		1,266,295	
Estate		55		1,285		55		1,295	
Municipal		34,233		39,517		57,151		63,875	
Third-party capital remuneration		17,673	0.62%	38,012	1.25%	20,746	0.61%	44,087	1.25%
Rental	23d	17,673		38,012		20,746		44,087	
Remuneration of own capital		1,216,246	42.58%	1,184,108	39.02%	1,387,547	40.47%	1,185,974	33.63%
Dividends / interest on equity		500,000		-		500,000		-	
Retained earnings		716,246		1,184,108		683,765		1,185,974	
Non-controlling interests in retained earnings		-		-		203,782		-	

⁽¹⁾ It includes expenses arising from ESG practices. Additional information is described in explanatory note 31.
The Explanatory Notes are integral part of the accounting statements.



FINANCIAL STATEMENTS

as of September 30, 2022

(Values described in thousands of reais, unless otherwise stated)

Notes to the Individual and Consolidated Interim Financial Statements

1. THE CONGLOMERATE AND ITS OPERATIONS

Banco Votorantim SA (banco BV, Banco Votorantim, Bank, Institution, Company, Conglomerate or Consolidated) is a privately held company and its head office is located at Av. das Nações Unidas, nº 14,171, in the city of São Paulo – SP, Brazil. The Bank operates as a multiple bank, develops banking activities in authorized modalities, through its commercial, investment and foreign exchange portfolios, connected with the fintech and startup ecosystem together with other entities of the conglomerate, including Banco BV SA, our digital bank.

Through its subsidiaries, the Conglomerate also operates in several other modalities, with emphasis on consumer credit, leasing, investment fund and credit card management, brokerage and distribution of securities, insurance brokerage, provision of sales promotion and/or commercial representation services, participation in real estate developments or developments and the exercise of any activities provided to the institutions comprising the National Financial System. Other information about the companies that make up the Conglomerate is described in Note 3.

The Conglomerate's operations are conducted in the context of a set of institutions that operate in an integrated manner in the financial market, including in relation to risk management, and certain transactions have the joint participation or the intermediation of related parties, which are part of the financial system. The benefits of the services provided between these institutions and the costs of the operational and administrative structures, are absorbed based on the practicality and reasonableness of the allocation of the benefits and costs, jointly or individually.

2. ACQUISITIONS AND CORPORATE RESTRUCTURINGS

a) Acquisition of participation in Trademaster

In July 2021, the Central Bank of Brazil authorized banco BV to acquire an equity interest in Trademaster Serviços e Participações SA (Trademaster). The amounts involved were disbursed under established contractual conditions.

b) Acquisition of participation in Portal Solar

In December of 2021, the Central Bank of Brazil authorized BV to increase the percentage of equity interest in Portal Solar S.A. with an investment of R\$ 45 million. The transaction was settled in January 2022, through the acquisition of interest by Banco BV S.A. (a subsidiary of Banco Votorantim SA). Additionally, in February 2022, the equity interest that was already held by an entity that is part of the Prudencial Conglomerate was acquired by Banco BV S.A., consolidating its interest in Portal Solar S.A.

c) Strategic partnership for the formation of an independent investment manager

In August 2022, BV bank, controller of BV Distribuidora de Títulos e Valores Mobiliários (BV DTVM), entered into a strategic partnership with Banco Bradesco for the formation of an independent investment manager, which will have its own brand to be defined and autonomy in resource management. In the transaction, Banco Bradesco, through one of its subsidiaries, will acquire 51% of the capital of BV DTVM. Completion of the transaction is subject to the fulfillment of certain precedent, legal and regulatory conditions.

3. PRESENTATION OF BANK AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

a) Base of preparation

The consolidated Financial Statements contemplates operations realized between their financial and nonfinancial companies that integrates the Conglomerate and were prepared based on the accounting guidelines derived from Brazilian Corporation Law and the rules and instructions of the National Monetary Council (CMN), the Central Bank of Brazil (Bacen), Securities and Exchange Commission (CVM), when applicable, and are presented in accordance with the Accounting Plan for Institutions in the National Financial System (COSIF).

The Bank's individual Financial Statements include those of its branch abroad, adapted to the accounting criteria in force in Brazil and converted into Real currency at current rates, in accordance with current legislation and its effects are recognized in the income statement for the period.

b) Use of judgment

The preparation of the financial statements in accordance with accounting practices adopted in Brazil, applicable to financial institutions authorized to operate by the Central Bank of Brazil, requires that Management use its judgment in determining and recording accounting estimates, when applicable. The main accounting judgments and estimates applied to assets and liabilities are described in note 5.

c) Presentation of the consolidated financial statements

In the preparation of the consolidated Financial Statements, the amounts arising from transactions between the companies, including the equity interests of one company in another, the balances of equity accounts, income and expenses, as well as the unrealized results, net of tax effects were eliminated. The consolidation process does not include equity investment funds with characteristics of a venture capital entity.

As of 2022, non-controlling interests in funds qualified as structured entities are presented in shareholders' equity, given the entry into force of BCB Normative Instruction No. 206/2021, in compliance with the provisions of CMN Resolution No. 4,950/21. This adjustment was made on a prospective basis and the aforementioned non-controlling interests were recognized until 2021 as financial liabilities.

Leasing operations were considered under the financial method point of view, and the amounts were reclassified from the leased property, plant and equipment item including excess and/or insufficiency of depreciation to the heading of leasing operations, less residual values received in advance.

d) Conversion of transactions in foreign currency

The accounting balances of banco BV branch abroad were converted into Reais, using the foreign currency exchange rate at the end of the period, and were adjusted in accordance with the accounting practices described in Note 4. The exchange rate variation of operations in the country was distributed in the lines of the Income Statement, according to the respective assets and liabilities that gave rise to them. The result with exchange variation on investments abroad, as well as the adjustments to the fair value of the financial instruments designated as hedges, are presented in the group of "Income from derivative financial instruments", with the objective of canceling the effect of the protection for the fluctuations exchange rates and other fluctuations that are the object of hedge of these investments and these financial instruments.

As of 2022, CMN Resolution No. 4,924 together with BCB Resolution No. 120/2021 establish the option, by financial institutions and other institutions authorized to operate by the Central Bank, to use the spot exchange rate ("rate referential") different from that informed by Bacen (PTAX) for the conversion of transactions and statements in foreign currency to the national currency, subject to certain conditions. The Conglomerate did not adopt such an option for both 2021 and 2022.

e) Convergence of the Central Bank's accounting standard to international accounting standards

In compliance with the process of convergence with international accounting standards, some guidelines and their interpretations were issued by the Accounting Pronouncements Committee (CPC), which are applicable to financial institutions when approved by CMN.

Accordingly, the accounting pronouncements already approved by CMN and applicable to these financial statements are:

e.1) CMN Resolutions that fully incorporated the pronouncements issued by the CPC and are applicable to the Financial Statements:

Subject	CMN Resolution	CPC
Provisions, contingent liabilities and contingent assets	3,823/2009	CPC 25
Stock-based payment	3,989/2011	CPC 10 (R1)
Employee benefits	4,877/2020	CPC 33 (R1)
Individual and consolidated financial statements; Statement of cash flows; Disclosure of related parties; Subsequent Events; Income per share.	4,818/2020	CPC 03 (R2) CPC 05 (R1) CPC 24 CPC 41
Accounting recognition, measurement, bookkeeping and evidence	4,924/2021	CPC 00 (R2) CPC 01 (R1) CPC 23 CPC 46 CPC 47

The Conglomerate also applied the following pronouncement, which does not conflict with Bacen rules, as determined by article 22, § 2, of Law No. 6,385/1976: CPC 09 - Statement of added value (DVA).

e.2) Resolutions that partially incorporated the pronouncements issued by the CPC and are applicable to the Interim Financial Statement:

Subject	CMN Resolution	CPC
Effects of changes in exchange rates and conversion of financial statements	4,524/2016	CPC 02 (R2)
Intangible Asset	4,534/2016	CPC 04 (R1)
Permanent Assets	4,535/2016	CPC 27
Non-current assets kept for sale	4,747/2019	CPC 31
Investment in Affiliate, Subsidiary and Joint Venture	4,817/2019	CPC 18 (R2)
Business Combination	4,817/2019	CPC 15 (R1)
Consolidated Statements ⁽¹⁾	4,818/2020	CPC 36 (R3)
Financial Instruments ⁽²⁾	4,966/2021	CPC 48

(1) CMN Resolution No. 4,818/2020 requires that the consolidated financial statements of entities registered as a publicly-held company or that are leaders of a prudential conglomerate classified in Segment 1 (S1), in Segment 2 (S2) or in Segment 3 (S3), as specific regulation, are disclosed exclusively in the international accounting standard (IFRS), as of January 01, 2022.

(2) CMN Resolution No. 4,966/2021 establishes the power of financial institutions to prepare and disclose Consolidated Financial Statements in accordance with Bacen rules and instructions, allowing them to be presented in accordance with COSIF until the year ended December 31, 2024, or that is, until the entry into force of the new accounting policies applicable to financial instruments. Banco BV will adopt this prerogative, continuing to disclose consolidated Financial Statements in accordance with the COSIF standard.

e.3) Other CMN Resolutions that will come into force in future periods, which partially incorporate the pronouncements issued by the CPC and are applicable to the Financial Statements:

- CMN Resolution No. 4,966/2021 - effective on January 01, 2025, provides for the accounting criteria applicable to financial instruments, as well as for the designation and recognition of hedging relationships (hedge accounting), incorporating CPC concepts 48 - Financial Instruments. The standard was amended by CMN Resolution No. 5,019/2022, extending from June 30, 2022 to December 31, 2022, the deadline for financial institutions to prepare a plan to implement the regulation provided for in the standard, as well as, replacing the requirement the sending of the referred plan to the Central Bank for the maintenance of its availability to the referred regulator, if requested.
- CMN Resolution No. 4,975/2021 - effective on January 01, 2025, approves the adoption of CPC 06 (R2) which provides for the recognition, measurement, presentation and disclosure of leasing operations by a financial institution, either in the condition lessor and lessee.

e.4) CPC regulations, fully or partially incorporated by the CMN and/or for future adoption that may generate relevant impacts on the Financial Statements in their application:

CPC 48 - Financial instruments:

The classification of financial assets is carried out in accordance with the entity's intention on these assets, different from the provisions of CPC 48, in which there is the introduction of the concept of business model evaluation and evaluation of contractual cash flow characteristics.

Regarding the impairment of financial assets, CPC 48 brings a new model of expected credit loss instead of an incurred loss model, to be measured depending on the classification of financial assets in three stages according to changes in credit risk, in addition to the use of forward looking information, such as macroeconomic expectations, to reflect the impacts of future events on the expected loss.

In the case of cash flow hedge discontinuance, the accumulated value in shareholders' equity is transferred to the income of the period, different from the provisions of CPC 48, which provides for the deferral of this item according to the same maturity period of the operations that were hedged. For hedge accounting purposes, the IASB continues to work on the macro hedge accounting project and, for this reason, the standard corresponding to the theme (CPC 48) brings the express option of maintaining the same requirements presented by the predecessor standard, CPC 38 - Financial Instruments.

The aforementioned provisions, as well as other differences between the Central Bank's regulation and the international accounting standards relating to financial instruments, were addressed by the Central Bank with the issuance of CMN Resolution No. 2025. Accounting adjustments resulting from the first-time adoption will be recorded against retained earnings or accumulated losses, in equity.

CPC 47 - Customer contract revenue:

Remuneration to correspondents in the country referring to the origination of credit operations is recognized as an expense on the date of contracting, renegotiation or renewal of these operations, as provided for in Bacen Circular No. 3,693/2013. This procedure differs from the provisions of CPC 47, which establishes that the recognition of this expense is made on a deferred basis for the term of the transaction. Although CPC 47 was approved through CMN Resolution No. 4,924/2021 as of January 01, 2022, this difference remains since the provisions of Bacen Circular No. 3,693/2013 were maintained. On the other hand, CMN Resolution No. 4,966/2021 establishes procedures for the application of the effective interest method, therefore, this issue will be pacified until the term of said Resolution, on January 01, 2025.

CPC 18 (R2) - Investment in associates, subsidiaries and joint ventures:

The cost or equity method is applied, according to rules, for investment in an associate, subsidiary or joint venture. This procedure, established in Bacen's current rules, differs from CPC 18, which provides for the possibility of adopting the measurement at fair value through profit or loss, in line with CPC 48, for a portion of the interest in an investment in an associate, subsidiary or enterprise jointly controlled, qualified as a venture capital organization, regardless of whether it exerts significant influence over this portion of the interest. CMN Resolution No. 4,817/2019, effective as of January 01, 2022, which incorporates concepts from CPC 18, does not specifically mention the treatment of venture capital organization. On the other hand, as the accounting treatment of this type of investment is addressed in CPC 48, this issue will be pacified until January 01, 2025 with the entry into force of CMN Resolution No. 4,966/2021.

Unconsolidated investments due to non-adoption of CPC 18	Activity	% of participation
Fundo de Invest. em Participações BV - Multiestratégia Investimento no Exterior	Equity investment fund	100.00%
Fundo de Invest. em Participações BV Tech I - Multiestratégia Investimento no Exterior	Equity investment fund	100.00%

The recognition of goodwill amortization expense whose economic basis is based on the expectation of future results (goodwill) identified in the acquisitions, differs from the provisions of CPC 18, which does not allow the amortization of goodwill of this nature, and this intangible asset is only subject to periodic tests of impairment. CMN Resolution No. 4,817/2019 maintained the existing goodwill amortization accounting procedure.

The issuance of these Financial Statements was authorized by Board of Directors on November 7, 2022.

f) Equity interests in subsidiaries and investment funds included in the consolidated financial statements, segregated by activities:

	Activity	% of Participation	
		09.30.2022	12.31.2021
Financial institutions - domestic			
Banco BV S.A.	Multiple Bank	100.00%	100.00%
BV Distribuidora de Títulos e Valores Mobiliários S.A. (former Votorantim Asset DTVM) ^{(1) (2)}	Third party resource management	100.00%	100.00%
insurance market institutions			
BV Corretora de Seguros S.A. (former Votorantim Corretora Seguros) ⁽³⁾	Broker	100.00%	100.00%
Non-financial institutions			
Promotiva S.A. (Promotiva)	Provision of services	100.00%	100.00%
BV Investimentos Altern. e Gestão de Recursos S.A. (BVIA)	Asset management	100.00%	100.00%
BV Empreendimentos e Participações S.A. (BVEP)	Holding	100.00%	100.00%
Atenas SP 02 - Empreendimento Imobiliário (Atenas) ⁽⁴⁾	SPE	100.00%	100.00%
Consolidated investment funds ⁽⁵⁾			
Votorantim Expertise Multimercado Fundo de Investimento (Expertise)	Fund	100.00%	100.00%
Crédito Universitário III Fundo de Investimento em Direitos Creditórios (FIDC Universitário) ⁽⁴⁾	Fund	90.00%	90.00%
Fundo de Investimento em Direitos Creditórios BV - Crédito de Veículos (FIDC BV) ^{(6) (7)}	Fund	42.49%	25.00%
Fundo de Investimento em Direitos Creditórios TM II (FIDC TM) ⁽⁶⁾	Fund	100.00%	100.00%
Fundo de Investimento Imobiliário Votorantim BII BTS (BTS) ^{(8) (9)}	Fund	-	62.70%
Votorantim Securities Master Fundo de Investimento Imobiliário (Master) ⁽⁸⁾	Fund	88.40%	88.40%
Fundo de Investimento Imobiliário Votorantim Patrimonial (Patrimonial) ⁽⁸⁾	Fund	99.60%	99.60%
BVIA subsidiaries			
Marques de Monte Santo Empreend. Imobiliário SPE Ltda. (Monte Santo)	SPE	100.00%	100.00%
Parque Valença Empreendimento Imobiliário SPE Ltda. (Parque Valença)	SPE	100.00%	100.00%
BVEP subsidiaries			
IRE República Empreendimento Imobiliário S.A. (IRE República) ⁽⁴⁾	SPE	100.00%	100.00%
Senador Dantas Empreendimento Imobiliário SPE S.A. (Senador Dantas) ⁽⁴⁾	SPE	100.00%	100.00%
Henri Dunant Empreend. Imobiliário S.A. (Henri Dunant) ⁽⁴⁾	SPE	100.00%	100.00%
Arena XI Incorporações SPE Ltda. (Arena XI) ⁽⁴⁾	SPE	100.00%	100.00%
D'oro XVIII Incorporações Ltda. (D'oro XVIII) ⁽⁴⁾	SPE	100.00%	100.00%
BVEP Vila Parque Empreendimentos Imobiliários SPE Ltda. (Vila Parque) ⁽⁴⁾	SPE	100.00%	100.00%
Atenas subsidiaries			
Atenas Sp 02 – Empreendimento Imobiliário Ltda. – Lote 1 ⁽⁴⁾	SPE	100.00%	100.00%
Atenas Sp 02 – Empreendimento Imobiliário Ltda. – Lote 3 ⁽⁴⁾	SPE	100.00%	100.00%

⁽¹⁾ On September 30, 2021, was approved the change of the social denomination of Votorantim Asset Management Distribuidora de TVM Ltda (Votorantim Asset DTVM) to BV Distribuidora de Títulos e Valores Mobiliários Ltda (BV DTVM) and on August 29, 2022 to BV Distribuidora de Títulos e Valores Mobiliários SA.

⁽²⁾ According to a material fact on August, 2022, the BV bank entered into a partnership with the Bradesco bank, through one of its subsidiaries, where it will acquire 51% of the capital of BV DTVM. The conclusion of the transaction is subject to the fulfillment of certain precedent, legal and regulatory conditions (Note 2).

⁽³⁾ On December 28, 2021, the change of the corporate name of Votorantim Corretora de Seguros SA (Votorantim Corretora Seguros) to BV Corretora de Seguros SA (BV Corretora de Seguros) was approved

⁽⁴⁾ For consolidation purposes, it contemplates a delay up to 2 months in the respective balance sheet.

⁽⁵⁾ The Fundo de Investimento Marítimo Renda Fixa (Marítimo), which became part of the Conglomerate's assets in June 2021, was liquidated in July 2021.

⁽⁶⁾ Investment fund established in May 2021.

⁽⁷⁾ Investment fund in which the Bank substantially assumes or retains risks and benefits, through subordinate shares.

⁽⁸⁾ Investment fund became part of the Conglomerate's asset in June 2021.

⁽⁹⁾ The investment fund was liquidated in May 2022.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by banco BV were consistently applied to all periods presented in these individual and consolidated Financial Statements and have been applied consistently by all entities of the Conglomerate.

a) Income Statement

In accordance with the accrual basis, revenues and expenses are recognized in the statement of income for the period to which they belong and, when they correlate, simultaneously, regardless of receipt or payment. Formalized operations with post-fixed financial charges are updated on a pro rata die basis, based on the variation of the respective agreed indexes, and operations with fixed-rate financial charges are recorded at the redemption value, corrected for unearned or unearned income. expenses to be recognized corresponding to the future period. Transactions indexed to foreign currencies are restated up to the balance sheet date using the current rate criteria.

b) Functional and presentation currency

The functional currency, which is the currency of the main economic environment in which an entity operates, is the Real for all entities in the Conglomerate. The presentation currency in these Interim Financial Statements is also the Real.

c) Measurement at present value

Financial assets and liabilities are presented at present value as a result of application of accrual regime for recognition of respective interest revenues and expenses.

Non-contractual obligations, mainly represented by provisions for lawsuits and legal obligations whose disbursement date is unknown and not under control of the Conglomerate, are measured at present value, as they are initially recognized at estimated disbursement value on evaluation date and are adjusted on a monthly basis.

d) Cash and cash equivalents

Cash and cash equivalents are represented by available funds in domestic currency, foreign currency, money market repurchase commitments - own portfolio, interbank deposit investments and foreign currency investments with high liquidity and insignificant risk of changes in value, whose maturity of the operations on the date of the investment is equal to or shorter than 90 days.

e) Interbank investments

Interbank investments are shown at cost of investment or acquisition, plus income accrued up to the reporting date and adjusted for reserve for losses, as applicable.

Interbank investments that are subject to market risk hedging are valued at their fair value using consistent and verifiable criteria. The fair value adjustments of these operations are recorded in the same line as the financial asset, contra entry to income from derivative financial instruments.

f) Securities

Securities acquired for the formation of its own portfolio are recorded at the amount effectively paid, net of provision for loss, when necessary, and classified into three different categories based on Management's intent:

Trading securities: Securities acquired for the purpose of being actively and frequently negotiated. Subsequent to initial recognition, trading securities are measured at fair value with changes therein recognized in profit or loss;

Securities available for sale: Securities that may be traded at any time, though are not acquired for the purpose of being actively and frequently negotiated. Subsequent to initial recognition, securities available for sale are measured at fair value with changes therein recognized in a separate account in shareholders' equity, net of taxes; and

Securities held to maturity: Securities acquired with the positive intent and financial capacity to hold to maturity. Held-to maturity securities are initially recognized at cost plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortized cost using the effective interest method, less any impairment losses. For securities reclassified to this category, the fair value adjustment is recognized. For securities reclassified to this category, the fair value adjustment is incorporated to cost, and is recorded prospectively at amortized cost using the effective interest rate method.

The methodology of adjustment to fair value was established in compliance with consistent and verifiable criteria, which take into consideration the average price of trading on the date of calculation, or, in the absence thereof, the daily basis adjustment of forward market transactions disclosed by external sources, or the probable net realizable value determined by pricing models, using interest rate future value curves, exchange rates, price and currency indexes. The determination of fair value takes into consideration the credit risk of the issuer (credit spread adjustment).

Income on securities, regardless of the category, is accrued pro rata die, based on the variation of the index and on the agreed upon interest rates, by the compounding or straight-line method, up to the date of maturity or of the final sale of the security, and is recognized directly in profit or loss.

Losses on securities classified as available for sale and as held to maturity that are not temporary losses are directly recognized in profit or loss and now comprise the new asset cost basis.

Upon disposal, difference determined between sales value and acquisition cost adjusted by earnings and other than temporary impairment losses, are considered as the transaction result and is accounted for on transaction date as income or loss of securities.

Following guidelines of the Central Bank of Brazil, the Conglomerate adopts the change in unit price as an adjustment to fair value recognized directly in equity for funds with the following characteristics:

- Funds in which the updated balance of the units is not available for redemption (realization) in the short term, that is, when the redemption of units occurs only at the liquidation or closure of the fund; and
- Funds in which there is a forecast of payment of dividends, as a form of remuneration of its unitholders in the course of the fund's business.

Investments in shares held by the Conglomerate, of investment funds that present these characteristics are equity investment funds (FIPs) and real estate investment funds (FIIs).

g) Derivative financial instruments

Derivative financial instruments are valued at fair value at the reporting date. Changes in value are recorded in the income or expense accounts of the respective financial instruments.

The fair value adjustment methodology of derivative financial instruments was established based on consistent and verifiable criteria, considering the average price of trading on the date of calculation, or, in the absence thereof, conventional and proven methodologies and pricing models that reflect the net realizable value. The fair value considers the credit risk of the counterparty (credit valuation adjustment).

Derivative financial instruments used to offset, in whole or in part, the risks arising from exposure to variations in the fair value of financial assets or liabilities are considered hedging instruments and are classified according to their nature as either:

Market risk hedge: The financial instruments thus classified, as well as the item hedged, have their valuations or devaluations recognized in income accounts for the period.

For hedged items that were discontinued from the fair value hedge relationship and remain recorded in the statement of financial position, as in the case of credit contracts assigned with substantial retention of risks and benefits, when applicable, the fair value adjustment is recognized in the income statement for the remaining term of the operations.

Cash flow hedge: the derivative financial instruments intended to offset the variation of the institution's estimated future cash flow are classified in the cash flow hedge category. These derivative financial instruments are adjusted to fair value, and the effective portion of the appreciations or devaluations, net of tax effects, is recorded in the separate shareholders' equity account. Effective portion is that in which the variation in the hedged item, directly related to the corresponding risk, is offset by the variation in the financial instrument used for hedge, considering the accumulated effect of the operation. Other variations in these instruments are recognized directly in income statement of the period.

For the hedged items that were discontinued from the cash flow hedge ratio and remain recorded in the statement of financial position, the accumulated reserve in shareholders' equity is recognized in the income statement remaining term of the operations.

The Banco performs hedge operations that include provisions for the liquidation of rights and contractual obligations related to the risk of own credit, of third parties or of parties related to the Bank that may result, under certain conditions of eventual occurrence, in the anticipated maturity of the derivative without any amount being due to the Bank or that the amount due to the Bank may be settled with debt securities issued by the Banco itself, as established in the contract.

h) Loan portfolio - Loans, leases, other receivables with loan characteristics and allowance for losses associated with credit risk

The loan portfolio, including loan operations, leasing operations and other loans with characteristics of granting credit, are classified according to Management's judgment as to the level of risk, taking into account the economic situation, past experience and the specific risks in relation to the operation, debtors and guarantors, delay periods and the economic group, observing the parameters established by the CMN, which requires the analysis of the portfolio and its classification into nine levels, being AA (minimum risk) and H (maximum risk), as well as the classification of operations overdue for more than 14 days as operations in abnormal course and the criteria for classifying problem assets. For operations contracted with clients whose total liability exceeds R\$ 50,000.00, an assessment is carried out by client of the probable losses associated with credit risk.

These criteria also apply for credit transactions resulting from the consolidation of investment funds into credit rights (FIDCs).

Income from credit transactions are no longer appropriated as income as long as operations are over 59 days past.

Operations with a risk level H continue in this status for 180 days, at which time they are written off against the existing provision and controlled in off-balance sheet accounts.

Renegotiated operations are maintained at least at the same level at which they were classified. Renegotiations of credit operations already written off against the provision are classified as level H. Any gains arising from the renegotiation of a contract overdue for more than 59 days or at a loss are recognized as revenue when actually received.

Problem assets are defined as financial assets overdue for more than ninety days or when there are indications that the asset will not be realized without the need to resort to guarantees and collateral. They constitute indications that the asset will not be realized (i) when the Conglomerate considers that the debtor no longer has the financial capacity to honor its obligation, (ii) if the Conglomerate recognizes a significant deterioration in the debtor's credit quality, (iii) if the operation is subject to renegotiation that implies granting advantages to the debtor as a result of the deterioration of its creditworthiness or of its mitigating factors (debt restructuring), (iv) if the Conglomerate files for bankruptcy or other similar attitude towards the debtor, or (v) if the debtor requests any type of judicial measure that limits, delays or prevents the fulfillment of its obligations under the agreed conditions.

Credit operations classified as problem assets may be reverted to the status of assets in normal course provided there is evidence that the debtor has resumed its ability to honor its obligations under the agreed conditions. Management assesses whether the debtor (i) does not have any outstanding arrears for more than ninety days, (ii) if the asset no longer meets the criteria for characterizing problem assets, (iii) if there have been continuous and effective payments in a period not less than 3 months and (iv) whether the debtor's financial situation has improved to such an extent that realization of the asset is probable.

The allowance for losses associated with credit risk, considered sufficient by Management, complies with the requirement established by CMN Resolution no. 2,682 / 1999 (note 12e).

Loans that are hedged against market risk are stated at fair value using consistent and verifiable criterion. Adjustments to these transactions from fair value adjustment valuations are recorded in loans, also considering the classification percentage of allowance for losses associated with credit risk as a contra-entry to income from derivative financial instruments.

Financial assets assigned consider the transfer level of risks and benefits of assets transferred to other entity:

- When financial assets are transferred to another entity, but there is no substantial transfer of the risks and benefits related to the transferred assets, assets remain on the Company's statement of financial position. The income and expenses arising from these operations are recognized in an accrual basis accordingly to the remaining period of these operations; and
- When all the risks and benefits related to assets are substantially transferred to an entity, assets are derecognized from the Conglomerate Statement of Financial Position.

i) Non-financial assets held for sale

Assets not for the institution's own use are recorded as assets awarded, received in payment or in any other way received for the settlement or amortization of debts, which are not intended for the Conglomerate's own use, based on the following recognition criteria:

- They are recognized on the date they are received by the institution and are valued at the lower of the gross book value of the respective financial instrument of difficult or doubtful solution that gave rise to it or the fair value of the asset, net of selling expenses. The date of receipt is considered to be the date on which the institution obtained possession, domain and control of the asset, observing the legal particularities and characteristics of each type of asset.
- The Conglomerate periodically assesses whether there is any indication that these assets may have been devalued. If there is any indication, the entity estimates its recoverable amount. If the recoverable amount is lower than the carrying amount, the asset is reduced to its recoverable amount through a provision for impairment losses, which is recognized in the income statement under "Other non-operating expenses".

j) Investments

Investments in subsidiaries and associates with significant influence or interest of 20% or more in the voting capital are accounted for by the equity method based on the shareholders' equity in the subsidiary. Financial statements of Banco Votorantim branch abroad are conformed to accounting criteria in force in Brazil and translated into Brazilian Reais in accordance with prevailing law, and their effects are recognized in profit or loss.

In compliance with CMN Resolution No. 4,817/2020, the other investments that recorded the interests in entities that are not affiliated, controlled or jointly controlled were reclassified, as of 2022, to the group "Securities" or "Other Credits", as applicable.

k) Property, plant and equipment

Property, plant and equipment are valued at acquisition cost, less the respective depreciation account, whose value is calculated over the useful life of the asset using the straight-line method. As a result of this practice, the following annual depreciation rates are used on the depreciable value (corresponding to the acquisition cost deducted from the residual value, if any): vehicles - 20%, data processing systems - 20% and other items - 10% (explanatory note 16). The Conglomerate carries out an inventory of these assets and assesses their residual value periodically or when there are significant changes in the assumptions used.

l) Intangibles and goodwill

Intangible assets correspond to rights that have as their object intangible assets intended for the maintenance of the Conglomerate or exercised for this purpose. Intangible assets that have a finite useful life and basically refer to software and licenses or usage rights (note 17a). Amortization of these intangibles is carried out using the straight-line method based on the period in which the benefit is generated and is levied on the amortizable value (corresponding to the acquisition cost less residual value, when applicable), from the date the intangible asset is made available to use and recorded in Other administrative expenses – Amortization (explanatory note 23d). The useful lives and residual value of these assets, when applicable, are reviewed annually or when there are significant changes in the assumptions used. Intangible assets with indefinite useful lives are not subject to amortization and are tested annually for their recoverable value.

Intangible assets include the goodwill paid on the acquisition of investments, which correspond to the amount that exceeds the equity value of the investee, are amortized based on the effective realization of the expectation of profitability that based their origin or by other forms of realization. The balances corresponding to the surplus calculated on the acquisition of real estate projects, when attributed to the stock of completed properties or land, are amortized as a result of the realization (sale) of the investee's assets that gave rise to it.

Intangibles also include carbon credits and green bonds acquired for the purpose of offsetting CO₂ emissions by vehicles financed by BV bank. CO₂ is one of the greenhouse gases. The mechanism for CO₂ emissions offset adopted by the Conglomerate includes the effective declaration of use (retirement), in the shortest possible time, of the carbon credits and green bonds acquired. There is no provision for the allocation of these credits for any purpose other than clearing, such as their trading on the market. For this reason, as there is no exposure of the institution to fair value on the credits purchased, these are recognized by the price paid and form a stock of tons of CO₂, controlled by the average cost that, once retired, is consumed (amortized) based on the monthly volume of CO₂ produced by the financed vehicles.

Regardless of the moment of acquisition and retirement of carbon credits and green bonds, the commitment assumed by the Institution to offset the CO₂ emission of vehicles financed from 2021 and from financing prior to 2021 whose customers have opted to join the offset program, constitutes a present obligation of the Institution, following the provisions described in explanatory note 4r.

m) Earnings per Share

Earnings per share are disclosed in accordance with the criteria defined in CPC 41 - Earnings per share. The Bank's basic and diluted earnings per share were calculated by dividing the net profit attributable to shareholders by the weighted average number of their shares. There is no distinction in the method of calculating both indices, since the Bank does not hold treasury shares and there are currently no equity instruments or any associated instrument that produce a potential dilution.

When the number of common shares or total potential common shares decreases as a result of grouping of shares, the calculation of basic and diluted earnings per share for all periods presented is adjusted for comparability purposes.

n) Impairment of non-financial assets - Impairment and write-off

The Conglomerate assesses periodically, if there is any sign that an asset may be impaired. If so, the Institution estimates the asset's recoverable value, which is the greater of: i) the asset's fair value less costs to sell; and ii) the asset's value in use.

If the asset's recoverable value is lower than its carrying value, the asset's carrying value is reduced to its recoverable value through a provision for impairment losses that is recognized in Statement of Income, in Other administrative expenses or Other operating expenses, according to the nature of the asset.

Methodologies applied to the evaluation of the recoverable value of the main non-financial assets:

Investments: The methodology of recoverable value of investments accounted for by the equity method, is based on the evaluation of the results of the investees, their business plans and ability to return the amounts invested. A provision for impairment losses is recognized in profit or loss for the period, when the carrying amount of an investment, including goodwill, exceeds its recoverable amount. Impairment tests are carried out at least annually.

Intangible assets: Software acquired, developed internally and use licenses - software's developed internally according to the Conglomerate's needs are part of the Bank investment policy which aims the modernization and adequacy to new technologies and business requirements. As there are no similar items in the market and also because of the high cost to implement metrics that permit determining the value in use, testing of software recoverability and use license recoverability are comprised of the evaluation of its utility for the Institution such that when the software no longer has future economic benefits, the recoverable value of the intangible asset is adjusted. Management performs impairment tests every six months for software under development and annually for completed software.

Non-financial assets held for sale: Real Estate – provision made based on annual appraisal reports carried out by a specialized consultancy.

Furniture - For vehicles, the provision for devaluation is constituted monthly based on the term of permanence of BNDU - assets not for use (obsolescence of the asset). For registrations longer than 720 days, a provision of 100% of the book value is recorded. Physical inventories are carried out annually in the yards.

Machinery and equipment - a provision for devaluation is set up based on the survey of Annual Valuation Reports carried out by specialized consultants and the total provision is set up if the asset has been classified in BINDU (assets not for use) for more than 720 days.

Impairment loss recognized to adjust these assets' recoverable value is stated in the respective notes.

Carbon credits and green bonds: As these acquired credits are used exclusively to meet the commitment to offset CO₂ missions by vehicles financed by BV bank, i.e. the institution is not exposed to a change in the fair value of this asset in the balance sheet, the possible reduction for a long period in the fair value of these credits by market conditions does not expose the institution to losses by reduction to the recoverable value of that asset.

Write-off of assets: assets are written off including intangibles, when the provision for impairment – impairment reaches 100% of the cost of the asset and the absence of future economic benefits is verified, whether due to obsolescence, discontinuation of use or when there is not, under any circumstances, the ability to reliably measure such economic benefits, the asset is derecognized.

o) Employees Benefits

The recognition, measurement and disclosure of short- and long-term employee benefits are carried out in accordance with the criteria defined by CPC 33 (R1) – Employee Benefits, in accordance with the provisions of CMN Resolution No. 4,877/2020. In line with the accrual basis, the pronouncement requires the entity to recognize a liability in return for the result of the period when the employee provides services in exchange for benefits to be paid in the future.

The Conglomerate has a variable compensation program eligible for its officers and employees. Amounts to be paid that are adjusted according to the grace period (from one to a maximum of four years) and to the characteristics of each benefit are recorded under "Other liabilities - Provision for personnel expenses" as a contra entry to caption "Personnel expenses - Proceeds". Program details are disclosed in Note 28.

The amounts referring to profit sharing, established by Law No. 10,101/2000, are recognized in "Other liabilities - Provision for profit sharing" in contra-entry to the result, in "Profit and profit sharing".

p) Deposits, money market repurchase commitments, securities issued, borrowings and nonlending's and subordinated debts

Deposits and money market repurchase commitments are stated at the amounts of the liabilities and consider, when applicable, the charges enforceable up to the reporting date, recognized on a "pro rata die".

Costs incurred in issuing securities or other forms of funding that are included as transaction costs are recognized in the income statement on an accrual basis for the term of the original operations and are stated as reducers of the corresponding liability.

Funding that is subject to market risk hedge is valued at fair value, using consistent and verifiable criteria. The fair value valuation adjustments of these operations are recorded in the same line as the financial instrument, with a contra entry to "Income from derivative financial instruments".

q) Taxes

The Conglomerate's taxes, including those levied on revenue, are calculated based on the rates shown in the table below:

	Current Rates
Taxes on profit	
Income Tax (15% + 10% surcharge)	25%
Social Contribution on Net Income (CSLL) - Banco Votorantim S.A. and Banco BV S.A. ^{(1) (2)}	21%
Social Contribution on Net Income (CSLL) - Other financial and non-financial institutions ⁽¹⁾	from 9% to 16%
Other Taxes	
PIS / PASEP ⁽³⁾	from 0,65% to 1,65%
Contribution to Social Security Financing – COFINS ⁽³⁾	from 3% to 7,6%
Tax on Services of Any Nature - ISSQN ⁽⁴⁾	from 2% to 5%

⁽¹⁾ Provisional Measure No. 1,115/2022, of April 28, 2022, converted into Law No. 14,446, of September 02, 2022, increased the CSLL rate of banks, from 20% to 21%, and from 15% to 16% for other financial sector entities from August 1, 2022 to December 31, 2022, returning to previous rates as of January 01, 2023.

⁽²⁾ Law No. 14,183, published in the Federal Official Gazette on July 15, 2021, raised the CSLL rate from 20% to 25%, for banks of any kind, and from 15% to 20%, for other financial institutions, in the period from July 1 to December 31, 2021, returning to the previous rates on January 01, 2022.

⁽³⁾ For non-financial companies opting for the non-cumulative calculation system, the PIS / Pasep rate is 1.65% and the Cofins rate is 7.6%.

⁽⁴⁾ Taxes levied on revenue from services rendered.

Deferred tax assets (tax credits) and deferred tax liabilities are constituted by applying the prevailing tax rates on their respective bases. In case of a change in tax legislation that modifies criteria and rates to be adopted in future periods, the effects are recognized immediately based on the criteria and rates applicable to the period in which each portion of the asset will be realized or of the liability settled. For the constitution, maintenance and write-off of deferred tax assets, the criteria established by CMN Resolution No. 4,842/2020 are observed and are supported by a realization capacity study.

Deferred Income Tax is recognized, calculated at the rate of 25% on the adjustment for supervening depreciation of the leasing portfolio of subsidiary Banco BV SA.

r) Provisions, contingent liabilities, legal obligations and contingent assets

Recognition, measurement and disclosure of provisions, contingent assets and liabilities and of legal obligations are conducted in accordance with criteria defined in CPC 25 - Provisions, contingent liabilities and contingent assets, approved by the CMN Resolution 3,823/2009 (Note 29).

Contingent liabilities are recognized in the Financial Statement when, based on the opinion of legal advisors and Management, the risk of losing a legal or administrative claim is considered probable, with a probable outflow of funds for the settlement of obligations and when the amounts involved measurable with sufficient security. Contingent liabilities classified as possible losses are not recognized in the accounts, and should only be disclosed in the explanatory notes, and those classified as remote do not require provision or disclosure.

Based on loss prognoses evaluated by Management, the Conglomerate recognizes provisions for labor, tax and civil claims. For labor-related lawsuits, the provision volume is determined by means of legal assessments and statistical models. For tax lawsuits, the probable loss amount is estimated through the assessment of legal professionals (individualized method). For civil cases considered similar and usual, and whose value is not considered relevant, the provision volume is determined using a statistical model based on the loss observed in the history of closed suits of the same characteristics (mass method).

For unusual civil cases, or whose value is considered relevant, the probable loss is estimated through the assessment of legal professionals (individualized method).

Legal obligations are lawsuits related to tax obligations, the object of which is their legality or constitutionality, which, regardless of the probability of success of the lawsuits in progress, have their amounts recognized in full in the Financial Statement.

Compensation for CO₂ emission by vehicles financed by BV bank - The Institution's commitment to offset CO₂ emissions from vehicles financed from 2021 onwards and from financing prior to 2021 whose customers have opted to adhere to the compensation program constitutes a present obligation of the Institution, in accordance with the criteria defined by CPC 25 – Provisions, contingent liabilities and contingent assets. The Institution monthly estimates the amount of emissions of these gases produced by vehicles and accrues the corresponding cost of acquiring the credits that are necessary to offset such emission. The provision is reversed when the amortization of these credits is determined and recognized.

Contingent assets generally arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity.

Contingent assets are not recognized in the Financial Statement, as they may be income that will never be realized. However, when the realization of the gain is practically certain, then the related asset is not a contingent asset and its recognition is carried out in the Financial Statement.

s) Guarantees and sureties

Financial guarantees provided, which require contractually defined payments, as a result of non-payment of the obligation by the debtor on the scheduled date, such as surety, surety, co-obligation, or other obligation that represents a guarantee of the fulfillment of a third-party financial obligation, are recognized in clearing accounts, subject to the expected developments for the control.

When the amount of the liability is subject to exchange variation or any other form of adjustment, the balances of these accounts are updated on the occasion of the monthly trial balances and balance sheets.

Income for the period from provided guarantee and sureties commissions not yet received, are accounted for on a monthly basis in "Other financial assets - Other credits and income receivable", with a corresponding entry to "Service Income - Income from guarantees provided".

Commissions received in advance are recorded in "Commissions for intermediation of operations payable", in the group "Other financial liabilities", appropriated monthly, on an accrual basis.

In line with the requirements of CMN Resolutions 2,682/1999 and 4,512/2016, the constitution of a provision for losses in the provision for financial guarantees to customers, takes into account:

- The sector of performance, competitive and regulatory environment, stock control and management, as well as financial solidity, being these variables captured through the qualitative and quantitative rating models, as well as; and
- The probability of unsuccessful judicial or administrative proceedings, leading to the withdrawal of funds necessary to settle the obligation in financial guarantees provided in contingent liabilities of third-parties.

With the application of CMN Resolution no. 4,512/2016, provisions for losses on the financial guarantees provided are presented in "Other Liabilities" (note 22.a and 30.1.a.ii).

t) Other assets and liabilities

Prepaid expenses

Investments of funds in advance payments, whose benefits or provision of services will occur in future periods are recorded. Prepaid expenses are recorded at cost and amortized as they are incurred.

Other property items

Other assets are stated at realizable values, including, when applicable, earnings, monetary and exchange variations earned on a pro rata die basis and provision for losses, when deemed necessary. Other liabilities are stated at known and measurable amounts, plus, when applicable, charges and monetary and exchange variations incurred on a pro rata die basis.

u) Investment funds management

The Conglomerate manages assets held in investment funds and others investment modalities in favor of investors. These funds are not consolidated in the Conglomerate's financial statements, except for those funds controlled by the Conglomerate, whose information is provided in Note 3.f.

5. MAIN JUDGMENTS AND ACCOUNTING ESTIMATES

1) Main accounting estimates and judgments made in the use of these estimates, as well as in the application of accounting policies

The preparation of consolidated Financial Statements requires the application of certain relevant assumptions and judgments that involve a high degree of uncertainty and that may have a material impact on these statements. Management applies estimates that can significantly change the amounts presented in the Financial Statements, and the amounts may differ in scenarios where such propositions are not used. The following are described accounting policies adopted that have high complexity and guide relevant aspects in the calculation of our operations.

a) Allowance for losses associated with credit risk of loans, leases e other credits with loan characteristics granting credit

In addition to observing the requirements for setting up a provision due to the delay in the payment of the principal installment or charges of the operations, the provision is calculated based on Management's judgment as to the level of risk that may make the asset with credit recovery problems. , considering the economic situation, the specific risks in relation to the operation, the debtors and guarantors, the periods of delay and the economic group, following the provisions of CMN Resolution No. 2,682/1999.

Further details on the criteria used to measure losses associated with credit risk are presented in note 12.

b) Provisions for impairment of securities

Management applies judgment to identify and provision for operations that have losses in their recoverable value, including the classification and measurement of problem assets, considering, at least, the following situations:

- (i) Significant financial difficulty for the issuer or bond;
- (ii) Breach of contract, such as non-compliance or delay in payment of interest or principal;
- (iii) Concession of benefit to the issuer or obligated, for economic or legal reasons related to its financial difficulties, carried out by the Bank or its related companies, which would not otherwise consider;
- (iv) It is likely that the debtor will enter bankruptcy or other financial reorganization;
- (v) Disappearance of an active market for this financial asset due to financial difficulties; among others.

The general application of the provision for impairment losses on securities is described in Note 9d.

c) Projection of future results for the realization of deferred tax assets

The realization of deferred tax assets is supported by the Conglomerate budget projections, properly approved by the governance bodies. These projections are based on current strategic planning, which considers business plan assumptions, corporate strategies, macroeconomic scenarios such as inflation and interest rates, historical performance and expectations for future growth expectations, among others.

This item is highlighted especially because of the representativeness of the balances of activated tax credits, the use of estimates of future profitability that incur a high degree of judgment and the relevant impacts that changes in assumptions can bring to the Interim Financial Statements.

Details on the projection of future results for the realization of tax credits are presented in Note 26.

d) Fair value of financial instruments

The Conglomerate uses specific techniques for the determination of fair value of financial instruments that are not negotiated in active markets and for which market prices and parameters are not available. These valuations require assumptions using Management judgment, which takes into account the assessment of information and market circumstances.

Methodologies used to evaluate the fair value of certain financial instruments is described in Notes 4f and 4g.

e) Provisions for contingent liabilities - tax, civil and labor

Based on the likelihood of loss and the estimated loss amount, both forecasts determined by management, the Conglomerate recognizes a provision for labor, tax and civil claims through legal assessments and statistical models.

The assessment of loss forecasts takes into account the probability of disbursements by the Conglomerate for each claim, considering the procedural stages, decisions and prevailing jurisprudence, and may incur a high degree of judgment.

Details of the policy for provisions and contingent liabilities are presented in Note 29.

f) Amortization and impairment of goodwill due to expected future profitability

According to the rules of Banco Central, the goodwill recorded in the investor or parent company, which is based on the forecast of future results of the affiliate or subsidiary, must be amortized in accordance with the deadlines of the projections that justified it. This treatment also applies to the balances corresponding to the capital gain calculated on the acquisition of real estate projects, when attributed to the inventory of completed properties or land, which are amortized as a result of the realization (sale) of the investee's assets that gave rise to it, or carried out in case of impairment of the corresponding assets. Estimating the periods for generating future results from investments in an associate, subsidiary or joint venture for which goodwill has been recognized involves significant judgments by Management.

Additionally, goodwill is periodically tested for its recoverable amount, which also involves a considerable degree of assumption and judgment in estimating future cash flows to discount it to present value.

g) Impairment on the cost of investments in subsidiaries, associates and jointly controlled companies, intangible assets and other assets

The impairment test of these assets is carried out, at least annually, in order to determine whether there is any indication that an asset may have suffered a devaluation.

When the recoverable value of these assets cannot be obtained through external sources, the valuation of the recoverable value of these assets may incur considerable judgments, mainly in the measurement of the potential associated future economic benefits.

The general application of the criteria for recognizing the provision for impairment losses on non-financial assets is described in Note 4n.

h) Investment in equity investment funds (FIPs)

For investments in quotas of investment funds qualified as a venture capital organization, regardless of having significant influence, the classification of these assets as marketable securities is maintained, measured at fair value in equity.

The measurement of the fair value of these assets incurs a significant degree of judgment in the adoption of assumptions, as described in Note 4f.

2) Other relevant information

a) Remaining effects resulting from COVID-19 on the Financial Statements and impacts on the Conglomerate

The measures taken by Management to protect and support its employees, customers and business partners in the face of the challenging scenario, especially in 2020 and 2021, caused by the pandemic directly contributed to minimizing the effects of the crisis on the Conglomerate's operations, ensuring the maintenance of levels adequate liquidity, capital and other asset and liability positions of the Institution.

In addition, the National Monetary Council and the Central Bank adopted, since the beginning of the pandemic in 2020, measures to minimize the effects of the crisis on the economy and ensure the maintenance of adequate levels of liquidity in the financial system. Among them, the relaxation of the criteria for characterizing the restructuring of credit operations for the purpose of credit risk management and the granting of loans to financial institutions through a special temporary liquidity line contribute to mitigating the impacts resulting from the pandemic.

Thus, the remaining effects of the pandemic did not produce relevant impacts on the assumptions used to apply the accounting estimates and judgments made by Management in this period.

6. RECURRING AND NON-RECURRING INCOME

For classification of income between recurring and non-recurring, banco BV considers as recurring, the income obtained from its regular and customary activities, such as revenue and expenses related to asset (investments) and liability (funding) operations, services rendered and other expenses related to the maintenance of the Organization's activities.

Non-recurring results include revenue and expenses arising from administrative events and facts that are not usual or that have a low probability of occurring in consecutive years.

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Net Profit	383,570	369,502	1,216,246	1,184,108
(-) Non-recurring events	(2,742)	(31,601)	(2,742)	35,476
Donations related to the fight against COVID-19, net of taxes ⁽¹⁾	-	(191)	-	(569)
Effects of the rate increase on the tax credit ⁽²⁾	-	(31,410)	-	40,760
Expenses related to BV IPO process ⁽³⁾	-	-	-	(4,715)
Others ⁽⁴⁾	(2,742)	-	(2,742)	-
Recurring net profit	386,312	401,103	1,218,988	1,148,632

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Net Profit	458,549	370,135	1,387,547	1,185,974
(-) Net income attributable to non-controlling shareholders	(74,296)	-	(203,782)	-
Net income attributable to controlling shareholders	384,253	370,135	1,183,765	1,185,974
(-) Non-recurring events	(2,742)	(32,844)	(2,742)	37,733
Donations related to the fight against COVID-19, net of taxes ⁽¹⁾	-	(191)	-	(569)
Effects of the rate increase on the tax credit ⁽²⁾	-	(32,653)	-	43,017
Expenses related to BV IPO process ⁽³⁾	-	-	-	(4,715)
Others ⁽⁴⁾	(2,742)	-	(2,742)	-
Recurring net profit	386,995	402,979	1,186,507	1,148,241

⁽¹⁾ In the period from January 01 to September 30, 2021, the gross amount is BRL 1,068.

⁽²⁾ Effect arising from Law No. 14,183, which increased the social contribution rate in the period from July 1 to December 31, 2021, for financial institutions, recognized in the Income Tax and Social Contribution line (Note 4q).

⁽³⁾ According to the Material Fact disclosed on April 13, 2021, BV's IPO process was canceled due to the market situation at the time.

⁽⁴⁾ Refers to expenses with goodwill amortization in affiliates.

7. CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Cash and due from banks	158,749	235,301	206,699	278,383
Cash and due from banks in national currency	1,211	685	35,142	37,297
Cash and due from banks in foreign currency	157,538	234,616	171,557	241,086
Interbank funds applied ⁽¹⁾	372,246	2,656,736	372,246	2,656,736
Open market applications - Resales to be liquidated - Bench position	7,794	359,988	7,794	359,988
Interbank accounts or relations	155,477	240,448	155,477	240,448
Investments in foreign currency ⁽²⁾	208,975	2,056,300	208,975	2,056,300
Total	530,995	2,892,037	578,945	2,935,119

⁽¹⁾ Refer to transactions with original maturities of 90 days or less from the acquisition date and are subject to an insignificant risk change in fair value.

⁽²⁾ The balances of these investments may vary substantially in comparative periods, due to the strategies adopted for operations in foreign currency, including the hedging mechanisms employed by the institution.

8. INTERBANK INVESTMENTS

a) Breakdown

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Reverse repurchase agreements ⁽¹⁾	1,172,072	3,758,149	1,172,333	3,170,496
Reverse repurchase agreements - Held	223,115	866,995	223,376	279,342
National Treasury Bill - LON	-	-	261	280
National Treasury Notes - NTN	-	689,477	-	101,544
Securities of Brazilian Foreign Debt	223,115	177,518	223,115	177,518
Reverse repurchase agreements - Repledged	440,780	2,306,239	440,780	2,306,239
Financial Treasury Bills	-	2,199,989	-	2,199,989
National Treasury Notes - NTN	440,780	106,250	440,780	106,250
Reverse repurchase agreements - Short position	508,177	584,915	508,177	584,915
National Treasury Notes - NTN	508,177	584,915	508,177	584,915
Interbank deposit investments	2,367,318	1,292,738	172,069	252,747
Total	3,539,390	5,050,887	1,344,402	3,423,243

Current assets	3,281,285	4,866,628	1,086,297	3,238,984
Non-current assets	258,105	184,259	258,105	184,259

⁽¹⁾ The balances of these investments may vary substantially in comparative periods, due to the strategies adopted on interbank liquidity operations.

b) Income from interbank investments

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Income from securities purchased under resale agreements	95,972	53,331	407,883	140,271
Own portfolio	16,504	21,759	95,244	55,169
Financed operations	66,324	15,403	271,730	33,545
Short position	13,144	16,169	40,909	51,557
Income from investments in interbank deposits ⁽¹⁾	76,117	22,141	178,956	33,106
Total ⁽²⁾	172,089	75,472	586,839	173,377

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Income from securities purchased under resale agreements	95,984	46,169	397,248	124,414
Own portfolio	16,516	14,597	90,771	39,312
Financed operations	66,324	15,403	265,568	33,545
Short position	13,144	16,169	40,909	51,557
Income from investments in interbank deposits ⁽¹⁾	9,040	7,305	25,285	13,948
Total ⁽²⁾	105,024	53,474	422,533	138,362

⁽¹⁾ Includes the effects of exchange rate changes on the corresponding assets.

⁽²⁾ The amounts comprise the balance of income from securities (Note 9c).

9. SECURITIES

a) Breakdown of the portfolio by category, type of paper and maturity term

Parent Company	09.30.2022								12.31.2021		
	Fair Value					Total			Total		
	Without maturity	From 0 to 90 days	From 90 to 360 days	From 1 to 5 years	Over 5 years	Cost	Fair Value	Fair Value Adjustment	Cost	Fair Value	Fair Value Adjustment
1 – Trading Securities	-	262,590	1,814,997	8,519,667	1,875,952	12,445,565	12,473,206	27,641	4,856,712	4,849,307	(7,405)
Government Bonds	-	262,590	1,814,997	8,519,667	1,324,514	11,903,858	11,921,768	17,910	4,253,883	4,252,949	(934)
Financial Treasury Bills	-	-	-	1,446,913	188,070	1,634,560	1,634,983	423	35,700	35,703	3
National Treasury Bills	-	262,590	455,320	4,757,427	-	5,459,978	5,475,337	15,359	2,898,559	2,899,653	1,094
National Treasury Notes	-	-	1,359,677	2,315,327	1,136,444	4,809,320	4,811,448	2,128	1,319,624	1,317,593	(2,031)
Private Securities	-	-	-	-	551,438	541,707	551,438	9,731	602,829	596,358	(6,471)
Debentures	-	-	-	-	30,276	32,594	30,276	(2,318)	514,096	509,526	(4,570)
Certificate of Real Estate Receivables	-	-	-	-	-	-	-	-	88,733	86,832	(1,901)
Agribusiness Receivables Certificate	-	-	-	-	521,162	509,113	521,162	12,049	-	-	-
2 – Securities available for sale	139,801	88,073	2,420,174	8,819,286	4,459,546	15,722,351	15,926,880	204,529	14,777,971	14,983,348	205,377
Government bonds	-	-	1,554,983	5,169,593	892,044	7,781,497	7,616,620	(164,877)	9,453,650	9,391,869	(61,781)
Financial Treasury Bills	-	-	94,507	158,822	-	253,137	253,329	192	4,314,787	4,312,175	(2,612)
National Treasury Bills	-	-	191,504	826,595	-	1,040,483	1,018,099	(22,384)	1,570,809	1,528,712	(42,097)
National Treasury Notes	-	-	402,382	1,792,602	176,738	2,502,637	2,371,722	(130,915)	1,346,010	1,283,297	(62,713)
Brazilian Foreign Debt Securities	-	-	303,247	1,259,742	715,306	2,389,034	2,278,295	(110,739)	1,717,559	1,751,021	33,462
Government notes from other countries	-	-	563,343	1,131,832	-	1,596,206	1,695,175	98,969	504,485	516,664	12,179
Private Securities	139,801	88,073	865,191	3,649,693	3,567,502	7,940,854	8,310,260	369,406	5,324,321	5,591,479	267,158
Debentures ⁽¹⁾	-	-	302,568	1,207,828	388,024	1,890,739	1,898,420	7,681	1,503,944	1,496,983	(6,961)
Promissory Notes ⁽²⁾	-	6,112	5,854	9,902	-	21,821	21,868	47	73,677	73,408	(269)
Shares ⁽³⁾	10,473	-	-	-	-	10,473	10,473	-	936	936	-
Quotas of Investment Funds ⁽⁴⁾	129,328	-	45,516	719,156	3,083,043	3,483,533	3,977,043	493,510	1,767,791	2,150,389	382,598
Rural Product Notes - Commodities ⁽⁵⁾	-	-	217,445	180,986	-	398,652	398,431	(221)	431,184	432,829	1,645
Eurobonds	-	-	-	-	1	27	1	(26)	27	1	(26)
Floating Rate Notes	-	72,638	257,133	534,847	-	878,502	864,618	(13,884)	769,840	772,684	2,844
Certificated of Real Estate Receivables ⁽⁶⁾	-	9,323	36,675	339,434	96,434	601,299	481,866	(119,433)	752,410	639,859	(112,551)
Agribusiness Receivables Certificate	-	-	-	110,901	-	109,462	110,901	1,439	24,512	24,390	(122)
Commercial Notes	-	-	-	546,639	-	546,346	546,639	293	-	-	-
3 – Securities held to maturity	-	495,412	5,176,217	9,130,657	752,234	16,262,617	15,554,520	(708,097)	13,796,106	13,115,352	(680,754)
Government bonds	-	495,412	5,176,217	9,130,657	752,234	16,262,617	15,554,520	(708,097)	13,796,106	13,115,352	(680,754)
National Treasury Bills	-	-	859,397	4,629,112	-	5,641,020	5,488,509	(152,511)	5,348,854	5,134,760	(214,094)
National Treasury Notes	-	-	4,316,820	4,501,545	752,234	10,082,866	9,570,599	(512,267)	7,933,136	7,499,074	(434,062)
Government notes from other countries	-	495,412	-	-	-	538,731	495,412	(43,319)	514,116	481,518	(32,598)
Total (1 + 2 + 3)	139,801	846,075	9,411,388	26,469,610	7,087,732	44,430,533	43,954,606	(475,927)	33,430,789	32,948,007	(482,782)



FINANCIAL STATEMENTS

As of 30 September, 2022

(amounts in thousands of Reais, unless otherwise indicated)

Consolidated	09.30.2022								12.31.2021		
	Fair value					Total			Total		
	Without Maturity	From 0 to 90 days	From 90 to 360 days	From 1 to 5 years	Over 5 years	Cost	Fair Value	Fair Value Adjustment	Cost	Fair Value	Fair Value Adjustment
1 – Trading Securities	-	275,022	1,832,353	8,617,319	1,877,677	12,574,356	12,602,371	28,015	6,328,083	6,396,879	68,796
Government bonds	-	262,590	1,832,353	8,617,319	1,326,239	12,020,580	12,038,501	17,921	5,714,977	5,790,244	75,267
Financial Treasury Bills	-	-	17,356	1,544,565	189,795	1,751,282	1,751,716	434	515,617	515,433	(184)
National Treasury Bills	-	262,590	455,320	4,757,427	-	5,459,978	5,475,337	15,359	2,898,559	2,899,653	1,094
National Treasury Notes	-	-	1,359,677	2,315,327	1,136,444	4,809,320	4,811,448	2,128	2,300,801	2,375,158	74,357
Private Securities	-	12,432	-	-	551,438	553,776	563,870	10,094	613,106	606,635	(6,471)
Debentures	-	12,432	-	-	30,276	44,663	42,708	(1,955)	524,373	519,803	(4,570)
Certificate of Real Estate Receivables	-	-	-	-	-	-	-	-	88,733	86,832	(1,901)
Certificate of Agribusiness Receivables	-	-	-	-	521,162	509,113	521,162	12,049	-	-	-
2 – Securities available for sale	638,534	88,073	2,420,174	8,854,521	2,372,393	14,178,147	14,373,695	195,548	15,496,002	15,704,883	208,881
Government bonds	-	-	1,554,983	5,582,629	892,044	8,203,513	8,029,656	(173,857)	9,870,381	9,802,801	(67,580)
Financial Treasury Bills	-	-	94,507	327,338	-	421,610	421,845	235	4,471,442	4,468,592	(2,850)
National Treasury Bills	-	-	191,504	826,595	-	1,040,483	1,018,099	(22,384)	1,570,809	1,528,712	(42,097)
National Treasury Notes	-	-	402,382	2,037,122	176,738	2,756,180	2,616,242	(139,938)	1,606,086	1,537,812	(68,274)
Brazilian Foreign Debt Securities	-	-	303,247	1,259,742	715,306	2,389,034	2,278,295	(110,739)	1,717,559	1,751,021	33,462
Government notes from other countries	-	-	563,343	1,131,832	-	1,596,206	1,695,175	98,969	504,485	516,664	12,179
Private securities	638,534	88,073	865,191	3,271,892	1,480,349	5,974,634	6,344,039	369,405	5,625,621	5,902,082	276,461
Debentures ⁽¹⁾	-	-	302,568	1,207,828	388,024	1,890,739	1,898,420	7,681	1,503,944	1,496,983	(6,961)
Promissory Notes ⁽²⁾	-	6,112	5,854	9,902	-	21,821	21,868	47	73,677	73,408	(269)
Shares ⁽³⁾	10,473	-	-	-	-	10,473	10,473	-	936	936	-
Quotas of investment funds ⁽⁴⁾	628,061	-	45,516	310,146	967,183	1,447,966	1,950,906	502,940	2,007,524	2,408,399	400,875
Rural Product Notes - Commodities ⁽⁵⁾	-	-	217,445	180,986	-	398,652	398,431	(221)	431,184	432,829	1,645
Eurobonds	-	-	-	-	1	27	1	(26)	27	1	(26)
Floating Rate Notes	-	72,638	257,133	534,847	-	878,502	864,618	(13,884)	769,840	772,684	2,844
Certificated of Real Estate Receivables ⁽⁶⁾	-	9,323	36,675	370,643	125,141	670,646	541,782	(128,864)	813,977	692,452	(121,525)
Agribusiness Receivables Certificate	-	-	-	110,901	-	109,462	110,901	1,439	24,512	24,390	(122)
Commercial Notes	-	-	-	546,639	-	546,346	546,639	293	-	-	-
3 – Securities held to maturity	-	495,412	5,176,217	9,130,657	752,234	16,262,617	15,554,520	(708,097)	13,796,106	13,115,352	(680,754)
Government bonds	-	495,412	5,176,217	9,130,657	752,234	16,262,617	15,554,520	(708,097)	13,796,106	13,115,352	(680,754)
National Treasury Bills	-	-	859,397	4,629,112	-	5,641,020	5,488,509	(152,511)	5,348,854	5,134,760	(214,094)
National Treasury Notes	-	-	4,316,820	4,501,545	752,234	10,082,866	9,570,599	(512,267)	7,933,136	7,499,074	(434,062)
Government notes from other countries	-	495,412	-	-	-	538,731	495,412	(43,319)	514,116	481,518	(32,598)
Total (1 + 2 + 3)	638,534	858,507	9,428,744	26,602,497	5,002,304	43,015,120	42,530,586	(484,534)	35,620,191	35,217,114	(403,077)

The fair value considers the prudential adjustment of credit risk spread, fulfilling the provision in Article 8 of the CMN Resolution No. 4,277/2013.

The securities classified as "Held to maturity" are recorded at cost in accordance with Bacen Circular No. 3,068/2001. For purposes of presentation, these operations are adjusted to fair value.

⁽¹⁾ The cost value of the Debentures includes a provision for impairment in the amount of R\$ 821,639 (R\$ 847,120 as of December 31, 2021) against (Provision) / reversal of provision for impairment of securities.

⁽²⁾ The cost value of the Promissory Notes includes a provision for impairment in the amount of R\$ 26,126 (R\$ 26,126 as of December 31, 2021) against (Provision) / reversal of provision for impairment of securities.

⁽³⁾ The cost value of the Shares includes a provision for impairment in the amount of R\$ 3,181 in the Bank and R\$ 4,934 in the Consolidated (R\$ 3,225 in the Bank and Consolidated on December 31, 2021) as a contra entry to (Provision) / reversal provision for impairment of Securities.

⁽⁴⁾ The cost value of Investment Fund Quotas also considers the provision for impairment in the amount of R\$ 85,372 (R\$ 85,458 as of December 31, 2021) against (Provision) / reversal of provision for impairment of securities. Includes effect of adjustment to fair value of equity funds (FIP) and real estate investment funds (FII) that are not consolidated.

⁽⁵⁾ O valor de custo das Cédulas de Produto Rural considera também a provisão para redução ao valor recuperável no montante de R\$ 24,160 (R\$ 25,314 as of December 31, 2021) against (Provision) / reversal of provision for impairment of securities.

⁽⁶⁾ The cost value of Certificates of Real Estate Receivables also considers the provision for impairment in the amount of R\$ 761 (R\$ 761 as of 31 December, 2021) against (Provision) / reversal of provision for impairment of securities.

b) Summary of the portfolio by category

By category	09.30.2022		12.31.2021	
Parent Company				
1 – Trading Securities	12,473,206	28%	4,849,307	14%
2 – Securities available for sale	15,926,880	36%	14,983,348	45%
3 – Securities held to maturity	16,262,617	36%	13,796,106	41%
Book value of portfolio	44,662,703	100%	33,628,761	100%
Fair value adjustment of category three	(708,097)		(680,754)	
Fair value of portfolio	43,954,606		32,948,007	
Consolidated				
1 – Trading securities	12,602,371	29%	6,396,879	18%
2 – Securities available for sale	14,373,695	33%	15,704,883	44%
3 – Securities held to maturity	16,262,617	38%	13,796,106	38%
Book value of portfolio	43,238,683	100%	35,897,868	100%
Fair value adjustment of category three	(708,097)		(680,754)	
Fair value of portfolio	42,530,586		35,217,114	

In compliance with the provisions of article 8 of Circular No. 3068/01 of the Central Bank of Brazil, banco BV declares that it has the financial capacity and intention to hold securities classified in the “held-to-maturity securities” category in the amount of R\$ 16,262,617 in the Bank and Consolidated (R\$ 13,796,106 in the bank and consolidated on December 31, 2021), representing 36% in the Bank and 38% in the Consolidated of the total securities (41% in the Bank and 38% in the Consolidated as of December 31, 2021).

c) Income from securities

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Interbank investments (note 8b)	172,089	75,472	586,839	173,377
Fixed income securities	742,373	499,656	2,142,090	1,052,499
Securities abroad ⁽¹⁾	84,205	11,653	208,206	77,326
Variable income securities	(617)	(3,044)	1,816	(1,707)
Investments in investment funds ^{(1) (2)}	133,728	101,898	341,502	119,452
Investments in foreign currency ⁽¹⁾	1,231	7,469	19,226	22,191
Total	1,133,009	693,104	3,299,679	1,443,138

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Interbank investments (note 8b)	105,024	53,474	422,533	138,362
Fixed income securities	760,363	598,858	2,078,360	1,137,226
Securities abroad ⁽¹⁾	84,205	11,653	208,206	77,326
Variable income securities	(100)	(4,139)	2,069	(1,725)
Investments in investment funds ^{(1) (2)}	40,215	23,043	149,181	37,158
Investments in foreign currency ⁽¹⁾	1,231	7,469	19,226	22,191
Total	990,938	690,358	2,879,575	1,410,538

⁽¹⁾ Includes exchange rate variation on assets.

⁽²⁾ It includes effects arising from transactions with third parties and entities of the conglomerate, including the realization of gains and distribution of income via the amortization of shares in equity investment funds (FIPs).

d) (Provision) / reversal of provision for impairment of securities

	Parent Company and Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Shares ⁽¹⁾	16	643	44	902
Promissory Notes	-	(16,122)	-	(26,126)
Certificates of Real Estate Receivables	-	685	-	882
Debentures	(2,320)	(35,379)	25,481	(47,429)
Quotas of investment funds	26	16,166	86	(8,024)
Rural Product Notes	-	-	1,154	691
Total	(2,278)	(34,007)	26,765	(79,104)

⁽¹⁾ In 2022, securities were reclassified, including the respective provision for losses that were previously presented in “other investments”, in compliance with CMN Resolution No. 4,817/20, not impacting the Consolidated results.

e) Reclassifications of securities

There was no reclassification of securities between categories as of September 30, 2022 and December 31, 2021.

10. DERIVATIVE FINANCIAL INSTRUMENTS

The Conglomerate uses derivative financial instruments to manage its positions on a consolidated basis and to fulfill the needs of its client's, classifying its own positions as necessary for hedging (of market risk and cash flow) and trading, both with approval limits in the Company. The hedge strategy for asset protection, which is approved by Management, is in line with the macroeconomic scenario analysis.

In the options market, assets or long positions have the Conglomerate as the holder, while liability or short positions have the Conglomerate as the seller.

The models used in the management of risks with derivatives are periodically reviewed and the decisions taken observe the best risk/return ratio, estimating possible losses based on the analysis of macroeconomic scenarios.

The Conglomerate has tools and systems that are adequate to manage derivative financial instruments. Negotiation of new derivatives, standardized or not, depends on prior risk analysis. Subsidiaries' risk evaluation is carried out on an individual basis and its management is carried out on a consolidated basis.

The Conglomerate uses statistical methodologies and simulations to measure the risk of its positions, including with derivatives, using value at risk and sensitivity models and stress analysis.

Risks

The main risks, inherent in derivative financial instruments deriving from the Bank and its subsidiaries' businesses are credit risk, market risk, liquidity risk and operational risk.

Credit risk is defined as the possibility of losses associated with: (a) Non-compliance by the counterparty (the borrower, the guarantor or the issuer of securities or securities acquired), of its obligations under the terms agreed upon; (b) Devaluation, reduction of income and expected gains on financial instruments arising from the deterioration of the credit quality of the counterparty, the intervening party or the mitigating instrument; (c) Restructuring of financial instruments; or (d) Costs of recovery of exposures of problematic assets.

Exposure to credit risk in futures contracts is minimized due to the daily financial settlement. Swap contracts registered with CETIP are subject to credit risk in case that the counterparty is not able or willing to comply with its contractual obligations, while swap contracts registered with B3 S.A. - Brasil, Bolsa, Balcão are not subject to the same risk, considering that B3 S.A. guarantees these transactions.

Market risk is defined as the possibility of financial losses arising from variations in the fair value of exposures held by a Financial Institution. These financial losses may be incurred due to the impact produced by the variation of risk factors, such as interest rates, exchange rates, share and commodity prices, among others.

Liquidity risk is defined as:

- The possibility of the Bank not being able to effectively honor expected and unexpected current and future obligations, including those deriving from binding guarantees, without affecting its daily operations and without incurring significant losses; and
- The possibility that the Bank may not be able to trade a position at the market price due to its large size in relation to the usually traded volume, or due to market discontinuity.

Operational risk is defined as the possibility of occurrence of losses resulting from external events or from failure, deficiency or inadequacy of internal processes, people or systems.



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a) Breakdown of derivative financial instruments portfolio by index

By Index	Parent Company						Consolidated					
	09.30.2022			12.31.2021			09.30.2022			12.31.2021		
	Reference Value	Cost	Fair Value	Reference Value	Cost	Fair Value	Reference Value	Cost	Fair Value	Reference Value	Cost	Fair Value
1 - Future Contracts												
Purchase commitments	15,450,955	-	-	25,171,942	-	-	15,450,955	-	-	25,171,942	-	-
Interbank Deposits	5,052,727	-	-	16,772,346	-	-	5,052,727	-	-	16,772,346	-	-
Currencies	1,874,382	-	-	347,320	-	-	1,874,382	-	-	347,320	-	-
Index	226,992	-	-	319,532	-	-	226,992	-	-	319,532	-	-
Foreign currency coupon	8,295,036	-	-	7,732,744	-	-	8,295,036	-	-	7,732,744	-	-
Others	1,818	-	-	-	-	-	1,818	-	-	-	-	-
Sales appointments	48,699,188	-	-	63,957,208	-	-	48,699,188	-	-	63,957,208	-	-
Interbank Deposits	37,495,729	-	-	56,055,124	-	-	37,495,729	-	-	56,055,124	-	-
Currencies	2,916,816	-	-	2,863,884	-	-	2,916,816	-	-	2,863,884	-	-
Index	1,557,144	-	-	183,881	-	-	1,557,144	-	-	183,881	-	-
Libor ⁽¹⁾	500,845	-	-	1,121,951	-	-	500,845	-	-	1,121,951	-	-
Foreign currency coupon	5,108,347	-	-	2,766,289	-	-	5,108,347	-	-	2,766,289	-	-
Others	1,120,307	-	-	966,079	-	-	1,120,307	-	-	966,079	-	-
2 - Term Contracts												
Asset Position	1,753,281	1,753,281	1,753,474	276,038	276,038	276,164	1,753,281	1,753,281	1,753,474	276,038	276,038	276,164
Currency term	188,106	188,106	188,073	276,038	276,038	276,164	188,106	188,106	188,073	276,038	276,038	276,164
Government bond term	1,565,175	1,565,175	1,565,401	-	-	-	1,565,175	1,565,175	1,565,401	-	-	-
Liability position	1,542,182	(1,542,182)	(1,737,676)	276,038	(276,038)	(273,166)	1,542,182	(1,542,182)	(1,737,676)	276,038	(276,038)	(273,166)
Currency term	188,106	(188,106)	(173,126)	276,038	(276,038)	(273,166)	188,106	(188,106)	(173,126)	276,038	(276,038)	(273,166)
Government bond term	1,354,076	(1,354,076)	(1,564,550)	-	-	-	1,354,076	(1,354,076)	(1,564,550)	-	-	-
3 - Option contracts ⁽²⁾												
Call option - Long position	2,280,466	106,186	56,984	2,109,409	72,673	69,719	2,280,466	106,186	56,984	2,109,409	72,673	69,719
Foreign currency	146,500	2,141	3,400	57,000	869	-	146,500	2,141	3,400	57,000	869	-
Flexible options	2,109,153	102,593	51,120	2,052,409	71,804	69,719	2,109,153	102,593	51,120	2,052,409	71,804	69,719
Others	24,813	1,452	2,464	-	-	-	24,813	1,452	2,464	-	-	-
Put option - Long position	662,375	18,673	28,380	4,041,296	93,507	98,365	662,375	18,673	28,380	1,517,500	40,413	21,357
Foreign currency	662,375	18,673	28,380	1,502,500	40,406	21,356	662,375	18,673	28,380	1,502,500	40,406	21,356
Interbank deposits index	-	-	-	15,000	7	1	-	-	-	15,000	7	1
Flexible options	-	-	-	2,523,796	53,094	77,008	-	-	-	-	-	-
Call option - Short position	958,677	(28,349)	(14,013)	4,126,860	(108,308)	(62,918)	958,677	(28,349)	(14,013)	1,603,064	(55,327)	(37,861)
Foreign currency	924,250	(22,651)	(9,061)	1,588,250	(52,082)	(34,252)	924,250	(22,651)	(9,061)	1,588,250	(52,082)	(34,252)
Flexible options	12,000	(3,041)	(777)	2,538,610	(56,226)	(28,666)	12,000	(3,041)	(777)	14,814	(3,245)	(3,609)
Others	22,427	(2,657)	(4,175)	-	-	-	22,427	(2,657)	(4,175)	-	-	-



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By Index	Parent Company						Consolidated					
	09.30.2022			12.31.2021			09.30.2022			12.31.2021		
	Reference Value	Cost	Fair Value	Reference Value	Cost	Fair Value	Reference Value	Cost	Fair Value	Reference Value	Cost	Fair Value
Put option - Short position	1,898,347	(103,323)	(104,550)	2,413,935	(72,969)	(43,973)	1,898,347	(103,323)	(104,550)	2,413,935	(72,969)	(43,973)
Foreign currency	50,500	(730)	-	619,500	(1,065)	(1,293)	50,500	(730)	-	619,500	(1,065)	(1,293)
Flexible options	1,847,847	(102,593)	(104,550)	1,789,185	(71,804)	(42,593)	1,847,847	(102,593)	(104,550)	1,789,185	(71,804)	(42,593)
Shares	-	-	-	5,250	(100)	(87)	-	-	-	5,250	(100)	(87)
4 - Swap contracts ^{(2) (3)}												
Asset position	16,874,373	2,329,883	2,356,851	26,990,692	2,819,751	3,760,166	16,874,373	2,329,883	2,356,851	26,510,501	2,389,387	3,271,778
Interbank Deposit	8,194,570	239,324	538,599	18,838,153	97,261	412,138	8,194,570	239,324	538,599	18,838,153	97,261	412,138
Foreign currency	4,914,217	1,859,104	1,530,051	6,820,701	2,404,919	2,892,422	4,914,217	1,859,104	1,530,051	6,340,510	1,974,555	2,404,034
Fixed Rate	3,613,119	171,953	238,965	1,136,040	239,752	384,056	3,613,119	171,953	238,965	1,136,040	239,752	384,056
IPCA	64,362	12,075	7,426	117,742	37,204	33,610	64,362	12,075	7,426	117,742	37,204	33,610
IGP-M	78,000	45,775	39,752	78,000	40,174	37,581	78,000	45,775	39,752	78,000	40,174	37,581
Libor ⁽¹⁾	10,105	1,652	2,058	56	401	359	10,105	1,652	2,058	56	401	359
Selic	-	-	-	-	40	-	-	-	-	-	40	-
Liability position	12,759,097	(2,056,820)	(2,014,226)	7,462,371	(2,067,811)	(1,981,306)	12,759,097	(2,056,820)	(2,014,226)	7,433,274	(2,047,619)	(1,958,371)
Interbank Deposit	4,219,277	(103,992)	(241,550)	3,171,764	(10,038)	(62,645)	4,219,277	(103,992)	(241,550)	3,171,764	(10,038)	(62,645)
Foreign currency	3,225,527	(1,184,412)	(938,631)	3,442,164	(1,550,611)	(1,305,322)	3,225,527	(1,184,412)	(938,631)	3,413,067	(1,530,419)	(1,282,387)
Fixed Rate	4,620,086	(680,188)	(754,086)	350,080	(414,889)	(548,180)	4,620,086	(680,188)	(754,086)	350,080	(414,889)	(548,180)
IPCA	367,038	(55,032)	(44,616)	106,709	(36,177)	(35,849)	367,038	(55,032)	(44,616)	106,709	(36,177)	(35,849)
IGP-M	96,719	(25,976)	(21,750)	96,719	(23,178)	(21,042)	96,719	(25,976)	(21,750)	96,719	(23,178)	(21,042)
Libor ⁽¹⁾	30,450	(6,693)	(6,537)	94,935	(32,918)	(8,179)	30,450	(6,693)	(6,537)	94,935	(32,918)	(8,179)
Selic	200,000	(527)	(7,056)	200,000	-	(89)	200,000	(527)	(7,056)	200,000	-	(89)
5 - Other derivatives financial instruments												
Asset position	9,590,365	96,883	100,952	15,398,668	161,625	182,333	9,590,365	96,883	100,952	10,585,464	53,632	74,739
Non Deliverable Forward - Foreign currency ⁽²⁾	9,568,739	95,369	98,936	15,398,668	161,625	182,333	9,568,739	95,369	98,936	10,585,464	53,632	74,739
Credit Derivatives	21,626	1,514	2,016	-	-	-	21,626	1,514	2,016	-	-	-
Liability position	3,010,283	(385,706)	(190,893)	6,130,130	(180,059)	(78,092)	3,010,283	(385,706)	(190,893)	1,316,926	(120,050)	(51,968)
Non Deliverable Forward - Foreign currency ⁽²⁾	3,010,283	(385,706)	(190,893)	6,130,130	(180,059)	(78,092)	3,010,283	(385,706)	(190,893)	1,316,926	(120,050)	(51,968)
Total Assets (1 + 2 + 3 + 4 + 5)	46,611,815	4,304,906	4,296,641	73,988,045	3,423,594	4,386,747	46,611,815	4,304,906	4,296,641	66,170,854	2,832,143	3,713,757
Total Liabilities (1 + 2 + 3 + 4 + 5)	67,325,592	(4,116,380)	(4,061,358)	84,090,504	(2,705,185)	(2,439,455)	67,325,592	(4,116,380)	(4,061,358)	76,724,407	(2,572,003)	(2,365,339)

⁽¹⁾ Futures and swap contracts indexed to Libor were not impacted by the reform of the reference interest rates.

⁽²⁾ The fair value of swap, options and non-deliverable forward operations - foreign currency include the credit risk of the counterparty (credit spread adjustment).

⁽³⁾ The presentation of swap contracts and credit derivatives by position (active or passive) takes into account the respective fair value of each contract.



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b) Breakdown of derivative financial instruments by maturity date (reference value)

Maturity in days	Parent Company						Consolidated					
	0 a 30	31 to 180	181 to 360	Over 360	09.30.2022	12.31.2021	0 to 30	31 to 180	181 to 360	Over 360	09.30.2022	12.31.2021
Futures contracts	7,526,132	13,995,733	9,522,677	33,105,601	64,150,143	89,129,150	7,526,132	13,995,733	9,522,677	33,105,601	64,150,143	89,129,150
Forward contracts	1,594,473	134,071	24,737	-	1,753,281	276,038	1,594,473	134,071	24,737	-	1,753,281	276,038
Option contracts	483,039	1,240,234	2,640,898	1,435,694	5,799,865	12,691,500	483,039	1,240,234	2,640,898	1,435,694	5,799,865	7,643,908
Swap contracts	887,928	5,816,011	5,234,159	17,695,372	29,633,470	34,453,063	887,928	5,816,011	5,234,159	17,695,372	29,633,470	33,943,775
Non Deliverable Forward - Foreign Currency	824,481	10,268,125	1,234,835	251,581	12,579,022	21,528,798	824,481	10,268,125	1,234,835	251,581	12,579,022	11,902,390
Credit Derivatives	-	-	-	21,626	21,626	-	-	-	-	21,626	21,626	-
Total	11,316,053	31,454,174	18,657,306	52,509,874	113,937,407	158,078,549	11,316,053	31,454,174	18,657,306	52,509,874	113,937,407	142,895,261

c) Breakdown of derivative financial instruments Portfolio by market and counterparty (reference value)

	09.30.2022							12.31.2021
	Future	Term	Options	Swaps	Non Deliverable Forward	Credit Derivatives	Total	
Parent Company								
Stock exchange market	64,150,143	-	1,783,625	-	-	-	65,933,768	92,911,400
Stock exchange market	-	1,753,281	4,016,240	29,633,470	12,579,022	21,626	48,003,639	65,167,149
Financial institutions	-	1,753,281	12,000	23,929,362	6,401,237	21,626	32,117,506	51,130,372
Client	-	-	4,004,240	5,704,108	6,177,785	-	15,886,133	14,036,777
Consolidated								
Stock exchange market	64,150,143	-	1,783,625	-	-	-	65,933,768	92,911,400
Stock exchange market	-	1,753,281	4,016,240	29,633,470	12,579,022	21,626	48,003,639	49,983,861
Financial institutions	-	1,753,281	12,000	23,929,362	6,401,237	21,626	32,117,506	35,947,084
Client	-	-	4,004,240	5,704,108	6,177,785	-	15,886,133	14,036,777



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d) Composition of the credit derivatives portfolio

	09.30.2022			12.31.2021		
	Reference Value	Cost	Fair Value	Reference Value	Cost	Fair Value
Parent Company and Consolidated						
Credit Swap						
Transferred Risk	21,626	1,514	2,016	-	-	-
By Index						
Active position - Preset	21,626	1,514	2,016	-	-	-

For the sale of protection, a credit limit is approved, both for the "risk client" and for the counterparty, according to the credit committees' jurisdiction and forums. The credit limit is allocated to the "risk customer" at the derivative reference value (notional), considering the amounts deposited in guarantee.

For the purchase of protection, the trading portfolio is operated with a sovereign risk client. In this case, the potential future exposure is considered to allocate the counterparty's limit. The credit derivatives portfolio generated impacts on the Portion Relating to Exposures Weighted by Risk Factor (PRMR), for calculating the Basel Ratio in the amount of R\$ 248 on September 31, 2022. As of December 31, 2021 there was no there was exposure to this type of operation.

e) Breakdown of margin given in guarantee of operations with derivative financial instruments and other transactions settled in clearing or providers of clearing and settlement services

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Financial Treasury Bills - LFT	457,939	997,210	458,550	999,905
National Treasury Bills - LTN	1,687,167	461,638	1,687,167	461,638
Shares of the investment fund liquidity of board B3	39,984	36,621	56,731	51,959
Others	67,015	49,886	67,015	49,886
Total	2,252,105	1,545,355	2,269,463	1,563,388

f) Derivative financial instruments breakdown into current and non-current

	Parent Company					
	09.30.2022			12.31.2021		
	Current	Non-Current	Total	Current	Non-Current	Total
Assets						
Term operations	1,753,474	-	1,753,474	258,451	17,713	276,164
Options market	54,698	30,666	85,364	130,103	37,981	168,084
Swap contracts	1,631,098	725,753	2,356,851	1,825,771	1,934,395	3,760,166
Non Deliverable Forward - Foreign currency	86,328	12,608	98,936	163,390	18,943	182,333
Credit Derivatives	-	2,016	2,016	-	-	-
Total	3,525,598	771,043	4,296,641	2,377,715	2,009,032	4,386,747
Liabilities						
Term operations	(1,737,676)	-	(1,737,676)	(255,453)	(17,713)	(273,166)
Options market	(84,010)	(34,553)	(118,563)	(65,597)	(41,294)	(106,891)
Swap contracts	(1,028,812)	(985,414)	(2,014,226)	(1,100,285)	(881,021)	(1,981,306)
Non Deliverable Forward - Foreign currency	(184,365)	(6,528)	(190,893)	(70,123)	(7,969)	(78,092)
Total	(3,034,863)	(1,026,495)	(4,061,358)	(1,491,458)	(947,997)	(2,439,455)

	Consolidated					
	09.30.2022			12.31.2021		
	Current	Non-Current	Total	Current	Non-Current	Total
Assets						
Term operations	1,753,474	-	1,753,474	258,451	17,713	276,164
Options market	54,698	30,666	85,364	53,095	37,981	91,076
Swap contracts	1,631,098	725,753	2,356,851	1,803,726	1,468,052	3,271,778
Non Deliverable Forward - Foreign currency	86,328	12,608	98,936	61,358	13,381	74,739
Credit Derivatives	-	2,016	2,016	-	-	-
Total	3,525,598	771,043	4,296,641	2,176,630	1,537,127	3,713,757
Liabilities						
Term operations	(1,737,676)	-	(1,737,676)	(255,453)	(17,713)	(273,166)
Options market	(84,010)	(34,553)	(118,563)	(40,540)	(41,294)	(81,834)
Swap contracts	(1,028,812)	(985,414)	(2,014,226)	(1,100,766)	(857,605)	(1,958,371)
Non Deliverable Forward - Foreign currency	(184,365)	(6,528)	(190,893)	(43,999)	(7,969)	(51,968)
Total	(3,034,863)	(1,026,495)	(4,061,358)	(1,440,758)	(924,581)	(2,365,339)

g) Breakdown of the derivatives portfolio for hedge accounting

The Conglomerate uses two types of Hedge strategies: Fair Value Hedge and Cash Flow Hedge.

These strategies are carried out in the following risk categories:

- Interest rate risk; and
- Exchange rate risk.

The protected risks and their limits are defined in a committee. The Conglomerate determines the relationship between hedge instruments and hedged items so that the fair value of these instruments is expected to move in opposite directions and in the same proportions.

The hedge index established is always 100% of the protected risk. The sources of ineffectiveness are due to mismatches of terms between the instruments and hedged items.

For loans the effectiveness tests are adjusted for the respective allowance for losses in order to exclude the effects arising from these provisions, given that credit risk is not the risk being hedged.

The hedge operations were evaluated as effective, in accordance with the Bacen Circular no. 3,082/2002, with the hedge effectiveness falling between 80% to 125%. The Conglomerate does not use the qualitative method to evaluate the effectiveness of the strategies.

Fair value hedge

The Conglomerate, in order to protect itself from possible fluctuations in the interest and exchange rates of its financial instruments, contracted derivative operations to offset the risks arising from exposures to changes in fair value, as follows:

- Hedge of financial assets with purchase and sale agreements indexed with risk at fixed rate are hedged with DI future contracts;
- Hedge of loans with a fixed rate/exchange rate risk are hedged with future DI and DDI contracts.

Hedged items		09.30.2022		
		Fair value of hedged items	Fair value adjustment of hedged items	Base value for calculating hedge ineffectiveness ⁽¹⁾
Parent Company and Consolidated	Statement of Financial Position line item			
Interest rate risk				
Hedge of loan contracts	Loan and Leases	17,896,949	(403,474)	1,437,965
Total		17,896,949	(403,474)	1,437,965
		12.31.2021		
Interest rate risk				
Hedge of purchase and sale commitment	Financial assets with resale agreements	402,746	(19)	8,439
Hedge of loan contracts	Loan and Leases	16,736,078	(789,545)	(189,539)
Exchange rate risk				
Hedge of loan contracts	Loan and Leases	8,880	100	1,312
Total		17,147,704	(789,464)	(179,788)

⁽¹⁾ Changes in the fair value of the hedge instrument that are not offset by changes in the value of the hedged item result in the amount of hedge ineffectiveness.

For the repurchase agreement and credit and leasing operations strategies, the Conglomerate reestablishes the hedging relationship as both the hedged item and the instruments are resized over the life of the hedged portfolio. This is because they are portfolio strategies, reflecting the risk management strategy guidelines approved by the competent authority.

Hedge instruments	09.30.2022		
	Reference Value	Base amount to calculate the ineffectiveness of hedge ⁽¹⁾	Hedge ineffectiveness recorded in income ⁽²⁾
Parent Company and Consolidated	Liabilities		
Interest rate risk			
Future DI	20,747,469	(1,446,510)	(8,545)
Total	20,747,469	(1,446,510)	(8,545)
Parent Company and Consolidated	12.31.2021		
Interest rate risk			
Future DI	18,473,942	174,987	(6,113)
Exchange rate risk			
Future DDI	8,892	(1,625)	(313)
Total	18,482,834	173,362	(6,426)

⁽¹⁾ Changes in the fair value of the hedge instrument that are not offset by changes in the value of the hedged item result in the amount of hedge ineffectiveness.

⁽²⁾ Balances presented on an annual basis accumulated so that it is possible to compare with changes in the fair value of the instrument and the hedged object.

In the periods from January 01 to September 30, 2022 and 2021, there were no dismantling of operations and no effect on the result was produced, as the amortization of previous dismantling had already been completed.

Cash flow hedge

To protect the future cash flows of payments against exposure to variable interest rate (CDI), the Conglomerate traded DI Future contracts at B3 (Stock exchange market).

To protect the cash flow of future disbursements on securities issued abroad and other securities issued abroad against exposure to exchange rate risk (USD and EUR), the Conglomerate has traded over-the-counter Swap contracts recorded in B3.

Hedge instruments	09.30.2022				
	Statement of Financial Position line item	Book/reference amount		Base amount for calculating hedge ineffectiveness ⁽¹⁾	Cash flow hedge reserve
		Assets	Liabilities		
Parent Company and Consolidated					
Interest rate risk					
Hedge of Financial Bills	Securities issued	-	2,941,595	(48,816)	20,239
Hedge of subordinated financial bills - Debt instruments eligible for capital	Debt instruments eligible for capital	-	97,312	(4,210)	971
Exchange rate risk					
Hedge of Financial Bills	Marketable securities	438,402	-	(25,049)	61,497
Hedge of bonds with TVM abroad	Features of acceptance and issuance of bonds	-	5,716,981	198,385	(123,896)
Hedge of liabilities with securities abroad	Obligations for loans and onlendings	-	463,409	20,192	(8,544)
Hedge of perpetual bonds - Subordinated liabilities	Debt instruments eligible for capital	-	1,671,395	(643,364)	(5,416)
Total		438,402	10,890,692	(502,862)	(55,149)
Parent Company and Consolidated	12.31.2021				
Interest rate risk					
Hedge of Financial Bills	Securities issued	-	13,573,577	(262,256)	244,173
Hedge of subordinated financial bills - Debt instruments eligible for capital	Debt instruments eligible for capital	-	93,362	(3,172)	2,596
Exchange rate risk					
Hedge of bonds with TVM abroad	Features of acceptance and issuance of bonds	-	3,433,131	(186,465)	330,224
Hedge of perpetual bonds - Subordinated liabilities	Debt instruments eligible for capital	-	1,684,531	(792,965)	84,108
Total		-	18,784,601	(1,244,858)	661,101

⁽¹⁾ Changes in the amount of the hedged item that compared to changes in the fair value of the hedge instrument result in the ineffective amount of the hedge.

Hedge instruments	09.30.2022				
	Book/reference amount		Base amount for calculating hedge ineffectiveness ⁽¹⁾	Changes in the amount of the recorded hedge instrument in OCI	Hedge ineffectiveness recorded in net profit (loss) ⁽²⁾
	Assets	Liabilities			
Parent Company and Consolidated					
Interest rate risk					
Future DI	-	2,946,530	54,803	(225,559)	1,243
Exchange rate risk					
Swap ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾	7,794,384	497,180	457,132	(490,691)	214
Total	7,794,384	3,443,710	511,935	(716,250)	1,457
Parent Company and Consolidated	12.31.2021				
Interest rate risk					
Future DI	-	13,187,458	265,693	277,270	3,913
Exchange rate risk					
Swap ⁽³⁾⁽⁴⁾	5,634,894	-	984,150	558,699	1,997
Total	5,634,894	13,187,458	1,249,843	835,969	5,910

⁽¹⁾ Changes in the fair value of the hedge instrument that are not offset by changes in the value of the hedged item result in the amount of hedge ineffectiveness.

⁽²⁾ Balances presented on an annual basis accumulated so that it is possible to compare with changes in the fair value of the instrument and the hedged object.

⁽³⁾ The notional value of the swap contract for the hedge of perpetual bonds is R\$ 970,620 as September 30, 2022 and December 31, 2021.

⁽⁴⁾ The notional value of swap contracts for hedging securities with securities abroad is R\$ 5,711,855 as of September 30, 2022 (R\$ 3,406,100 as of December 31, 2021).

⁽⁵⁾ The notional value of swap contracts to hedge Brazilian foreign debt securities is R\$ 561,334 as of September 30, 2022 (as of December 31, 2021 there was no such hedge).

⁽⁶⁾ The notional value of swap contracts to hedge foreign borrowing obligations is R\$457,371 as of September 30, 2022 (as of December 31, 2021 there was no such hedge).

The effective portion is recognized in Shareholders' Equity in Other Comprehensive Income and the ineffective portion is recognized in the Income Statement in "Income (losses) from derivative financial instruments".

In the period from January 01 to September 30, 2022, the fair value adjustment effective portion, in the amount of R\$ (716,250) (R\$ 809,485 in the period from January 01 to September 30, 2021), was recognized in the shareholders' equity and the ineffective portion, in the amount of R\$ 4,453 (R\$ 7,109 in the period from January 1 to September 30, 2021) was recognized in the statement of income under "Income from derivative financial instruments".

The net losses from tax effects related to the cash flow hedge that the Conglomerate expects to recognize in income in the next 12 months total R\$ (37,297) (net gains of R\$ 190,191 in the period from January 01 to September 30, 2021).

In the period ended September 30, 2022, some operations were no longer qualified as cash flow hedges, which generated in the period a result of R\$ 2,586 net of tax effects, presented under the heading "Income from derivative financial instruments". In the period ended September 30, 2021, there were no transactions that were no longer qualified as cash flow hedges.

h) Income from derivative financial instruments

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Swap contracts	288,745	763,806	846,217	670,134
Term operations	11,730	3,744	25,950	7,852
Options market	(4,874)	(131,558)	37,294	(72,040)
Futures contracts	(476,819)	193,830	(862,984)	448,839
Credit derivatives	137	316	137	(265)
Fair value adjustments of hedged financial instruments	473,121	(398,440)	435,989	(1,153,784)
Non Deliverable Forward - Foreign currency	(504)	297,758	(277,332)	255,711
Income from foreign exchange movements of investments abroad	55,872	133,406	(51,957)	76,399
Total	347,408	862,862	153,314	232,846

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Swap contracts	288,745	684,151	980,391	630,495
Term operations	11,730	3,744	25,950	7,852
Options market	(4,874)	48,806	(77,295)	90,174
Futures contracts	(476,819)	193,830	(862,984)	448,839
Credit derivatives	137	316	137	(265)
Fair value adjustments of hedged financial instruments	473,121	(398,440)	435,989	(1,153,784)
Non Deliverable Forward - Foreign currency	(504)	117,394	(163,160)	93,640
Income from foreign exchange movements of investments abroad	55,872	133,406	(51,957)	76,399
Total	347,408	783,207	287,071	193,350

11. INTERBANK ACCOUNTS

a) Breakdown

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Assets	1,882,189	1,490,076	2,071,083	1,492,118
Reserve requirements (Note 11b)	1,881,299	1,490,076	2,070,122	1,492,118
Payments and receivables to be settled (Note 11c)	890	-	961	-
Liabilities	79,462	16,946	3,220,498	2,840,131
Payments and receivables to be settled (Note 11c)	79,462	16,946	3,220,498	2,840,131

b) Reserve requirements

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Assets				
Compulsory deposits at the Central Bank of Brazil	1,881,299	1,490,076	2,070,122	1,492,118
Demand deposits	1,586,187	1,351,625	1,586,187	1,351,625
Microfinance transactions	42,126	-	43,170	134
Instant payments	252,986	138,451	440,765	140,359
Total	1,881,299	1,490,076	2,070,122	1,492,118
Current Assets	1,881,299	1,490,076	2,070,122	1,492,118

c) Payments and receivables to be settled

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Assets				
Rights with settlement system participants	890	-	961	-
Checks and other papers issued	150	-	154	-
Receipts of documents sent by other system participants	740	-	807	-
Total	890	-	961	-
Current Assets	890	-	961	-
Liabilities				
Obligations with settlement system participants	60,659	-	68,243	-
Checks and other papers received	60,659	-	68,243	-
Payment transactions	18,803	16,946	3,152,255	2,840,131
Credit card	18,803	16,946	3,152,255	2,840,131
Total	79,462	16,946	3,220,498	2,840,131
Current Liabilities	79,462	16,946	3,220,498	2,840,131

d) Income from compulsory deposits

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Credits linked to Central Bank of Brazil	53,235	12,918	129,795	24,303
Requirement on time deposits	51,082	12,918	127,642	24,303
Instant Payments	2,153	-	2,153	-
Total	53,235	12,918	129,795	24,303

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Credits linked to Central Bank of Brazil	53,937	12,918	130,497	24,303
Requirement on time deposits	51,082	12,918	127,642	24,303
Instant Payments	2,855	-	2,855	-
Total	53,937	12,918	130,497	24,303

12. LOANS
a) Portfolio by modality

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Loans	57,468,902	55,569,267	60,172,001	57,332,216
Loans and discounted notes	6,344,577	6,160,416	9,028,124	7,909,577
Financings	41,786,872	41,110,430	45,373,052	42,680,041
Rural and agribusiness financing	1,213,582	811,970	1,213,582	811,970
Real estate financing agreements	54,996	55,455	54,996	55,455
Loans linked to assignments (Note 12h.1) ⁽¹⁾	8,068,875	7,430,996	4,502,247	5,875,173
Other receivables with loan characteristics	3,938,913	5,437,360	7,164,757	8,452,836
Credit card operations	-	-	3,225,844	2,983,607
Advance on exchange contract e Others related credits	832,183	819,305	832,183	819,305
Other credits linked to payment transactions ⁽²⁾	412,514	873,663	412,514	873,663
Securities and receivables	2,694,216	3,744,392	2,694,216	3,776,261
Leasing portfolio	-	-	42,650	48,739
Total loan portfolio	61,407,815	61,006,627	67,379,408	65,833,791
Allowance for losses associated with credit risk	(4,596,805)	(4,933,006)	(5,544,567)	(5,545,020)
(Allowance for loan losses)	(3,913,436)	(3,784,887)	(4,796,668)	(4,320,467)
(Allowance for other credits with credit grant characteristics) ⁽³⁾	(683,369)	(1,148,119)	(747,692)	(1,224,334)
(Allowance for lease losses)	-	-	(207)	(219)
Total loan portfolio, net of provisions	56,811,010	56,073,621	61,834,841	60,288,771
Current Assets	28,544,925	28,507,847	32,961,294	32,266,074
Non-current assets	28,266,085	27,565,774	28,873,547	28,022,697

⁽¹⁾ Credit operations transferred with substantial retention of risks and benefits of the financial assets subject to the operation.

⁽²⁾ Credit rights on payment transactions acquired by assignment with retention of risks and benefits by the transferor.

⁽³⁾ Includes provision for losses from operations in approved judicial recovery and provision for losses linked to payment transactions.

b) Income from loans and leases

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Loans	2,550,001	2,083,382	7,109,342	5,744,666
Loans and discounted notes	425,766	247,491	1,195,164	576,745
Financing	2,098,690	1,816,428	5,825,544	5,125,669
Rural and agribusiness financing	6,064	7,498	24,713	21,273
Real estate financing agreements	2,140	559	4,733	1,227
Financing in foreign currency	4,355	1,323	4,516	3,639
Other	12,986	10,083	54,672	16,113
Total ⁽¹⁾	2,550,001	2,083,382	7,109,342	5,744,666

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Loans	3,047,192	2,378,969	8,367,523	6,364,691
Loans and discounted notes	773,293	453,420	2,140,858	1,092,928
Financing	2,248,160	1,912,253	6,136,703	5,237,307
Rural and agribusiness financing	6,064	7,498	24,713	21,273
Real estate financing agreements	2,140	559	4,733	1,227
Financing in foreign currency	4,355	1,323	4,516	3,639
Other	13,180	3,916	56,000	8,317
Leases	(962)	1,620	1,535	5,262
Total ⁽¹⁾	3,046,230	2,380,589	8,369,058	6,369,953

⁽¹⁾ It does not include credit operations linked to assignments. Considering such assets, the Bank's income from credit operations in the period from January 01 to September 30, 2022 would total R\$ 7,963,662 (R\$ 6,508,581 in the period from January 01 to September 30, 2021) and Consolidated, also considering leasing operations, would total R\$ 9,223,378 (R\$ 7,133,868 in the period from January 01 to September 30, 2021).

c) Loan portfolio by sector of economic activity

Parent Company	09.30.2022	%	12.31.2021 ⁽¹⁾	%
Private Sector	61,407,815	100.00%	61,006,627	100.00%
Individual ⁽²⁾	48,449,490	78.90%	47,164,742	77.31%
Legal Entities	12,958,325	21.10%	13,841,885	22.69%
Sugar and alcohol	1,212,598	1.97%	740,410	1.21%
Agribusiness	1,477,589	2.41%	1,279,235	2.10%
Specific construction activities	703,962	1.15%	825,447	1.35%
Automotive	393,319	0.64%	770,896	1.26%
Wholesale commerce and sundry industries	2,526,371	4.11%	2,359,530	3.87%
Retail business	802,415	1.31%	861,526	1.41%
Heavy construction	77,996	0.13%	619,977	1.02%
Cooperatives	1,192,266	1.94%	397,137	0.65%
Electric power	292,974	0.48%	295,295	0.48%
Financial institutions and services	540,889	0.88%	961,156	1.58%
Wood and furniture	2,991	0.00%	6,340	0.01%
Mining and Metallurgy	32,898	0.05%	58,083	0.10%
Paper and pulp	18,162	0.03%	64,954	0.11%
Small and medium enterprises ⁽³⁾	685,580	1.12%	1,092,025	1.79%
Chemical	830,603	1.35%	808,108	1.32%
Services	1,463,419	2.38%	1,998,925	3.28%
Telecommunications	49,433	0.08%	118,580	0.19%
Textile and apparel	150,508	0.25%	153,445	0.25%
Transportation	446,867	0.73%	412,544	0.68%
Other activities	57,485	0.09%	18,272	0.03%
Total of loan portfolio adjusted to fair value ⁽⁴⁾	61,407,815	100.00%	61,006,627	100.00%
Consolidated	09.30.2022	%	12.31.2021 ⁽¹⁾	%
Private sector	67,379,408	100.00%	65,833,791	100.00%
Individual ⁽²⁾	54,182,935	80.41%	51,911,330	78.85%
Legal Entities	13,196,473	19.59%	13,922,461	21.15%
Sugar and alcohol	1,212,598	1.80%	740,410	1.12%
Agribusiness	1,477,683	2.19%	1,279,415	1.94%
Specific construction activities	711,431	1.06%	829,518	1.26%
Automotive	399,092	0.59%	776,692	1.18%
Wholesale commerce and sundry industries	2,529,931	3.75%	2,362,379	3.59%
Retail business	1,006,572	1.49%	872,411	1.33%
Heavy construction	77,996	0.12%	619,977	0.94%
Cooperatives	1,192,266	1.77%	896,112	1.36%
Electric power	292,974	0.43%	295,295	0.45%
Financial institutions and services	540,889	0.80%	961,156	1.46%
Wood and furniture	2,991	0.00%	6,340	0.01%
Mining and Metallurgy	37,570	0.06%	64,345	0.10%
Paper and pulp	18,162	0.03%	64,954	0.10%
Small and medium enterprises ⁽³⁾	685,580	1.02%	1,092,025	1.66%
Chemical	830,982	1.23%	808,721	1.23%
Services	1,468,871	2.18%	1,541,344	2.34%
Telecommunications	49,433	0.07%	118,580	0.18%
Textile and apparel	150,508	0.22%	153,445	0.23%
Transportation	453,460	0.67%	420,855	0.64%
Other Activities	57,484	0.11%	18,487	0.03%
Total of loan portfolio adjusted to fair value ⁽⁴⁾	67,379,408	100.00%	65,833,791	100.00%

⁽¹⁾ As of 2022, the criteria for presenting the sectors of activity were changed and each sector started to be presented not only at cost corrected in general, but also at fair value exclusively for operations that are subject to market risk hedge. For comparability purposes, the balances as of December 31, 2021 are restated.

⁽²⁾ Includes loans operations of the agribusiness sectors and other sectors of economic activity made with individuals.

⁽³⁾ Includes credit operations with the agribusiness sectors and other sectors of economic activity carried out with small and medium-sized companies.

⁽⁴⁾ Includes adjustment to fair value of credit operations that are subject to market risk hedge in the amount of R\$ (403,474) as of September 30, 2022 (R\$ (789,445) as of December 31, 2021).

FINANCIAL STATEMENTS

as of September 30, 2022

(Amounts in thousands of Reais, unless otherwise indicated)

d) Loan portfolio by risk level and maturity

Parent Company	AA	A	B	C	D	E	F	G	H	09.30.2022	12.31.2021
Performing loans											
Falling due installments	2,918,358	31,298,889	11,308,729	6,393,043	1,244,641	596,003	93,440	845,092	315,874	55,014,069	55,702,097
From 01 to 30	642,988	2,656,557	353,892	70,669	28,228	18,917	15,886	13,301	35,791	3,836,229	4,116,724
From 31 to 60	332,164	1,566,368	415,044	226,500	49,310	26,561	3,373	9,392	11,117	2,639,829	3,131,187
From 61 to 90	145,274	1,426,482	466,351	234,535	43,327	26,798	3,450	9,663	10,517	2,366,397	3,290,993
From 91 to 180	430,635	3,838,713	1,183,361	648,048	126,883	75,896	9,989	27,738	29,598	6,370,861	6,943,784
From 181 to 360	637,467	5,950,058	2,019,104	1,170,939	230,977	127,049	18,011	57,429	49,408	10,260,442	10,025,631
Over 360	729,830	15,860,711	6,870,977	4,042,352	765,916	320,782	42,731	727,569	179,443	29,540,311	28,193,778
Installments overdue	-	89,606	25,621	30,803	15,173	6,980	518	3,781	2,772	175,254	315,724
Up to 14 days	-	89,606	25,621	30,803	15,173	6,980	518	3,781	2,772	175,254	315,724
Subtotal	2,918,358	31,388,495	11,334,350	6,423,846	1,259,814	602,983	93,958	848,873	318,646	55,189,323	56,017,821
Non-performing loans											
Falling due installments	-	-	831,902	1,011,411	830,859	941,156	202,072	716,519	1,075,984	5,609,903	4,824,544
From 01 to 30	-	-	35,241	27,197	21,211	25,106	5,280	16,511	28,034	158,580	208,238
From 31 to 60	-	-	3,967	23,294	17,021	21,464	5,070	15,154	26,532	112,502	210,500
From 61 to 90	-	-	38,026	43,757	33,691	41,659	9,243	28,559	49,658	244,593	192,323
From 91 to 180	-	-	36,774	44,860	35,017	42,712	9,281	28,825	49,088	246,557	543,219
From 181 to 360	-	-	102,307	124,042	96,896	118,194	25,670	81,243	136,999	685,351	933,813
Over 360	-	-	615,587	748,261	627,023	692,021	147,528	546,227	785,673	4,162,320	2,736,451
Installments overdue ⁽¹⁾	-	-	42,545	93,125	85,175	124,113	47,978	150,829	468,298	1,012,063	953,707
From 01 to 14	-	-	-	18,298	13,870	17,777	4,387	12,998	22,788	90,118	78,834
From 15 to 30	-	-	42,545	28,753	21,710	26,163	5,269	16,703	28,174	169,317	155,781
From 31 to 60	-	-	-	46,074	26,563	40,132	9,820	31,013	52,694	206,296	182,563
From 61 to 90	-	-	-	-	23,032	24,613	8,739	31,717	49,408	137,509	110,136
From 91 to 180	-	-	-	-	-	15,428	19,763	58,398	148,806	242,395	194,142
From 181 to 360	-	-	-	-	-	-	-	-	166,428	166,428	232,251
Subtotal	-	-	874,447	1,104,536	916,034	1,065,269	250,050	867,348	1,544,282	6,621,966	5,778,251
Total	2,918,358	31,388,495	12,208,797	7,528,382	2,175,848	1,668,252	344,008	1,716,221	1,862,928	61,811,289	61,796,072
(+/-) Adjustment to fair value ⁽²⁾										(403,474)	(789,445)
Total of loan portfolio adjusted to fair value										61,407,815	61,006,627



FINANCIAL STATEMENTS

as of September 30, 2022

(Amounts in thousands of Reais, unless otherwise indicated)

Consolidated	AA	A	B	C	D	E	F	G	H	09.30.2022	12.31.2021
Performing loans											
Falling due installments	2,923,030	32,208,432	11,393,224	6,521,604	1,363,099	649,709	116,358	877,638	343,364	56,396,458	56,759,303
From 01 to 30	643,198	3,258,358	415,099	167,806	114,646	72,359	38,740	45,780	62,736	4,818,722	4,948,582
From 31 to 60	332,374	1,568,428	415,044	226,500	49,310	26,561	3,373	9,392	11,117	2,642,099	3,133,638
From 61 to 90	145,484	1,428,492	466,351	234,535	43,327	26,798	3,450	9,663	10,517	2,368,617	3,293,344
From 91 to 180	431,265	3,844,107	1,183,361	648,048	126,883	75,896	9,989	27,738	29,598	6,376,885	7,451,214
From 181 to 360	638,727	5,959,673	2,019,104	1,170,939	230,977	127,049	18,011	57,429	49,408	10,271,317	9,552,674
Over 360	731,982	16,149,374	6,894,265	4,073,776	797,956	321,046	42,795	727,636	179,988	29,918,818	28,379,851
Installments overdue	-	2,685,962	199,483	269,947	128,362	30,419	4,196	10,488	12,831	3,341,688	3,299,331
Up to 14 days	-	2,685,962	199,483	269,947	128,362	30,419	4,196	10,488	12,831	3,341,688	3,299,331
Subtotal	2,923,030	34,894,394	11,592,707	6,791,551	1,491,461	680,128	120,554	888,126	356,195	59,738,146	60,058,634
Non-performing loans											
Falling due installments	-	-	831,902	1,011,411	830,859	941,132	202,072	716,543	1,075,983	5,609,902	4,858,324
From 01 to 30	-	-	35,241	27,197	21,211	25,106	5,280	16,511	28,034	158,580	208,238
From 31 to 60	-	-	3,967	23,294	17,021	21,464	5,070	15,154	26,532	112,502	210,500
From 61 to 90	-	-	38,026	43,757	33,691	41,659	9,243	28,559	49,658	244,593	192,323
From 91 to 180	-	-	36,774	44,860	35,017	42,712	9,281	28,826	49,088	246,558	543,219
From 181 to 360	-	-	102,307	124,042	96,896	118,194	25,670	81,246	136,999	685,354	933,813
Over 360	-	-	615,587	748,261	627,023	691,997	147,528	546,247	785,672	4,162,315	2,770,231
Installments overdue ⁽¹⁾	-	-	151,602	260,791	234,324	271,666	167,946	359,745	988,760	2,434,834	1,706,278
From 01 to 14	-	-	32,643	57,749	52,084	56,084	36,834	43,982	154,799	434,175	242,347
From 15 to 30	-	-	118,959	89,156	46,405	33,640	9,294	37,725	31,169	366,348	242,812
From 31 to 60	-	-	-	113,886	31,747	44,052	12,058	44,894	54,850	301,487	248,350
From 61 to 90	-	-	-	-	104,088	28,420	10,075	50,567	52,188	245,338	184,719
From 91 to 180	-	-	-	-	-	109,470	99,685	182,577	161,184	552,916	331,689
From 181 to 360	-	-	-	-	-	-	-	-	534,570	534,570	456,361
Subtotal	-	-	983,504	1,272,202	1,065,183	1,212,798	370,018	1,076,288	2,064,743	8,044,736	6,564,602
Total	2,923,030	34,894,394	12,576,211	8,063,753	2,556,644	1,892,926	490,572	1,964,414	2,420,938	67,782,882	66,623,236
(+/-) Adjustment to fair value ⁽²⁾										(403,474)	(789,445)
Total of loan portfolio adjusted to fair value										67,379,408	65,833,791

⁽¹⁾ The Conglomerate does not adopt double counting for credit operations.

⁽²⁾ Refers to fair value adjustment of loan operations that are the object of market risk hedge.

e) Constitution of the provision for losses associated with the credit portfolio by risk levels

	% Provision	09.30.2022				12.31.2021			
		Transaction value	Minimum provision required	Additional provision ⁽¹⁾	Existing provision	Transaction value	Minimum provision required	Additional provision ⁽¹⁾	Existing provision
Risk level									
Parent Company									
AA	0.00%	2,918,358	-	-	-	2,380,851	-	-	-
A	0.50%	31,388,495	(156,942)	-	(156,942)	29,160,102	(145,801)	-	(145,801)
B	1.00%	12,208,797	(122,088)	-	(122,088)	11,494,317	(114,943)	-	(114,943)
C	3.00%	7,528,382	(225,851)	-	(225,851)	10,492,861	(314,786)	-	(314,786)
D	10.00%	2,175,848	(217,585)	-	(217,585)	1,887,685	(188,769)	-	(188,769)
E	30.00%	1,668,252	(500,476)	-	(500,476)	2,256,872	(677,055)	-	(677,055)
F	50.00%	344,008	(172,004)	-	(172,004)	357,085	(178,542)	-	(178,542)
G	70.00%	1,716,221	(1,201,355)	(137,576)	(1,338,931)	2,206,038	(1,544,230)	(208,619)	(1,752,849)
H	100.00%	1,862,928	(1,862,928)	-	(1,862,928)	1,560,261	(1,560,261)	-	(1,560,261)
Total		61,811,289	(4,459,229)	(137,576)	(4,596,805)	61,796,072	(4,724,387)	(208,619)	(4,933,006)
(+/-) Adjustment to fair value ⁽²⁾		(403,474)				(789,445)			
Total of loan portfolio adjusted to fair value		61,407,815				61,006,627			
Consolidated									
AA	0.00%	2,923,030	-	-	-	2,403,068	-	-	-
A	0.50%	34,894,394	(174,460)	-	(174,460)	32,119,300	(160,596)	-	(160,596)
B	1.00%	12,576,211	(125,762)	-	(125,762)	11,855,999	(118,560)	-	(118,560)
C	3.00%	8,063,753	(241,913)	-	(241,913)	10,887,285	(326,620)	-	(326,620)
D	10.00%	2,556,644	(255,664)	-	(255,664)	2,212,853	(221,286)	-	(221,286)
E	30.00%	1,892,926	(567,878)	-	(567,878)	2,425,622	(727,687)	-	(727,687)
F	50.00%	490,572	(245,286)	-	(245,286)	476,973	(238,487)	-	(238,487)
G	70.00%	1,964,414	(1,375,090)	(137,576)	(1,512,666)	2,329,907	(1,630,936)	(208,619)	(1,839,555)
H	100.00%	2,420,938	(2,420,938)	-	(2,420,938)	1,912,229	(1,912,229)	-	(1,912,229)
Total		67,782,882	(5,406,991)	(137,576)	(5,544,567)	66,623,236	(5,336,401)	(208,619)	(5,545,020)
(+/-) Adjustment to fair value ⁽²⁾		(403,474)				(789,445)			
Total of loan portfolio adjusted to fair value		67,379,408				65,833,791			

(1) New additional provisions were constituted, when increase in risk level is not applicable

(2) Refers to fair value adjustment of loan operations that are the object of market risk hedge.

f) Allowance for losses associated with credit risk
f.1) Income (loss) from allowance for losses associated with credit risk

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
(Provision) / reversal of provision for losses associated with the loan portfolio (Note 12f.2)	(222,925)	(461,097)	(1,153,139)	(1,472,936)
Loans	(603,129)	(434,101)	(1,601,557)	(1,382,630)
Other receivables with loan characteristics	380,204	(26,996)	448,418	(90,306)
Income from recovery of loans previously written off as losses	131,189	148,461	532,844	448,290
Loans	129,148	148,461	529,684	448,290
Other receivables with loan characteristics	2,041	-	3,160	-
Total (provision) / reversal of provision for losses associated with the loan portfolio	(91,736)	(312,636)	(620,295)	(1,024,646)
Other (provisions) / reversals of provisions for losses associated with credit risk ⁽¹⁾	5,380	13,415	14,152	20,442
Financial guarantees provided	4,278	(3,167)	10,005	14,666
Other risks	1,102	16,582	4,147	5,776
Total other (provisions) / reversals of provisions associated with credit risk	5,380	13,415	14,152	20,442
Total	(86,356)	(299,221)	(606,143)	(1,004,204)

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
(Provision) / reversal of provision for losses associated with the loan portfolio (Note 12f.2)	(565,665)	(638,584)	(1,860,508)	(1,869,022)
Loans	(950,961)	(599,948)	(2,325,417)	(1,758,734)
Leasing operations	(6)	43	12	43
Other receivables with loan characteristics	385,302	(38,679)	464,897	(110,331)
Income from recovery of loans previously written off as losses	140,300	157,270	572,758	476,136
Loans	138,257	157,101	569,269	473,496
Leasing operations	2	169	329	2,640
Other receivables with loan characteristics	2,041	-	3,160	-
Total (provision) / reversal of provision for losses associated with the loan portfolio	(425,365)	(481,314)	(1,287,750)	(1,392,886)
Other (provisions) / reversals of provisions for losses associated with credit risk ⁽¹⁾	5,380	13,415	14,152	20,442
Financial guarantees provided	4,278	(3,167)	10,005	14,666
Other risks	1,102	16,582	4,147	5,776
Total other (provisions) / reversals of provisions associated with credit risk	5,380	13,415	14,152	20,442
Total	(419,985)	(467,899)	(1,273,598)	(1,372,444)

⁽¹⁾ The respective provisions are presented in Other Liabilities - "Provision for loss with financial guarantees provided" and "Provision for loss - other risks" (Note 22a).

f.2) Changes

Comprise loans, leases and other receivables with loan characteristics.

	Parent Company		Consolidated	
	01.01 to 09.30.2022	01.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Opening Balance	4,933,006	4,618,892	5,545,020	5,015,181
Reinforcement / (reversal) ⁽¹⁾	1,153,139	1,472,936	1,860,508	1,869,022
Minimum allowance for loan losses required	1,224,182	1,472,143	1,931,551	1,868,229
Reversal of additional provision	(71,043)	793	(71,043)	793
Write-offs to losses	(1,489,340)	(1,363,061)	(1,860,961)	(1,651,565)
Closing Balance	4,596,805	4,728,767	5,544,567	5,232,638

⁽¹⁾ It does not include income from the recovery of credits previously written off.

g) Concentration of Loans

	09.30.2022	% of portfolio	12.31.2021	% of portfolio
Parent Company				
Largest debtor	550,316	0.89%	620,316	1.00%
10 largest debtors	2,294,271	3.71%	2,874,205	4.65%
20 largest debtors	3,451,277	5.58%	4,173,942	6.75%
50 largest debtors	5,707,051	9.23%	6,522,388	10.55%
100 largest debtors	7,927,497	12.83%	8,928,189	14.45%
Consolidated				
Largest debtor	550,316	0.81%	620,316	0.93%
10 largest debtors	2,294,271	3.38%	2,874,205	4.31%
20 largest debtors	3,451,277	5.09%	4,173,942	6.26%
50 largest debtors	5,708,993	8.42%	6,523,486	9.79%
100 largest debtors	7,930,614	11.70%	8,929,287	13.40%

h) Information on loan assignments

h.1) Assignments with recourse

Transfers of financial assets (consumer loans) to related parties were undertaken, with a substantial retention of the risks and benefits.

	09.30.2022		12.31.2021	
	Financial assets subject to sale	Liability related to recourse assumed ⁽¹⁾	Financial assets subject to sale	Liability related to recourse assumed ⁽¹⁾
Parent Company	8,068,875	8,678,268	7,430,996	8,177,509
With co-obligation	4,502,247	5,111,640	5,875,173	6,621,686
Financial institutions - related parties	4,502,247	5,111,640	5,875,173	6,621,686
Without co-obligation	3,566,628	3,566,628	1,555,823	1,555,823
Credit Rights Investment Fund - Subsidiary	3,566,628	3,566,628	1,555,823	1,555,823
Consolidated	4,502,247	5,111,640	5,875,173	6,621,686
With co-obligation	4,502,247	5,111,640	5,875,173	6,621,686
Financial institutions - related parties	4,502,247	5,111,640	5,875,173	6,621,686

⁽¹⁾ Recorded in caption "Other liabilities - Bond transactions linked to disposals (Note 22a).

In the period from January 01 to September 30, 2022, income from the sale or transfer of financial assets totaled R\$ 854,320 in the Bank and in the Conglomerate (R\$ 763,915 in the Bank and in the Conglomerate in the period from January 01 to September 30 of 2021). Liability expenses for operations with the same characteristics totaled R\$ 588,198 at the Bank and at the Conglomerate (R\$ 376,206 at the Bank and R\$ 393,498 at the Conglomerate in the period from January 01 to September 30, 2021).

h.2) Assignments without substantial retention of risks and benefits

In the period from January 01 to September 30, 2022, losses from the sale or transfer of financial assets totaled R\$ 281,293 in the Bank and R\$ 434,159 in the Consolidated (there was no assignment in the period from January 01 to September 30, 2021). Before the recognition of the loss, the respective provisions for losses associated with credit risk existing for the assigned operations were reversed and the impacts are presented in the result in the line "(Provision) / reversal of provision for losses associated with the credit portfolio" in the amount of R\$ 483,576 in the Bank and R\$ 650,673 in the Consolidated (there was none in the period from January 01 to September 30, 2021).

h.3) Sales without recourse of credits previously written off as loss

In the period from January 01 to September 30, 2022, income from assignments without recourse to credits previously written off as losses totaled R\$ 57,604 in the Bank and R\$ 71,408 in the Conglomerate (R\$ 12,304 in the Bank and in the Conglomerate in the Conglomerate in the period from January 01 to September 30, 2021), which were recognized in income for the period under "Income from credit operations".

i) Changes in renegotiated credit

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Amount of renegotiated credits in the period ⁽¹⁾	1,125,657	1,660,939	4,418,869	4,490,345
Renegotiated for past due contracts ⁽²⁾	135,010	136,127	373,484	377,782
Renewed contracts ⁽³⁾	990,647	1,524,812	4,045,385	4,112,563
Changes in portfolio of renegotiated past due contracts				
Opening Balance	754,583	889,939	839,585	922,412
Signings	135,010	136,127	373,484	377,782
(Receipt) and appropriation of interest	(112,983)	(115,214)	(280,879)	(308,290)
Written off as losses	(41,232)	(49,701)	(196,810)	(130,753)
Closing Balance	735,378	861,151	735,380	861,151
Allowance for losses of the portfolio of renegotiated past due	336,778	421,739	336,778	421,739
(%) Allowance for losses on the portfolio of renegotiated past due contracts	45.80%	48.97%	45.80%	48.97%
90-day delinquency of portfolio of renegotiated past due contracts	361,915	359,171	361,915	359,171
(%) Delinquency on the portfolio of renegotiated past due	49.21%	41.71%	49.21%	41.71%

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Amount of renegotiated credits in the period ⁽¹⁾	1,258,422	1,746,301	4,771,648	4,725,659
Renegotiated for past due contracts ⁽²⁾	151,458	136,281	423,247	378,242
Renewed contracts ⁽³⁾	1,106,964	1,610,020	4,348,401	4,347,417
Changes in portfolio of renegotiated past due contracts				
Opening Balance	775,803	926,000	876,493	957,016
Signings	151,458	136,281	423,247	378,242
(Receipt) and appropriation of interest	(118,188)	(106,733)	(315,038)	(279,821)
Written off as losses	(46,111)	(58,480)	(220,091)	(158,369)
Closing balance	762,962	897,068	764,611	897,068
Allowance for losses of the portfolio of renegotiated past due	358,402	452,778	358,402	452,778
(%) Allowance for losses on the portfolio of renegotiated past due contracts	46.98%	50.47%	46.87%	50.47%
90-day delinquency of portfolio of renegotiated past due contracts	389,499	395,010	389,499	395,010
(%) Delinquency on the portfolio of renegotiated past due ⁽⁵⁾	51.05%	44.03%	50.94%	44.03%

⁽¹⁾ Represents the amount renegotiated in the period of credit operations, falling due or overdue.

⁽²⁾ Credits renegotiated in the period due to delayed payment by customers.

⁽³⁾ Credits renegotiated from operations not yet due for extension, novation, concession of a new operation for partial or full settlement of a previous operation or any other type of agreement that implies changes in the maturity terms or in the payment terms originally agreed.

j) Other information

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Contracted credits to be released	497,463	553,973	7,503,716	6,359,005
Financial Guarantees Provided (Note 30.1.a.ii)	6,799,740	6,908,831	6,799,740	6,908,831

13. OTHER ASSETS

a) Breakdown

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Other financial assets	4,067,560	1,920,810	4,517,785	2,346,638
Relations with correspondents	5,876	4,290	7,049	4,347
Other credits and receivables	32,519	40,261	193,048	312,584
Credit card transactions	-	-	186,954	122,212
Receivables from securities settlements abroad	6,061	60	6,061	60
Other credits for trading and intermediation of securities	79,025	194,310	87,060	201,516
Foreign exchange portfolio (Note 13b)	3,937,969	1,677,409	3,937,969	1,677,409
Other	6,110	4,480	99,644	28,510
Other assets	868,661	939,310	804,625	875,317
Prepaid expenses	115,894	66,023	117,210	69,946
Sundry domestic debtors	118,446	86,626	52,889	93,685
Salary advances and prepayments	2,378	5,182	2,471	5,384
Advances to suppliers	1,457	667	1,880	999
Deposits in guarantee - Contingencies (Note 29g)	504,817	524,421	554,171	573,609
Deposits in guarantee - Other	558	640	558	640
Amounts to be received by related parties	29,259	30,939	-	-
Dividends receivable / Interest on equity receivable ⁽¹⁾	-	149,095	-	657
Other	95,852	75,717	75,446	130,397
Total	4,936,221	2,860,120	5,322,410	3,221,955
Current Assets	4,123,419	2,289,252	4,475,241	2,630,540
Non-current assets	812,802	570,868	847,170	591,415

⁽¹⁾ For interest on equity, it refers to the net amount of tax effects.

b) Foreign exchange portfolio

Parent Company and Consolidated		09.30.2022	12.31.2021
Assets - Other receivables ⁽¹⁾			
Purchased foreign exchange contracts to be settled		1,894,947	1,470,398
Rights on foreign exchange sales		2,043,022	207,011
Total		3,937,969	1,677,409
Current Assets		3,937,969	1,677,409
Liabilities - Other liabilities ⁽²⁾			
Sold foreign exchange to be settled		(2,103,183)	(163,423)
Liabilities for foreign exchange purchases		(1,846,143)	(1,437,856)
Total		(3,949,326)	(1,601,279)
Current liabilities		(3,949,326)	(1,601,279)
Off-balance accounts			
Credits opened for imports		135,129	59,498

⁽¹⁾ The income receivable from advances granted in foreign exchange contracts are presented in "Loans - Other credits with credit granting characteristics" (Note 12a).

⁽²⁾ Advances granted in foreign exchange contracts are presented in "Loans - Other credits with credit granting characteristics" (Note 12a).

c) Income from foreign exchange transactions

	Parent Company and Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Foreign exchange income	815,882	950,802	1,981,700	2,537,426
Foreign exchange expenses	(687,172)	(789,272)	(1,972,291)	(2,324,804)
Income from foreign exchange transactions	128,710	161,530	9,409	212,622

14. NON-FINANCIAL ASSETS HELD FOR SALE

Non-financial assets held for sale refer mainly to properties and vehicles not for use (i) awarded, received as payment in lieu of payment or otherwise received for the settlement or amortization of debts; (ii) properties built by investee companies for specific purposes and intended for sale; and (iii) interests in real estate projects held for sale.

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Real state	42,182	48,232	158,269	176,686
Vehicles and alike	141,306	110,181	141,703	110,571
Impairment	(39,403)	(49,644)	(72,166)	(86,617)
Total	144,085	108,769	227,806	200,640
Current assets	144,085	108,769	155,873	118,056
Non-current assets	-	-	71,933	82,584

15. INVESTMENTS
a) Changes in associates, subsidiaries and joint ventures

	12.31.2021	01.01 to 09.30.2022			09.30.2022	01.01 to 09.30.2021	
	Investment Value	Dividends/ Other events ⁽⁹⁾	Share of profit (loss)	Impairment/ Goodwill ⁽¹⁰⁾	Investment Value	Share of profit (loss)	Impairment/ Goodwill ⁽¹⁰⁾
Domestic - Bank Ventures	3,814,687	(1,225,423)	141,287	(3,246)	2,727,305	221,753	2,855
Banco BV S.A.	1,510,262	486	(148,694)	-	1,362,054	33,069	-
BV DTVM (former Votorantim Asset DTVM) ⁽¹⁾	307,729	-	(20,166)	-	287,563	(16,547)	-
BV Corretora Seguros (former Votorantim Corretora Seguros) ^{(2) (3)}	1,137,227	(1,136,026)	210,545	-	211,746	240,057	-
BVIA	182,723	-	31,538	-	214,261	8,303	-
Promotiva ⁽⁴⁾	120,864	(90,173)	32,041	-	62,732	25,566	-
Atenas	32,136	-	8,691	(3,246)	37,581	(8,375)	2,855
BVEP ⁽⁵⁾	523,746	290	27,332	-	551,368	(60,320)	-
Domestic - Bank Associates	96,836	-	(5,305)	(2,742)	88,789	(200)	-
Associates ^{(6) (7)}	96,836	-	(5,305)	(2,742)	88,789	(200)	-
Total - Parent Company	3,911,523	(1,225,423)	135,982	(5,988)	2,816,094	221,553	2,855
Domestic - Bank Associates	96,836	-	(5,305)	(2,742)	88,789	(200)	-
Associates ^{(6) (7)}	96,836	-	(5,305)	(2,742)	88,789	(200)	-
Domestic - Banco BV S.A. Associates	-	109,381	(5,732)	-	103,649	-	-
Associates ^{(7) (8)}	-	109,381	(5,732)	-	103,649	-	-
Domestic - BVEP Associates and joint ventures	13,327	(9,933)	(891)	-	2,503	(189)	(329)
Associates ⁽⁷⁾	2,149	-	(42)	-	2,107	181	-
Joint Ventures ⁽⁷⁾	11,178	(9,933)	(849)	-	396	(370)	(329)
Total - Consolidated	110,163	99,448	(11,928)	(2,742)	194,941	(389)	(329)

⁽¹⁾ On September 30, 2021, the change of the corporate name of Votorantim Asset DTVM to BV DTVM was approved.

⁽²⁾ On December 28, 2021, the change of the corporate name of Votorantim Corretora Seguros to BV Corretora Seguros was approved.

⁽³⁾ It mainly includes the capital reduction of BV Corretora de Seguros in the amount of R\$735,960, without cancellation of shares of the respective Company and also the distribution of dividends in the amount of R\$ 473,842, approved on April 29, 2022.

⁽⁴⁾ It mainly includes the reduction of Promotiva's share capital in the amount of R\$21,000, without cancellation of shares of the respective Company and also the distribution of dividends in the amount of R\$ 69,173, approved on September 29, 2022.

⁽⁵⁾ Includes impairment of subsidiaries.

⁽⁶⁾ Includes investment acquired in August 2021 (Note 2a).

⁽⁷⁾ Includes goodwill on the acquisition of these investments, detailed in note 15b.

⁽⁸⁾ Includes investment acquired in January 2022 (Note 2b).

⁽⁹⁾ Includes movement in other comprehensive income.

⁽¹⁰⁾ Recognized in profit or loss in the line "Income from interests in subsidiaries, associates and joint ventures".

b) Goodwill and impairment - outstanding balances

	Goodwill		Impairment ⁽¹⁾	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Parent Company				
Bank Associates	88,713	91,455	-	-
Atenas	-	-	(18,209)	(14,963)
Total - Parent Company	88,713	91,455	(18,209)	(14,963)
Consolidated				
Bank Associates	88,713	91,455	-	-
Banco BV S.A. Associates	98,766	-	-	-
BVEP Associates	-	-	(453)	(453)
BVEP Joint Ventures	-	-	(523)	(523)
Total - Consolidated	187,479	91,455	(976)	(976)

⁽¹⁾ Applied on the investment amount, not only on the goodwill.

c) Summary financial information of subsidiaries in the Financial Statements

	09.30.2022		01.01 to 09.30.2022	Number of Shares (in thousands)	Share of Capital Stock %
	Share capital	Adjusted shareholders equity	Net Profit/(Loss)	Ordinary	
Domestic - Bank Subsidiaries					
Banco BV S.A.	1,300,131	1,362,054	(148,694)	823	100%
BV DTVM (former Votorantim Asset DTVM) ^{(1) (2)}	322,774	287,563	(20,166)	32,277,389	100%
BV Corretora de Seguros (former Votorantim Corretora Seguros) ^{(3) (4)}	1,000	211,746	210,545	200	100%
BVIA	132,186	214,261	31,538	75,758	100%
Promotiva ⁽⁵⁾	53,683	62,732	32,041	5,000	100%
Atenas	51,610	37,581	8,691	51,610	100%
BVEP ⁽⁶⁾	598,400	551,368	27,332	598,400	100%

⁽¹⁾ On September 30, 2021, the change in the corporate name of Votorantim Asset DTVM to BV DTVM was approved.

⁽²⁾ On July 30, 2021, BV DTVM's Management approved a share capital increase in the amount of R\$200,000, through the issuance of 20,000,000,000 new quotas.

⁽³⁾ On December 28, 2021, the change of the corporate name of Votorantim Corretora Seguros to BV Corretora de Seguros was approved.

⁽⁴⁾ On April 29, 2022, the capital reduction in the amount of R\$ 735,960 was approved, without canceling the shares of the respective Company and also the distribution of dividends in the amount of R\$ 473,842.

⁽⁵⁾ In September 2022, together with the incorporation of the capital reserve into the capital stock, the capital reduction in the amount of R\$ 21,000 was approved, without canceling the shares of the respective Company and also the distribution of dividends in the amount of R\$ 69,173.

⁽⁶⁾ Includes impairment of subsidiaries.

d) Summary financial information of associates and joint ventures

	09.30.2022				12.31.2021		
	BVEP Associates	BVEP Joint Ventures	Bank Associates ⁽¹⁾	Banco BV S.A. Associates ⁽²⁾	BVEP Associates	BVEP Joint Ventures	Bank Associates ⁽¹⁾
Total Assets ⁽³⁾	5,849	3,494	187	16,263	5,908	25,967	13,331
Total Liabilities ⁽³⁾	5,849	3,494	187	16,263	5,908	25,967	13,331
Liabilities	3,486	2,686	2	345	3,420	2,624	2
Shareholder's equity	2,363	808	185	15,918	2,488	23,343	13,329
	07.01 to 09.30.2022				07.01 to 09.30.2021		
Profit / (loss) for the period ⁽³⁾	(37)	(908)	(5,964)	(10,448)	(41)	59	(496)
	01.01 to 09.30.2022				01.01 to 09.30.2021		
Profit / (loss) for the period ⁽³⁾	(136)	(1,665)	(14,596)	(18,681)	5,527	75	(8,129)

⁽¹⁾ Investment acquired in August 2021.

⁽²⁾ Includes investment acquired in January 2022.

⁽³⁾ The information on assets, liabilities and results are not adjusted by the percentages held directly or indirectly by Banco Votorantim. The equity position of the companies does not consider the start date of the investment by the banco BV.

e) Other investments

	Parent Company		Consolidated	
	09.30.2022 ⁽¹⁾	12.31.2021	09.30.2022 ⁽¹⁾	12.31.2021
Investments via tax incentives	-	49,771	-	76,261
Shares and quotas	-	277	-	277
Others	-	7	-	1,759
(Accumulated impairment)	-	(49,771)	-	(78,013)
Total	-	284	-	284

⁽¹⁾ With the entry into force of CMN Resolution No. 4,817/2020, as of 2022, investments in equity interests in entities that are not affiliated, controlled or jointly controlled entities are now presented in securities.

16. PROPERTY, PLANT AND EQUIPMENT

	12.31.2021	01.01 to 09.30.2022		09.30.2022		
	Book value	Acquisitions ^{(1) (2)}	Depreciation	Cost Value	Accumulated depreciation	Book Value
Parent Company						
Facilities	34,732	962	(6,701)	141,767	(112,774)	28,993
Furniture and equipment in use	7,744	137	(1,317)	42,706	(36,142)	6,564
Communication system	2,991	396	(757)	18,154	(15,524)	2,630
System data processing	35,152	28,394	(12,406)	213,565	(162,425)	51,140
Security system	122	6	(33)	2,641	(2,546)	95
Transportation system	351	318	(138)	1,403	(872)	531
Total	81,092	30,213	(21,352)	420,236	(330,283)	89,953
Consolidated						
Facilities	34,961	962	(6,731)	143,650	(114,458)	29,192
Furniture and equipment in use	7,832	137	(1,377)	45,514	(38,922)	6,592
Communication system	2,991	396	(757)	19,530	(16,900)	2,630
System data processing	35,152	28,394	(12,406)	216,908	(165,768)	51,140
Security system	121	7	(33)	2,735	(2,640)	95
Transportation system	351	318	(138)	1,403	(872)	531
Total	81,408	30,214	(21,442)	429,740	(339,560)	90,180

	12.31.2020	2021			12.31.2021		
	Book Value	Changes ⁽¹⁾	Write-offs	Depreciation	Cost Value	Accumulated depreciation	Book Value
Parent Company							
Facilities	45,981	1,346	(107)	(12,488)	140,704	(105,972)	34,732
Furniture and equipment in use	10,758	269	(1,459)	(1,824)	42,680	(34,936)	7,744
Communication system	3,856	537	(181)	(1,221)	17,759	(14,768)	2,991
System data processing	33,311	15,231	(871)	(12,519)	185,213	(150,061)	35,152
Security system	203	-	(32)	(49)	2,635	(2,513)	122
Transportation system	318	160	-	(127)	1,089	(738)	351
Total	94,427	17,543	(2,650)	(28,228)	390,080	(308,988)	81,092
Consolidated							
Facilities	46,612	1,346	(107)	(12,890)	142,587	(107,626)	34,961
Furniture and equipment in use	10,898	269	(1,459)	(1,876)	45,486	(37,654)	7,832
Communication system	3,863	537	(181)	(1,228)	19,134	(16,143)	2,991
System data processing	33,321	15,231	(871)	(12,529)	188,555	(153,403)	35,152
Security system	215	-	(32)	(62)	2,730	(2,609)	121
Transportation system	318	160	-	(127)	1,089	(738)	351
Total	95,227	17,543	(2,650)	(28,712)	399,581	(318,173)	81,408

⁽¹⁾ Includes exchange variation on the agency's assets abroad.

⁽²⁾ In the period from January 01 to September 30, 2022 there was no write-off of fixed assets in use.

17. INTANGIBLE ASSETS AND GOODWILL

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Intangible	1,655,928	1,280,807	1,797,460	1,391,171
(Accumulated amortization)	(666,230)	(517,961)	(702,234)	(538,357)
(Provisions for impairment)	(168,327)	(168,327)	(178,156)	(178,156)
Total	821,371	594,519	917,070	674,658

a) Breakdown

	09.30.2022				12.31.2021			
	Cost Value	Accumulated amortization	Accumulated impairment ⁽¹⁾	Book value	Cost value	Accumulated amortization	Accumulated impairment ⁽¹⁾	Book value
Parent Company								
Software acquired	42,532	(42,030)	-	502	42,533	(40,387)	-	2,146
Licenses	467,833	(381,380)	-	86,453	366,034	(296,890)	-	69,144
Sales rights agreements	44,293	(42,978)	-	1,315	39,846	(38,723)	-	1,123
Internally developed software	1,059,786	(181,166)	(167,327)	711,293	791,451	(128,622)	(167,327)	495,502
Trademark and patents	6,000	(2,333)	(1,000)	2,667	6,000	(1,583)	(1,000)	3,417
Carbon credits and green bonds	28,114	(8,973)	-	19,141	27,573	(4,386)	-	23,187
Others	7,370	(7,370)	-	-	7,370	(7,370)	-	-
Total	1,655,928	(666,230)	(168,327)	821,371	1,280,807	(517,961)	(168,327)	594,519
Consolidated								
Software acquired	67,000	(42,221)	-	24,779	67,000	(40,577)	-	26,423
Licenses	477,458	(390,777)	-	86,681	373,524	(304,378)	-	69,146
Sales rights agreements	44,293	(42,978)	-	1,315	39,846	(38,723)	-	1,123
Internally developed software	1,167,225	(207,582)	(177,156)	782,487	869,858	(141,340)	(177,156)	551,362
Trademark and patents	6,000	(2,333)	(1,000)	2,667	6,000	(1,583)	(1,000)	3,417
Carbon credits and green bonds	28,114	(8,973)	-	19,141	27,573	(4,386)	-	23,187
Others	7,370	(7,370)	-	-	7,370	(7,370)	-	-
Total	1,797,460	(702,234)	(178,156)	917,070	1,391,171	(538,357)	(178,156)	674,658

⁽¹⁾ Includes effects of tactical redefinitions of projects.

b) Changes

	12.31.2021	01.01 to 09.30.2022		09.30.2022
	Book value	Acquisitions ⁽¹⁾ (2)	Amortization	Book value
Parent Company				
Software acquired	2,146	-	(1,644)	502
Licenses	69,144	101,804	(84,495)	86,453
Sales rights agreements	1,123	4,447	(4,255)	1,315
Internally developed	495,502	274,209	(58,418)	711,293
Trademark and patents	3,417	-	(750)	2,667
Carbon credits and green bonds	23,187	541	(4,587)	19,141
Total	594,519	381,001	(154,149)	821,371
Consolidated				
Software acquired	26,423	-	(1,644)	24,779
Licenses	69,146	103,941	(86,406)	86,681
Sales rights agreements	1,123	4,447	(4,255)	1,315
Internally developed	551,362	303,240	(72,115)	782,487
Trademark and patents	3,417	-	(750)	2,667
Carbon credits and green bonds	23,187	541	(4,587)	19,141
Total	674,658	412,169	(169,757)	917,070

	12.31.2020	2021					12.31.2021
	Book value	Acquisitions ⁽¹⁾	Write-offs ⁽³⁾	Transfer	Amortization	Impairment ⁽³⁾⁽⁴⁾	Book value
Parent Company							
Software acquired	5,155	5,348	-	-	(8,357)	-	2,146
Licenses	74,007	68,979	-	-	(73,842)	-	69,144
Sales rights agreements	1,012	8,005	-	-	(7,894)	-	1,123
Internally developed	313,061	264,513	(49,914)	(9,067)	(59,514)	36,423	495,502
Trademark and patents	4,417	-	-	-	(1,000)	-	3,417
Carbon credits and green bonds	-	27,573	-	-	(4,386)	-	23,187
Others	-	7,370	-	-	(7,370)	-	-
Total	397,652	381,788	(49,914)	(9,067)	(162,363)	36,423	594,519
Consolidado							
Software acquired	29,432	5,348	-	-	(8,357)	-	26,423
Licenses	74,037	70,189	-	-	(75,080)	-	69,146
Sales rights agreements	1,012	8,005	-	-	(7,894)	-	1,123
Internally developed	319,945	312,514	(49,914)	-	(67,606)	36,423	551,362
Trademark and patents	4,417	-	-	-	(1,000)	-	3,417
Carbon credits and green bonds	-	27,573	-	-	(4,386)	-	23,187
Others	-	7,370	-	-	(7,370)	-	-
Total	428,843	430,999	(49,914)	-	(171,693)	36,423	674,658

⁽¹⁾ Includes exchange variation on the agency's assets abroad.

⁽²⁾ In the period from January 01 to September 30, 2022 there was no write-off of intangible assets.

⁽³⁾ As at 31 December 2021, it includes the reversal of the impairment of projects and the respective write-off of intangible assets.

⁽⁴⁾ Includes effects of tactical redefinitions of projects.

c) Amortization estimate on September 30, 2022

	2022	2023	2024	2025	2026	From 2027	Not amortizable ⁽¹⁾	Total
Parent Company								
Amounts to be amortized	85,593	209,688	178,557	145,222	117,287	85,024	-	821,371
Consolidated								
Amounts to be amortized	89,984	226,072	194,658	160,560	126,653	94,865	24,278	917,070

⁽¹⁾ In the Consolidated, it includes intangible assets with indefinite useful lives.

18. DEPOSITS AND REPURCHASE COMMITMENTS
a) Deposits

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Demand deposits	652,045	544,745	730,170	579,934
Individuals ⁽¹⁾	168,811	24,886	259,688	76,488
Legal Entities ⁽¹⁾	480,499	516,716	470,476	503,440
Related companies	2,729	3,137	-	-
Linked	6	6	6	6
Interbank deposits	685,714	1,408,191	427,586	1,349,787
Time deposits ⁽²⁾	21,449,255	23,049,820	20,767,519	22,116,999
Local currency	19,962,115	21,374,660	19,280,379	20,441,839
Foreign currency	1,487,140	1,675,160	1,487,140	1,675,160
Total	22,787,014	25,002,756	21,925,275	24,046,720
Current Liabilities	20,578,333	22,616,210	19,908,908	21,998,978
Non-current liabilities	2,208,681	2,386,546	2,016,367	2,047,742

⁽¹⁾ As of 2022, it includes amounts to be returned to customers, within the scope of the values receivable system (VRS).

⁽²⁾ Includes issuance of green bonds (CDB green), further details are described in note 31.

b) Segregation of deposits by maturity date on September 30, 2022

	Without maturity	Up to 3 months	From 3 to 12 months	From 1 to 3 years	From 3 to 5 years	Over 5 years	09.30.2022	12.31.2021
Parent Company								
Demand deposits	652,045	-	-	-	-	-	652,045	544,745
Interbank accounts or	-	186,863	498,851	-	-	-	685,714	1,408,191
Time deposits	-	9,608,543	9,632,031	2,026,708	181,922	51	21,449,255	23,049,820
Total	652,045	9,795,406	10,130,882	2,026,708	181,922	51	22,787,014	25,002,756
Consolidated								
Demand deposits	730,170	-	-	-	-	-	730,170	579,934
Interbank accounts or	-	186,863	240,723	-	-	-	427,586	1,349,787
Time deposits	-	9,543,760	9,207,392	1,834,059	182,257	51	20,767,519	22,116,999
Total	730,170	9,730,623	9,448,115	1,834,059	182,257	51	21,925,275	24,046,720

c) Liabilities with repurchase agreement

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Own portfolio	20,454,497	15,123,292	19,994,606	13,932,899
Private securities - Debentures	1,502,495	1,401,031	1,502,495	1,401,031
Financial Treasury Bills	-	2,560,755	-	2,112,017
National Treasury Bills	8,800,958	5,270,015	8,800,958	4,563,958
National Treasury Notes	7,953,342	3,943,228	7,493,451	3,907,630
Private securities - Other	2,197,702	1,948,263	2,197,702	1,948,263
Third-party portfolio	437,268	2,304,943	437,268	2,304,943
Financial Treasury Bills	-	2,199,989	-	2,199,989
National Treasury Notes	437,268	104,954	437,268	104,954
Free portfolio	507,195	582,751	507,195	582,751
National Treasury Notes	507,195	582,751	507,195	582,751
Total	21,398,960	18,010,986	20,939,069	16,820,593
Current liabilities	18,454,835	16,496,561	17,994,944	15,306,168
Non-current liabilities	2,944,125	1,514,425	2,944,125	1,514,425

d) Expenses from deposits and securities sold under repurchase agreements

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Funding expenses with deposits	(619,086)	(302,004)	(1,860,027)	(650,715)
Time deposits	(581,134)	(268,232)	(1,725,238)	(546,078)
Interbank deposits	(37,952)	(33,772)	(134,789)	(104,637)
Expenses with repurchase commitments	(552,894)	(259,713)	(1,415,013)	(509,166)
Own portfolio	(468,041)	(209,124)	(1,087,632)	(410,843)
Third-party portfolio	(64,489)	(15,240)	(267,081)	(33,128)
Free portfolio ⁽¹⁾	(20,364)	(35,349)	(60,300)	(65,195)
Expenses with fund raising from securities issued	(1,382,504)	(1,331,584)	(3,054,210)	(1,837,637)
Mortgage Bonds	(8,859)	(5,733)	(25,609)	(11,047)
Agribusiness Letters of Credit	(89,441)	(21,524)	(244,505)	(42,471)
Financial bills	(988,841)	(389,642)	(2,638,794)	(837,862)
Financial Guaranteed Bills	(21,261)	(70,003)	(212,175)	(191,544)
Issue of securities abroad ⁽²⁾	(262,509)	(837,457)	98,330	(733,968)
Structured Operations Certificates	(685)	(4)	(911)	(146)
Others	(10,908)	(7,221)	(30,546)	(20,599)
Expenses with subordinated debts abroad ⁽²⁾	(90,621)	(169,018)	(56,668)	(222,717)
Total	(2,645,105)	(2,062,319)	(6,385,918)	(3,220,235)

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Funding expenses with deposits	(591,377)	(290,557)	(1,773,161)	(628,681)
Time deposits	(561,668)	(258,506)	(1,654,588)	(527,503)
Interbank deposits	(29,709)	(32,051)	(118,573)	(101,178)
Expenses with repurchase commitments	(538,087)	(243,598)	(1,346,590)	(482,995)
Own portfolio	(453,234)	(193,009)	(1,019,209)	(384,672)
Third-party portfolio	(64,489)	(15,240)	(267,081)	(33,128)
Free portfolio ⁽¹⁾	(20,364)	(35,349)	(60,300)	(65,195)
Expenses with fund raising from securities issued	(1,382,545)	(1,331,584)	(3,054,314)	(1,837,637)
Mortgage Bonds	(8,859)	(5,733)	(25,609)	(11,047)
Agribusiness Letters of Credit	(89,441)	(21,524)	(244,505)	(42,471)
Financial bills	(988,841)	(389,642)	(2,638,794)	(837,862)
Financial Guaranteed Bills	(21,261)	(70,003)	(212,175)	(191,544)
Issue of securities abroad ⁽²⁾	(262,509)	(837,457)	98,330	(733,968)
Structured Operations Certificates	(685)	(4)	(911)	(146)
Others	(10,949)	(7,221)	(30,650)	(20,599)
Expenses with subordinated debts abroad ⁽²⁾	(90,621)	(169,018)	(56,668)	(222,717)
Total	(2,602,630)	(2,034,757)	(6,230,733)	(3,172,030)

⁽¹⁾ Includes effects of changes in the fair value of the corresponding liability

⁽²⁾ Includes the foreign exchange movements effects of the corresponding liabilities.

19. BORROWINGS AND DOMESTIC ONLENDINGS
a) Breakdown

	Parent Company and Consolidated	
	09.30.2022	12.31.2021
Loan Obligations (Note 19b)	4,937,828	4,277,287
Obligations for transfers (Note 19c)	1,130,200	825,268
Total	6,068,028	5,102,555

b) Loan Obligations

	Up to 3 months	From 3 to 12 months	From 1 to 3 years	From 3 to 5 years	Parent Company and Consolidated	
					09.30.2022	12.31.2021
Abroad	1,353,859	2,359,577	952,121	272,271	4,937,828	4,277,287
Raised from foreign banks ⁽¹⁾	1,321,732	2,300,877	952,121	272,271	4,847,001	4,187,259
Imports	32,127	58,700	-	-	90,827	90,028
Total	1,353,859	2,359,577	952,121	272,271	4,937,828	4,277,287
Current liabilities					3,713,436	4,277,287
Non-current liabilities					1,224,392	-

⁽¹⁾ includes issuance of green bonds, further details are described in note 37.

c) Onlendings
Domestic - Official institutions

Programs	Interest rates p.a. ⁽¹⁾	Parent Company and Consolidated	
		09.30.2022	12.31.2021
National Treasury		313,072	286,899
Fixed rate	From 4,25% to 10,50% a.a.	234,960	245,826
Variable rate	100,00% of Selic	78,112	41,073
BNDES		159,174	199,688
Fixed	From 0,80% a.a. to 9,22% a.a.	50,275	55,572
Variable rate	From 1,42% a.a. to 1,45% a.a. + IPCA 1,80% a.a. + TJLP	108,899	144,116
FINAME		657,954	338,681
Fixed rate	From 0,80% a.a. to 8,00% a.a. 2,10% a.a. + TJLP	136,525	187,254
Variable rate	from 1,00% a.a. to 2,25% a.a. + IPCA from 1,15% a.a. to 2,40% a.a. + Selic	521,429	151,427
Total		1,130,200	825,268
Current liabilities		672,390	450,658
Non-current liabilities		457,810	374,610

⁽¹⁾ The remuneration rates refer to the operations existing on September 30, 2022.

d) Expenses with liabilities from borrowings and transfer from Brazilian government

	Parent Company and Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Borrowing expenses ⁽¹⁾	(161,779)	(239,510)	(131,493)	(93,432)
Expenses with transfer from Brazilian government	(21,987)	(13,111)	(63,475)	(37,967)
National treasure	(3,954)	(1,739)	(13,482)	(3,133)
BNDES	(4,212)	(4,877)	(11,535)	(14,248)
FINAME	(13,821)	(6,495)	(38,458)	(20,586)
Expenses with Obligations to foreign bankers ⁽¹⁾	(41,782)	(100,883)	116,751	(67,439)
Total	(225,548)	(353,504)	(78,217)	(198,838)

⁽¹⁾ Includes foreign exchange movements on loans and onlendings abroad.

20. SECURITIES ISSUED

Funding	Currency	Amount issued	Interest p.a. ⁽¹⁾	Issuance year	Maturity year	Parent Company and Consolidated	
						09.30.2022	12.31.2021
Real estate credit note funds						386,067	330,963
Fixed rate	R\$	82,812	From 4,76% to 13,31% p.a.	2020	2024	89,846	72,281
Variable rate	R\$	238,781	From 98,00% to 117,00% of DI From 0,04 to 0,39% p.a. + DI	2020	2025	258,344	215,256
Variable rate	R\$	32,582	From 0,76% to 6,58% p.a. + IPCA	2021	2024	37,877	43,426
Agribusiness credit bills						4,001,730	1,954,932
Fixed rate	R\$	848,578	From 4,76% to 13,86% p.a.	2020	2027	905,777	358,046
Variable rate	R\$	1,858,091	From 93,50% to 116,10% of DI From 0,15% to 5,72% p.a. + DI	2020	2025	1,961,099	1,193,206
Variable rate	R\$	1,064,101	From 0,73% to 7,63% p.a. + IPCA	2020	2027	1,134,854	403,680
Financial bills						29,289,309	23,151,473
Fixed rate	R\$	1,892,614	From 4,66% to 14,35% p.a.	2012	2031	2,159,518	2,069,161
Variable rate ⁽²⁾	R\$	22,356,143	From 100,00% to 129,50% of DI From 0,78% to 7,23% p.a. + DI	2019	2026	24,840,746	19,315,720
Variable rate ⁽²⁾	R\$	1,868,945	From 2,22% to 7,64% p.a. + IPCA	2018	2032	2,289,045	1,766,592
Financial Guaranteed Bills						-	4,020,986
Variable rate	R\$	-	0,74% p.a. + Selic	2021	2022	-	4,020,986
Securities issued abroad						6,649,619	8,814,927
Fixed rate	R\$	65,328	From 10,00% to 13,59% p.a.	2019	2023	77,967	54,029
Foreign exchange ⁽²⁾	USD	1,212,434	From 3,35% to 8,12% p.a. + exchange variation	2019	2025	6,571,652	8,760,898
Structured Operations Certificates						20,809	-
Fixed rate	R\$	19,898	From 13,93% to 14,09% p.a.	2022	2023	20,809	-
Total						40,347,534	38,273,281
Current liabilities						15,147,154	15,060,253
Non-current liabilities						25,200,380	23,213,028

⁽¹⁾ The remuneration rates refer to the operations existing on September 30, 2022.

⁽²⁾ Includes a green bond issue (Note 31).

21. SUBORDINATED DEBTS AND DEBT INSTRUMENTS ELIGIBLE AS CAPITAL
a) Breakdown

	Parent Company and Consolidated	
	09.30.2022	12.31.2021
Subordinated debts (Note 21b)	51,953	93,651
Debt instruments eligible as capital (Note 21c)	4,238,294	3,494,796
Total	4,290,247	3,588,447

b) Subordinated debts

Funding	Amount issued	Interest rates p.a. ⁽¹⁾	Issuance year	Maturity year	Parent Company and Consolidated	
					09.30.2022	12.31.2021
Subordinated financial bills					51,953	93,651
Variable rate	35,400	From 113,00% to 119,00% of DI	2016	2023	51,953	92,576
Variable rate	-	-	2021	-	-	1,075
Total					51,953	93,651
Non-current liabilities					51,953	93,651

⁽¹⁾ The remuneration rates refer to the operations existing on September 30, 2022.

c) Debt instruments eligible as capital

Funding	Currency	Amount issued	Interest rates p.a. ⁽¹⁾	Issuance year	Maturity year	Parent Company and Consolidated	
						09.30.2022	12.31.2021
Subordinated financial bills						2,052,398	1,811,737
Variable rate	R\$	1,180,510	From 100,00% to 119,00% of DI	2015	2032	1,503,580	1,140,297
Variable rate	R\$	171,700	From 0,95% to 2,36% p.a. + DI	2013	2030	447,378	465,698
Fixed rate	R\$	29,690	From 5,72% to 8,30% p.a. + IPCA	2016	2024	54,083	162,894
Variable rate	R\$	27,500	From 11,03% to 14,21% p.a.	2016	2023	47,357	42,848
Perpetual bond						1,671,101	1,683,059
Fixed rate ⁽²⁾	USD	300,000	8,25% p.a.	2017		1,671,101	1,683,059
Perpetual Subordinated Financial Bills						514,795	-
Variable rate ⁽³⁾	R\$	500,100	4,5% p.a. + CDI	2022		514,795	-
Total						4,238,294	3,494,796
Current liabilities						2,366,853	1,916,697
Non-current liabilities						1,871,441	1,578,099

⁽¹⁾ The remuneration rates refer to the operations existing on September 30, 2022.

⁽²⁾ On November 30, 2017, USD 300 million was issued abroad with semiannual interest payments.

The bonds have the option of redemption at the initiative of the Bank as of Dec. 2022 or at each subsequent semiannual interest payment, as long as previously authorized by the Central Bank of Brazil (Bacen). It includes the costs of issuing these instruments, which are deferred for the contractual term, and do not form part of the hedge structure.

⁽³⁾ In August 2022, R\$ 500,100 was issued with annual interest payments starting in August 2024. The perpetual financial bills have the option of redemption at the Bank's initiative from August/2027 or in each annual interest payment subsequent transaction, provided that it is previously authorized by Bacen.

22. OTHER LIABILITIES

a) Breakdown

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Other financial liabilities	12,747,546	10,083,155	9,309,830	11,072,760
Obligations of operations linked to assignments (Note 12h.1) ⁽¹⁾	8,678,268	8,177,509	5,111,640	6,621,686
Commissions for operations payable	23,395	19,623	24,675	21,096
Credit card operations	-	-	120,971	150,610
Liabilities for acquisition of assets and rights	619	14,371	619	14,371
Trading and intermediation of securities	91,085	245,900	97,746	303,612
Foreign exchange portfolio (Note 13b)	3,949,326	1,601,279	3,949,326	1,601,279
Investment funds ⁽²⁾	-	-	-	2,262,809
Others	4,853	24,473	4,853	97,297
Other liabilities	1,851,267	2,061,981	2,164,019	2,272,414
Third-party transit resources	93,394	24,388	101,227	29,925
Provision for profit sharing and results	179,552	211,299	222,811	254,076
Provision for personnel expenses	379,828	272,793	436,808	333,808
Provision for administrative expenses	230,025	256,094	260,676	275,613
Provision for financial guarantees provided (Note 30.1.a.ii)	204,485	201,475	204,485	201,475
Provision for losses - other risks	11,070	15,217	11,070	15,217
Legal obligations (Note 29h)	58,579	52,325	67,774	59,394
Sundry creditors - domestic	212,960	358,317	321,500	415,261
Sundry creditors - overseas	2,242	191	2,242	191
Amounts payable to associated companies	623	23,378	-	-
Dividends payable / Interest on own capital ⁽³⁾	425,000	595,000	425,000	595,000
Compensation of CO ₂ emissions by vehicles financed by Banco BV (Note 31)	595	428	595	428
Other	52,914	51,076	109,831	92,026
Total	14,598,813	12,145,136	11,473,849	13,345,174
Current liabilities	9,870,413	7,127,010	8,416,514	9,174,755
Non-current liabilities	4,728,400	5,018,126	3,057,335	4,170,419

⁽¹⁾ Refers to obligations for sale or transfer of financial assets with substantial retention of risks and benefits.

⁽²⁾ As of 2022, the position of shares in controlled investment funds held by third parties, started to be presented as a component of shareholders' equity (Note 3c).

⁽³⁾ For interest on own capital, it refers to the net amount of tax effects.

23. OPERATING INCOME/EXPENSES

a) Service income

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Collection	4,597	5,962	13,429	18,527
Commissions on placing of securities	35,832	24,316	100,605	125,744
Income from custody services	-	87	38	115
Income from guarantees provided	26,023	27,367	76,772	81,552
Insurance commissions	6,950	6,195	15,278	19,110
Financial advisory services	6,677	6,702	14,253	8,947
Income from bank settlement services with partners ⁽¹⁾	9,142	-	25,909	9,698
Others services	3,149	3,191	9,087	7,851
Total	92,370	73,820	255,371	271,544

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Third-party resource management	21,976	27,825	71,297	85,879
Collection	4,597	2,540	10,629	8,750
Commissions on placing of securities	36,028	24,520	101,414	126,181
Stock exchange transaction brokerages	447	625	1,688	2,372
Income from custody services	4,034	4,379	12,847	13,582
Income from guarantees provided	26,023	27,367	76,772	81,552
Credit card transactions	64,831	76,887	180,949	155,349
Insurance commissions	135,111	145,614	321,657	417,815
Financial advisory services	6,677	6,702	14,253	8,947
Correspondent banking	122,689	98,976	325,246	273,941
Income from bank settlement services with partners ⁽¹⁾	4,192	(5,767)	9,297	1,457
Others Services	17,499	15,213	48,328	42,162
Total	444,104	424,881	1,174,377	1,217,987

⁽¹⁾ In the Consolidated, they are presented by the net amount calculated in each period.

b) Income from banking fees

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Master file registration	111,190	135,612	292,299	384,802
Transfer of resources	110	47	828	138
Asset valuation	39,902	46,427	103,403	138,252
Others	81	65	213	329
Total	151,283	182,151	396,743	523,521

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Master file registration	111,190	135,612	292,299	384,802
Transfer of resources	110	47	828	138
Asset valuation	39,902	46,427	103,403	138,252
Credit card income	34,022	32,798	98,879	96,335
Others	167	213	478	2,047
Total	185,391	215,097	495,887	621,574

c) Personnel expenses

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Administrators' remuneration and other (Note 27)	(6,487)	(5,665)	(17,624)	(15,877)
Benefits	(34,908)	(32,372)	(101,106)	(91,594)
Social charges	(53,625)	(45,217)	(152,334)	(122,303)
Salary ⁽¹⁾	(187,862)	(166,638)	(559,193)	(395,598)
Labor claims	(67,845)	(65,779)	(132,261)	(138,342)
Training	(3,770)	(3,348)	(8,683)	(8,040)
Supplementary private pension	(2,635)	(2,515)	(8,765)	(7,107)
Total	(357,132)	(321,534)	(979,966)	(778,861)

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Administrators' remuneration and other (Note 27)	(8,667)	(7,441)	(23,807)	(20,854)
Benefits	(43,312)	(38,012)	(128,905)	(107,091)
Social charges	(67,076)	(55,108)	(191,550)	(148,819)
Salary ⁽¹⁾	(235,297)	(202,318)	(700,644)	(494,078)
Labor claims	(69,208)	(71,833)	(143,453)	(150,549)
Training	(4,701)	(4,093)	(10,813)	(9,750)
Supplementary private pension	(3,502)	(3,243)	(11,448)	(9,119)
Total	(431,763)	(382,048)	(1,210,620)	(940,260)

⁽¹⁾ Includes expenses and related charges levied on variable compensation programs.

d) Other administrative expenses

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Water, energy and gas	(537)	(426)	(1,166)	(1,447)
Rental ⁽¹⁾	(6,364)	(9,578)	(17,673)	(38,012)
Communications	(5,230)	(5,392)	(16,294)	(19,150)
Philanthropic Contributions ⁽²⁾	(571)	(576)	(1,002)	(1,284)
Maintenance and conservation of assets ⁽¹⁾	(2,827)	(2,450)	(7,508)	(8,827)
Material	(1,529)	(1,136)	(3,774)	(2,291)
Data processing	(69,264)	(61,427)	(204,771)	(156,620)
Promotions and public relations	(9,464)	(2,781)	(22,640)	(6,078)
Advertising and publicity	(45,956)	(17,440)	(84,877)	(29,715)
Publications	-	-	(111)	(521)
Insurance	(2,178)	(1,198)	(5,736)	(4,035)
Financial system services	(16,668)	(14,200)	(51,828)	(55,276)
Outsourced services	(3,520)	(3,618)	(9,413)	(8,901)
Surveillance and security services	(246)	(236)	(726)	(744)
Specialized technical services	(128,046)	(137,389)	(371,742)	(378,254)
Transportation	(1,468)	(1,092)	(4,442)	(2,807)
Traveling	(1,835)	(65)	(4,228)	(166)
Judicial and notary public fees	(21,011)	(13,949)	(57,569)	(44,801)
Amortization ^{(3) (4)}	(42,858)	(40,462)	(128,836)	(97,251)
Depreciation ⁽³⁾	(5,849)	(4,988)	(17,376)	(18,607)
Other ⁽⁵⁾	(17,264)	(17,784)	(56,039)	(50,159)
Total	(382,685)	(336,187)	(1,067,751)	(924,946)

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Water, energy and gas	(648)	(566)	(1,418)	(1,895)
Rental ⁽¹⁾	(7,567)	(11,593)	(20,746)	(44,087)
Communications	(6,566)	(9,542)	(21,957)	(32,109)
Philanthropic Contributions ⁽²⁾	(571)	(576)	(1,002)	(1,284)
Maintenance and conservation of assets ⁽¹⁾	(3,819)	(3,380)	(9,525)	(11,581)
Material	(1,542)	(1,453)	(4,354)	(3,041)
Data processing	(116,865)	(100,581)	(336,519)	(247,144)
Promotions and public relations	(10,115)	(3,160)	(25,736)	(7,547)
Advertising and publicity	(48,711)	(26,135)	(129,825)	(49,802)
Publications	-	-	(219)	(1,104)
Insurance	(2,450)	(1,377)	(6,583)	(4,587)
Financial system services	(18,555)	(15,854)	(57,047)	(60,077)
Outsourced services	(4,356)	(4,281)	(11,658)	(10,436)
Surveillance and security services	(316)	(317)	(969)	(1,022)
Specialized technical services	(160,407)	(159,598)	(464,783)	(432,307)
Transportation	(1,549)	(1,166)	(4,661)	(3,005)
Traveling	(2,028)	(68)	(4,797)	(181)
Judicial and notary public fees	(21,319)	(14,271)	(58,410)	(46,582)
Amortization ^{(3) (4)}	(57,878)	(48,135)	(169,757)	(118,327)
Depreciation ⁽³⁾	(7,173)	(6,080)	(21,442)	(22,583)
Other ⁽⁵⁾	(18,808)	(20,826)	(60,269)	(60,302)
Total	(491,243)	(428,959)	(1,411,677)	(1,159,003)

⁽¹⁾ It includes the effects of the agreement for the apportionment/reimbursement of expenses and direct and indirect costs entered into between Banco Votorantim and its subsidiaries.

⁽²⁾ The respective philanthropic contributions are detailed in note 31.

⁽³⁾ It includes the effects of the agreement for fee/reimbursement of expenses and indirect costs confirmed between Banco Votorantim and its subsidiaries.

⁽⁴⁾ In the period from January 01 to September 30, 2022, includes the amount of R\$ 4,587 in the Bank and Consolidated (R\$ 3,166 in the Bank and Consolidated in the period from January 01 to September 30, 2021) referring to expenses amortization of carbon credits and green bonds consumed by offsetting CO₂ emissions by vehicles financed by Banco BV (Note 31).

⁽⁵⁾ Includes expenses related to offsetting direct greenhouse gas emissions, as detailed in note 31.

e) Other operating income

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Recovery of charges and expenses	2,683	659	11,178	3,030
Restatement of judicial deposits ⁽¹⁾	10,288	-	21,994	-
Reimbursement of overpaid tax fines	12,420	1,740	31,326	3,677
Reimbursement of operation costs	107	815	233	1,192
Others ⁽²⁾	1,895	1,945	7,318	23,299
Total ⁽³⁾	27,393	5,159	72,049	31,198

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Recovery of charges and expenses	4,736	938	14,190	3,768
Restatement of judicial deposits ⁽¹⁾	11,060	-	23,599	-
Reimbursement of overpaid tax fines	18,539	1,945	38,576	4,612
Reimbursement of operation costs	107	815	233	1,192
Reversal of provision for insurance cancellation	12,288	(1,483)	15,581	4,364
Banking and exclusivity and preference rights	(329)	6,743	3,572	17,715
Real state activity result	5,305	4,885	15,320	1,072
Others ⁽²⁾	19,304	3,544	30,418	29,740
Total ⁽³⁾	71,010	17,387	141,489	62,463

⁽¹⁾ Includes income from the sale of shares.

⁽²⁾ In the period from January 01 to September 30, 2021, it includes reversal of the provision for restructuring.

⁽³⁾ Revenues and expenses of the same nature are presented at the net amount calculated in each period. The representation in the respective income or expenses line takes into account the most recent period.

f) Other operating expenses

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Costs associated with the origination - Business partners ⁽¹⁾	(166,630)	(213,243)	(458,496)	(587,543)
Civil claims	(34,142)	(25,923)	(82,949)	(79,687)
Tax claims	(2,016)	(2,176)	(6,254)	(6,118)
Update of escrow deposits ⁽²⁾	-	(349)	-	(3,821)
Operating losses	(8,531)	(13,602)	(34,137)	(39,490)
Premium paid on financial assets	(60)	(60)	(175)	(170)
Banking and exclusivity and preference rights	(13,263)	(7,252)	(30,890)	(21,838)
Provision for CO ₂ offset expenses for vehicles financed by banco BV	(60)	(3)	(167)	(430)
Other	(8,068)	(11,315)	(30,906)	(26,350)
Total ⁽³⁾	(232,770)	(273,923)	(643,974)	(765,447)

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Costs associated with the origination - Business partners ⁽¹⁾	(277,613)	(304,037)	(744,234)	(831,691)
Costs associated with production - Other expenses	(11,272)	(1,607)	(21,706)	(1,648)
Civil claims	(35,083)	(27,096)	(86,334)	(83,282)
Tax claims	(2,845)	(2,676)	(8,379)	(7,396)
Update of escrow deposits ⁽²⁾	-	180	-	(3,114)
Operating losses	(9,584)	(16,686)	(40,430)	(48,362)
Premium paid on financial assets	(60)	(60)	(175)	(170)
Provision for CO ₂ offset expenses for vehicles financed by banco BV	(60)	(3)	(167)	(430)
Others	(19,437)	(21,939)	(92,858)	(78,777)
Total ⁽³⁾	(355,954)	(373,924)	(994,283)	(1,054,870)

⁽¹⁾ Mainly refer to commissions on loans originated by partners and trade agreements with tenants and freelancers, including maintenance expenses.

⁽²⁾ Includes the effects arising from the change in the judicial deposits update rate (reduction).

⁽³⁾ Income and expenses of the same type are presented at the net amount determined in each period. The presentation in the respective line of income or expense takes into account the most recent period.

24. OTHER INCOME AND EXPENSES

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Other income	9,529	13,341	20,083	35,503
Profit on the disposal of assets	-	11,708	-	21,598
Reversal of provision for devaluation of other issues and assets	3,393	(689)	10,241	5,740
Reversal of provision for impairment of investments due to tax incentives	5,230	1,483	5,230	1,483
Other income not directly associated with operating activity	906	839	4,612	6,682
Other expenses	(5,169)	(1,453)	(6,094)	(9,614)
Capital losses	(61)	(680)	(367)	(758)
Expense on real estate not in use	(346)	(752)	(1,136)	(6,172)
Loss on disposal of non-financial assets held for sale	(4,762)	-	(4,591)	-
Loss on intangible assets	-	-	-	(2,650)
Other expenses not directly associated with operating activity	-	(21)	-	(34)
Total ⁽¹⁾	4,360	11,888	13,989	25,889

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Other income	11,894	17,409	29,118	37,448
Profit on the disposal of assets	-	11,688	-	21,583
Reversal of provision for devaluation of other issues and assets	935	1,179	14,451	5,312
Reversal of provision for impairment of investments due to tax incentives	8,853	3,616	8,853	3,616
Other income not directly associated with operating activity	2,106	926	5,814	6,937
Other expenses	(5,199)	(762)	(9,936)	(75,356)
Expenses with goodwill and impairment of subsidiaries	433	706	(3,010)	(65,720)
Capital losses	(61)	(680)	(367)	(758)
Loss on disposal of non-financial assets held for sale	(346)	(752)	(1,136)	(6,172)
Write-offs of fixed assets	(4,647)	-	(4,487)	-
Expense on real estate not in use	-	-	-	-
Other expenses not directly associated with operating activity	(578)	(36)	(936)	(56)
Total ⁽²⁾	6,695	16,647	19,182	(37,908)

⁽¹⁾ Income and expenses of the same type are presented at the net amount calculated in each period. The presentation in the respective income or expense line takes into account the most recent period.

25. SHAREHOLDERS' EQUITY

a) Capital

The capital of Banco Votorantim SA, fully subscribed and paid in, in the amount of R\$ 8.480.372 (R\$ 8,130,372 as of December 31, 2021) is represented by 3,395,210,052 shares, of which 2,193,305,693 are registered common shares, book-entry and with no par value and 1,201,904,359 registered, book-entry preferred shares with no par value (2,131,587,081 registered, book-entry common shares with no par value and 1,168,083,325 registered, book-entry preferred shares with no par value as of December 31, 2021).

On February, 2021, the group of all shares representing the Bank's Share Capital was approved at an Extraordinary General Meeting, in the proportion of 31.94 to 1 share of the same species, with the Share Capital being represented by 3,299,670,406 shares. After the grouping, the conversion of 448,421,874 preferred shares into common shares was approved.

On April, 2022, the Annual and Extraordinary General Meeting approved the increase in the share capital of Banco Votorantim S.A. in the amount of R\$ 350,000, through the recapitalization of interest on equity payable calculated based on the year ended December 31, 2021. The Capital Stock increases from R\$ 8,130,372 to R\$ 8,480,372, upon issue of 95,539,646 new shares, of which 61,718,611 are common and 33,821,034 are preferred shares, all registered, book-entry and without par value, at the issue price of R\$ 3.663400624 per share, ratified by the Central Bank of Brazil on July 18, 2022.

b) Capital Reserve

As of September 30, 2022 and December 31, 2021, the Capital reserve is constituted by goodwill on subscription of shares, in the amount of R\$ 372,120.

c) Profit reserve

Legal reserve

Composed mandatorily of 5% of the period's net profit, up to the limit of 20% of Capital. The Legal Reserve may cease to be funded when jointly with Capital Reserves it exceeds 30% of Capital. The Legal Reserve may be employed only in a capital increase or to offset losses.

Statutory reserve for expansion

The law and the Bylaws allow management, at the end of the period, making a proposal to allocate to "Statutory reserve for expansion" the portion of the profit not allocate to the Legal reserve and not distributed, if any, in order to meet the investments for business expansion. In addition, the reserve balance may also be used to pay dividends.

d) Interest on Equity

Shareholders are guaranteed a minimum mandatory dividend, both in the form of dividends and interest on equity, corresponding to 25% of net income for the period, deducted from the legal reserve (Adjusted net income).

In accordance with Laws No. 9,249/1995 and No. 12,973/2014 and the Company's Bylaws, Management decided to issue interest on equity to its shareholders, in relation to the results equity for the period from January 01 to September 30, 2022.

Interest on equity is calculated on the adjusted shareholders' equity accounts and limited to the variation, pro rata die, of the long-term interest rate (TJLP), conditioned to the existence of computed profits before its deduction or of retained earnings and profit reserves, in an amount equal to or greater than twice its value.

For the period Para o período from January 01 to September 30, 2022, the Company made the following distribution:

	01.01 to 09.30.2022			
	Value (R\$ thousand)	Value per lot of one thousand shares - R\$	Base date of the share position	Payday
Interest on equity ⁽¹⁾⁽²⁾	169,492	1.61	03.31.2022	a pagar até 10.24.2022
Interest on equity ⁽¹⁾⁽²⁾	330,508	3.14	09.30.2022	a pagar até 04.30.2022
Total for shareholders	500,000	4.74		

⁽¹⁾ Amounts subject to 15% withholding income tax.

⁽²⁾ On October 24, 2022, Management made the payment of R\$ 153,300 to shareholders, whose deliberation took place during the period from January 01 to September 30, 2022.

	01.01 to 09.30.2022	01.01 to 09.30.2021
	Value (R\$ thousand)	Value (R\$ thousand)
Net income for the period - Banco Votorantim SA	1,216,246	1,184,108
Legal reserve	(41,634)	(40,730)
Calculation basis	1,174,612	1,143,378
Interest on equity (gross)	500,000	-
IRRF related to interest on equity	(75,000)	-
Proposed value	425,000	-
% on the calculation basis	36%	0%

e) Earnings per share

	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Net profit - Banco Votorantim S.A (R\$ thousand)	383,570	369,502	1,216,246	1,184,108
Weighted average number by thousand shares (basic and diluted) ⁽¹⁾⁽²⁾	3,363,364	3,363,364	3,363,364	3,363,364
Earnings per share (basic and diluted) (R\$)	114.04	109.86	361.62	352.06

⁽¹⁾ The weighted average number of shares is calculated based on the average number of shares for each month of the period from January 01 to September 30, 2022.

⁽²⁾ The weighted average number of shares was restated for the period from January 01st to September 30, 2021 due to the reverse split of all shares described in Note 25a, in accordance with CPC 41.

f) Reconciliation of shareholders' equity and net profit

	Net profit				Shareholders' Equity	
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021	09.30.2022	12.31.2021
Banco Votorantim S.A.	383,570	369,502	1,216,246	1,184,108	12,590,334	11,922,690
Result not realized - (RNR) ⁽¹⁾	683	633	(32,481)	1,866	30,441	5,861
Non-controlling interests ⁽²⁾	74,296	-	203,782	-	2,072,479	-
Consolidated	458,549	370,135	1,387,547	1,185,974	14,693,254	11,928,551

⁽¹⁾ It refers to the unrealized result arising from transactions between affiliates, net of taxes.

⁽²⁾ As of 2022, non-controlling interests, predominantly the position of shares in controlled investment funds held by third parties, started to be presented as a component of shareholders' equity, as well as the result for the period.

g) Other comprehensive income

Parent Company and Consolidated	01.01 to 09.30.2022				01.01 to 09.30.2021			
	Opening Balance	Changes	Tax Effects	Closing Balance	Opening Balance	Changes	Tax Effects	Closing Balance
Securities available to sale	100,960	(8,718)	4,053	96,295	245,530	(276,837)	124,356	93,049
Banco Votorantim ⁽¹⁾	107,990	(9,891)	4,451	102,550	237,675	(250,028)	112,280	99,927
Subsidiaries	(7,030)	1,173	(398)	(6,255)	7,855	(26,809)	12,076	(6,878)
Cash flow hedge	363,606	(716,250)	322,313	(30,331)	(96,177)	809,485	(364,268)	349,040
Banco Votorantim ⁽¹⁾	363,606	(716,250)	322,313	(30,331)	(96,177)	809,485	(364,268)	349,040
Total - Parent Company	464,566	(724,968)	326,366	65,964	149,353	532,648	(239,912)	442,089
RNR effect ⁽²⁾	14,652	57,061	-	71,713	18,870	(3,111)	-	15,759
Total - Consolidated	479,218	(667,907)	326,366	137,677	168,223	529,537	(239,912)	457,848

⁽¹⁾ Includes agency abroad.

⁽²⁾ Tax effect is presented in "Other credits - Sundry".

h) Non-controlling interests

Consolidated	Net Profit				Shareholders' Equity	
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021	09.30.2022	12.31.2021
Fundo de Investimento em Direitos Creditórios BV - Crédito de Veículos (FIDC BV)	71,114	-	195,862	-	2,065,723	-
Other funds	3,182	-	7,920	-	6,756	-
Participation of non-controllers ⁽¹⁾	74,296	-	203,782	-	2,072,479	-

⁽¹⁾ As of 2022, non-controlling interests, predominantly the position of shares in controlled investment funds held by third parties, started to be presented as a component of shareholders' equity, as well as the result for the period.

i) Shareholders interest (quantity of shares)

Composition of the class of shares issued by Banco Votorantim SA in which the shareholders are directly holders:

Shareholders - Shares (thousand)	09.30.2022					
	Ordinaries	% Ordinaries	Preferred	%Preferred	Total	% Total
Votorantim Finanças S.A.	1,096,653	50.00%	600,952	50.00%	1,697,605	50.00%
Banco do Brasil S.A.	1,096,653	50.00%	600,952	50.00%	1,697,605	50.00%
Total	2,193,306	100.00%	1,201,904	100.00%	3,395,210	100.00%
Country residents	2,193,306	100.00%	1,201,904	100.00%	3,395,210	100.00%

Shareholders - Shares (thousand)	12.31.2021					
	Ordinaries	% Ordinaries	Preferred	%Preferred	Total	% Total
Votorantim Finanças S.A.	1,065,793	50.00%	584,042	50.00%	1,649,835	50.00%
Banco do Brasil S.A.	1,065,793	50.00%	584,042	50.00%	1,649,835	50.00%
Total	2,131,587	100.00%	1,168,083	100.00%	3,299,670	100.00%
Country residents	2,131,587	100.00%	1,168,083	100.00%	3,299,670	100.00%

26. TAXES
a) Tax assets
Total tax assets recognized

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Current tax assets (Note 26 a.1)	536,893	447,097	617,012	499,250
Deferred tax assets (Note 26 a.2)	6,136,145	6,549,550	7,436,717	7,626,269
Total	6,673,038	6,996,647	8,053,729	8,125,519
Current assets	58,531	297,514	82,872	329,129
Non-current assets	6,614,507	6,699,133	7,970,857	7,796,390

a.1) Current tax assets

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Taxes and contributions to be offset	388,128	298,332	456,659	349,322
Recoverable income tax	-	-	11,588	1,163
Presumed credit - Law no. 12,838/13	148,765	148,765	148,765	148,765
Total ⁽¹⁾	536,893	447,097	617,012	499,250

⁽¹⁾ Includes taxes and current contributions to be offset whose expected offset time is more than 12 months.

a.2) Deferred tax assets (Recognized)

Parent Company	12.31.2021	01.01 to 09.30.2022		09.30.2022
	Balance	Net changes in the period		Balance ⁽¹⁾
		Constitution	Write-off	
Temporary differences	5,924,836	1,095,636	(1,528,070)	5,492,402
Provision for losses associated with credit risk	4,347,415	1,010,776	(1,268,937)	4,089,254
Provisions	629,598	43,546	(66,837)	606,307
Fair value adjustments ⁽²⁾	353,887	31,402	(172,852)	212,437
Other provisions ⁽³⁾	593,936	9,912	(19,444)	584,404
Tax loss / CSLL negative base	624,714	236,818	(217,789)	643,743
Total activated tax credits	6,549,550	1,332,454	(1,745,859)	6,136,145
Income tax	3,613,292	732,193	(965,225)	3,380,260
Social contribution	2,936,258	600,261	(780,634)	2,755,885

Consolidated	12.31.2021	01.01 to 09.30.2022		09.30.2022
	Balance	Movimentação no período		Balance ⁽¹⁾
		Constituição	Write-off	
Temporary differences	6,588,757	1,433,721	(1,666,958)	6,355,520
Provision for losses associated with credit risk	4,898,254	1,336,640	(1,392,672)	4,842,222
Provisions	724,963	56,397	(80,654)	700,706
Fair value adjustments ⁽²⁾	358,536	31,005	(172,866)	216,675
Other provisions ⁽³⁾	607,004	9,679	(20,766)	595,917
Tax loss / CSLL negative base	1,037,512	64,409	(20,724)	1,081,197
Total activated tax credits	7,626,269	1,498,130	(1,687,682)	7,436,717
Income Tax	4,387,465	829,548	(945,335)	4,271,678
Social contribution	3,238,804	668,582	(742,347)	3,165,039

⁽¹⁾ In the period from January 01 to September 30, 2022, the portion of R\$ 24,817 (out of the total of R\$ 212,437), in the Bank, and about R\$ 29,055 (out of the total de R\$ 216,675), in the Consolidated, corresponds to the tax credit arising from fair value adjustments of securities classified as available for sale, recorded in equity account. As of December 31, 2021, the installment was R\$ 4,635 (do total de R\$ 358,536) in the Consolidated.

⁽²⁾ The amounts corresponding to changes in the tax credit arising from fair value adjustments of securities classified as available for sale, recorded in equity, in the period from January 01 to September 30, 2022, are R\$ 24,817 (out of the total R\$ (141,450)), in the Bank, and about R\$ 24,420 (out of the total R\$ (141,861)) in the Consolidated. The amounts, in the period from January 01 to September 30, 2021, were about R\$ (78,690) (out of the total R\$ (386,949)), in the Bank, and about R\$ (74,367) (out of the total R\$ (382,625)), in the Consolidated.

⁽³⁾ Includes tax credits arising from constitution expenses of provisions for reduction to recoverable value of securities.

Realization estimate

The expectation of realization of deferred tax assets (tax credits) is supported by a technical study prepared in the 1st semester of 2022.

	Parent Company		Consolidated	
	Nominal value	Present value	Nominal value	Present value
in 2022	854,329	827,765	1,138,815	1,103,405
in 2023	1,312,909	1,129,499	1,546,170	1,330,174
in 2024	1,307,535	1,007,185	1,566,763	1,206,866
in 2025	1,305,902	901,906	1,600,185	1,105,150
in 2026	788,519	488,686	983,184	609,329
from 2027 to 2028	70,208	38,146	84,767	46,075
from 2029 to 2031	496,743	164,061	516,833	171,045
Total deferred tax assets	6,136,145	4,557,248	7,436,717	5,572,044

Realization of nominal values for deferred tax assets

	Parent Company		Consolidated	
	Tax losses/Social contribution on net profit to offset ⁽¹⁾	Intertemporal differences ⁽²⁾	Tax losses/Social contribution on net profit to offset ⁽¹⁾	Intertemporal differences ⁽²⁾
in 2022	11%	14%	7%	17%
in 2023	11%	23%	14%	22%
in 2024	22%	21%	25%	20%
in 2025	22%	21%	24%	21%
in 2026	29%	11%	26%	11%
From 2027 to 2028	5%	1%	3%	1%
From 2029 to 2031	0%	9%	1%	8%

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

⁽²⁾ The consumption capacity arises from movements in provisions expectation of reversals, write-offs and uses.

a.3) Unrecognized deferred tax assets

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Social contribution on net profit tax loss/negative basis portions of CSLL	94,088	94,088	164,693	168,052
Intertemporal Differences portions	1,234	-	42,336	42,533
Total of deferred tax assets not recorded in assets	95,322	94,088	207,029	210,585
Income tax	52,956	52,271	147,881	150,713
Social contribution	42,366	41,817	59,148	59,872

The balance not constituted of tax assets will only be recognized in the accounting books when it meets the regulatory aspects for its activation and presents effective prospect of realization.

b) Tax liabilities
Total de passivos fiscais reconhecidos

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Current tax liabilities (Note 26 b.1)	178,833	230,910	300,909	459,590
Deferred tax liabilities - (Note 26 b.2)	161,756	662,362	162,499	663,031
Total	340,589	893,272	463,408	1,122,621
Current liabilities	176,740	230,910	293,254	454,564
Non-current liabilities	163,849	662,362	170,154	668,057

b.1) Current tax liabilities

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Financial transaction tax payable	31,679	32,911	33,724	35,074
Income tax and social contribution payable	-	410	6,431	6,569
Provision for taxes and contributions on income	-	-	81,876	197,262
Taxes and contributions payable	147,154	197,589	178,878	220,685
Total ⁽¹⁾	178,833	230,910	300,909	459,590

⁽¹⁾ Includes taxes and current contributions, the settlement period of which is more than 12 months.

b.2) Deferred tax liabilities

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Fair value adjustments ⁽¹⁾⁽²⁾	87,280	644,971	87,301	644,971
Presumed credit - Law no. 12,838/13	15,075	15,075	15,075	15,075
Other liabilities	59,401	2,316	60,123	2,985
Total deferred tax liabilities	161,756	662,362	162,499	663,031
Income tax	90,694	369,282	91,429	369,941
Social contribution	71,062	293,080	71,070	293,090

⁽¹⁾ In the period from January 01 to September 30, 2022, the portion of R\$ 81,141 (out of the total of R\$ 87,280), in the Bank, and of R\$ 81,106 (out of a total R\$ 87,301), in the Consolidated, corresponds to the deferred tax liability arising from fair value adjustments of the effective portion of the instruments cash flow hedge and securities classified as available for sale, recorded in equity. The net in December 31, 2021, the installment was R\$ 383,087 (out of a total of R\$ 644,971), in the Bank and of R\$ 383,052 (out of a total of R\$ 644,971), in the Consolidated.

⁽²⁾ The amounts corresponding to the movement of the deferred tax liability arising from the fair value adjustments of the effective portion of the cash flow hedge instruments and the fair value adjustments of securities classified as available for sale, recorded in equity, in the period from January 01 to September 30, 2022, are R\$ (301,946) (out of the total of R\$ (557,691)), in the Bank and Consolidated. The amounts, in the period from January 01 to September 30, 2021, were R\$ 175,162 (out of R\$ 195,545), in the Bank, and R\$ 167,409 (out of R\$ 187,813), in Consolidated.

c) Tax expenses

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Cofins	(93,924)	(64,077)	(222,236)	(190,706)
ISSQN	(12,135)	(11,684)	(31,682)	(36,544)
PIS	(15,263)	(10,413)	(36,113)	(30,990)
Others	(3,611)	(5,553)	(12,981)	(13,409)
Total	(124,933)	(91,727)	(303,012)	(271,649)

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Cofins	(126,449)	(92,486)	(311,178)	(266,424)
ISSQN	(20,261)	(20,004)	(53,550)	(59,262)
PIS	(21,218)	(15,709)	(52,194)	(45,261)
Others	(5,084)	(6,352)	(16,788)	(12,535)
Total	(173,012)	(134,551)	(433,710)	(383,482)

d) Income tax and contribution expenses
d.1) Expenses of taxes and contributions on profit - Income tax and social contribution

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Current amounts	(10,185)	(107,881)	48,535	(273,093)
Domestic IR and CSLL - Current	(10,508)	(138,080)	(10,508)	(303,292)
Domestic IR and CSLL- Previous years	323	30,199	59,043	30,199
Deferred amounts	87,069	(72,909)	(239,585)	(365,933)
Deferred tax liabilities	443,454	(215,585)	198,638	(26,117)
Fair value adjustments	460,962	(212,791)	255,744	(22,246)
Other liabilities	(17,508)	(2,794)	(57,106)	(3,871)
Deferred tax assets	(356,385)	142,676	(438,223)	(339,816)
Tax loss carryforwards and negative basis of social contribution on net profit	(217,789)	(50,079)	19,029	(150,577)
Temporary differences	19,016	26,546	(290,985)	119,020
Fair value adjustments	(157,612)	166,209	(166,267)	(308,259)
Total	76,884	(180,790)	(191,050)	(639,026)

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Current amounts	(131,504)	(233,359)	(167,791)	(579,679)
Domestic IR and CSLL - Current	(131,827)	(263,340)	(227,161)	(609,660)
Domestic IR and CSLL- Previous years	323	29,981	59,370	29,981
Deferred amounts	209,385	(8,024)	(15,009)	(236,082)
Deferred tax liabilities	443,593	(215,703)	198,961	(26,243)
Fair value adjustments	460,962	(212,811)	255,744	(22,266)
Other liabilities	(17,369)	(2,892)	(56,783)	(3,977)
Deferred tax assets	(234,208)	207,679	(213,970)	(209,839)
Tax loss carryforwards and negative basis of social contribution on net profit	(229,951)	(62,868)	43,685	(171,488)
Temporary differences	153,355	104,338	(91,374)	269,908
Fair value adjustments	(157,612)	166,209	(166,281)	(308,259)
Total	77,881	(241,383)	(182,800)	(815,761)

d.2) Reconciliation of IR and CSLL charges

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Income (loss) before taxes and contributions	354,685	579,949	1,554,506	1,945,015
Total IR charges and CSLL Charges ⁽¹⁾	(163,155)	(289,974)	(703,075)	(904,253)
Charges on JCP	152,034	-	228,305	-
Equity in the earnings of subsidiaries	17,230	45,271	58,872	105,510
Participation in profits and results	22,080	14,829	66,725	56,330
CSLL rate increase ⁽²⁾	-	(31,410)	-	40,760
Income from abroad ⁽³⁾	(17,582)	33,633	(15,083)	19,380
Other values	66,277	46,861	173,206	43,247
Income tax and social contribution for the period	76,884	(180,790)	(191,050)	(639,026)

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Income (loss) before taxes and contributions	443,437	649,952	1,761,645	2,156,430
Total IR charges and CSLL Charges ⁽¹⁾	(203,981)	(324,975)	(797,174)	(1,002,890)
Charges on JCP	152,034	-	228,305	-
Equity in the earnings of subsidiaries	(4,060)	(84)	(6,690)	(323)
Participation in profits and results	28,874	17,295	86,712	69,612
CSLL rate increase ⁽²⁾	-	(32,653)	-	43,017
Income from abroad ⁽³⁾	(17,582)	33,633	(15,083)	19,380
Other values	122,596	65,401	321,130	55,443
Income tax and social contribution for the period	77,881	(241,383)	(182,800)	(815,761)

⁽¹⁾ The IR charges were calculated at the nominal rate of 25% in the period from July 1 to December 31, 2021; (iii) 20% in the period from January 01, 2022 to July 30, 2022; and (iv) 21% in the period from August 01 to September 30, 2022 (note 4q).

⁽²⁾ Refers to the effects of the increase in the CSLL rate of financial institutions on the balance of deferred tax assets existing on June 30, 2021, applicable to the tax credit realized in the period from July 01 to December 31, 2021.

⁽³⁾ In the period from January 01 to September 30, 2021, it includes charges on foreign exchange variation on investments abroad.

27. RELATED PARTS

Costs of salaries and other benefits granted to key management personnel of banco BV, comprising the Board, Audit Committee, Board of Directors and Fiscal Council:

	Parent Company ⁽¹⁾				Consolidated ⁽¹⁾			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Administrators' remuneration and other	6,487	5,665	17,624	15,877	8,667	7,441	23,807	20,854
Bonuses	17,984	24,129	68,392	57,921	19,921	24,852	75,044	60,249
Social charges	7,378	9,201	26,406	22,735	8,189	9,574	29,049	23,951
Total	31,849	38,995	112,422	96,533	36,777	41,867	127,900	105,054

⁽¹⁾ It includes members of the Audit Committee, Compensation and HR Committee, Risk and Capital Committee and Related Party Transactions Committee.

The Conglomerate offers a defined contribution private pension plan to key management personnel.

The balances of accounts relating to transactions between consolidated companies of the Bank are eliminated in the consolidated interim Financial Statements and also take into consideration risk free basis. The shareholders of the Company are Banco do Brasil Conglomerate and Votorantim S.A. (main firms that set part of the Votorantim S.A Group are: Votorantim Finanças, Votorantim Cimentos, Votorantim Energia, Nexa, Citrosuco and Companhia Brasileira de Alumínio).

The Conglomerate carries out banking transactions with related parties, such as current account deposits (not remunerated), remunerated deposits, money market repurchase commitments, derivative financial instruments and assignment of Loan portfolios. There are also service agreements, which include the agreement for apportionment / reimbursement of expenses and direct and indirect costs entered into with the companies of the Conglomerate.

These transactions are carried out under terms and conditions similar to those performed with third parties where applicable. These transactions do not involve abnormal default risks.

Banco BV carries out credit assignments (assignments with recourse) with substantial retention of risks and benefits with a related party. In the period from January 01 to September 30, 2022, the sum of the present values totaled R\$ 1.371.994 (R\$ 4387491.000.000 in the period from January 01 to September 30, 2021). Banco BV also carries out credit assignments without recourse, but with substantial retention of risks and benefits with a subsidiary and in the period from January 01 to September 30, 2022, the sum of the present values totaled R\$ 3364128.000 (R\$ 2057630.000.000 in the period from January 01 to September 30, 2021). The net result of credit assignments, considering the income and expenses of assignments with substantial retention of risks and benefits, is presented in the following table under "Income from interest, provision of services and other income".

	Parent Company						
	09.30.2022						
	Conglom. Banco do Brasil	Votorantim S.A.	Financial Institution subsidiaries ⁽¹⁾	Non-financial Institution subsidiaries ⁽²⁾	Key management personnel ⁽³⁾	Others ⁽⁴⁾	Total
Assets							
Interbank deposit investments ⁽⁵⁾	-	-	2,195,247	-	-	-	2,195,247
Securities and derivative financial instruments	5,184	40,827	-	-	-	3,261,758	3,307,769
Loans and leases	56,053	1,906	-	-	78	-	58,037
Other assets	12,412	-	61,868	81,880	-	36,778	192,938
Liabilities							
Demand deposits	(704)	(2,228)	(1,819)	(649)	(3)	(10,282)	(15,685)
Time deposits	(1,461,253)	(785,941)	-	(713,872)	(679)	(40,693)	(3,002,438)
Interbank deposits	-	-	(258,129)	-	-	-	(258,129)
Money market repurchase	-	(45,198)	(459,891)	-	-	-	(505,089)
Funds for accepting and issuing bonds	(112,465)	(575,249)	-	-	(10,829)	-	(698,543)
Derivative financial instruments	(9,704)	(28,080)	-	-	-	-	(37,784)
Other liabilities	(5,597,093)	(212,500)	(12,143)	(4)	-	(3,580,188)	(9,401,928)
07.01 to 09.30.2022							
Income (loss)							
Income from interest, provision of services and other income	90,122	71	76,819	-	-	117,466	284,478
Income (losses) from derivative financial instruments	(3,087)	(3,802)	-	-	-	-	(6,889)
Fund raising, administrative expenses and other	(30,826)	(43,823)	(23,051)	(19,005)	(219)	(5,705)	(122,629)
01.01 to 09.30.2022							
Income (loss)							
Income from interest, provision of services and other income	305,707	200	180,665	-	-	240,034	726,606
Income (losses) from derivative financial instruments	(5,173)	(103,795)	-	-	-	(133,757)	(242,725)
Fund raising, administrative expenses and other	(95,378)	(115,419)	(54,598)	(97,436)	(777)	(10,816)	(374,424)

	Parent Company						
	12.31.2021						
	Conglom. Banco do Brasil	Votorantim S.A.	Financial Institution subsidiaries ⁽¹⁾	Non-financial Institution subsidiaries ⁽²⁾	Key management personnel ⁽³⁾	Others ⁽⁴⁾	Total
Assets							
Interbank deposit investments ⁽⁵⁾	-	-	1,039,991	-	-	587,933	1,627,924
Securities and derivative financial instruments	2	80,255	-	-	-	2,396,826	2,477,083
Loans and leases	-	1,721	-	-	59	-	1,780
Other assets	5,536	-	125,599	98,337	-	8,336	237,808
Liabilities							
Demand deposits	(761)	(1,442)	(1,338)	(1,584)	(232)	(13,491)	(18,848)
Time deposits	(1,306,989)	(1,153,805)	-	(936,130)	-	(30,888)	(3,427,812)
Interbank deposits	-	-	(58,404)	-	-	-	(58,404)
Money market repurchase	-	(31,332)	(484,337)	(706,056)	(1,330)	-	(1,223,055)
Funds for accepting and issuing bonds	(260,229)	(379,729)	-	-	(4,398)	-	(644,356)
Derivative financial instruments	-	(1,901)	-	-	-	(74,116)	(76,017)
Other liabilities	(7,163,553)	(351,570)	(12,144)	(33,775)	-	(1,560,676)	(9,121,718)
07.01 to 09.30.2021							
Income (loss)							
Income from interest, provision of services and other income	145,123	31	24,176	-	-	93,224	262,554
Income (losses) from derivative financial instruments	2,548	53,667	-	-	-	79,655	135,870
Fund raising, administrative expenses and other	(28,187)	(22,086)	(9,073)	(16,586)	(64)	(3,923)	(79,919)
01.01 to 09.30.2021							
Income (loss)							
Income from interest, provision of services and other income	395,611	1,020	47,497	-	-	104,105	548,233
Income (losses) from derivative financial instruments	843	21,199	-	-	-	39,495	61,537
Fund raising, administrative expenses and other	(54,676)	(41,615)	(12,630)	(30,552)	(138)	(4,006)	(143,617)

	Consolidated				
	09.30.2022				
	Conglom. Banco do Brasil	Votorantim S.A.	Key management personnel ⁽³⁾	Others ⁽⁶⁾	Total
Assets					
Funds available	519	-	-	-	519
Securities and derivative financial instruments	5,184	40,827	-	635,372	681,383
Loans and leases	56,053	1,906	78	-	58,037
Other assets	57,010	10,866	773	-	68,649
Liabilities					
Demand deposits	(704)	(2,228)	(3)	-	(2,935)
Time deposits	(1,461,253)	(785,941)	(692)	-	(2,247,886)
Interbank deposits	-	-	-	-	-
Money market repurchase	-	(45,198)	-	-	(45,198)
Funds for accepting and issuing bonds	(112,465)	(575,249)	(10,829)	-	(698,543)
Derivative financial instruments	(9,704)	(28,080)	-	-	(37,784)
Other liabilities	(5,597,093)	(212,500)	-	-	(5,809,593)
07.01 to 09.30.2022					
Income (loss)					
Income from interest, provision of services and other income	227,070	71	-	-	227,141
Income (losses) from derivative	(3,087)	(3,802)	-	-	(6,889)
Fund raising, administrative expenses	(30,826)	(43,823)	(219)	-	(74,868)
01.01 to 09.30.2022					
Income (loss)					
Income from interest, provision of services and other income	668,421	200	-	-	668,621
Income (losses) from derivative	(5,173)	(103,795)	-	-	(108,968)
Fund raising, administrative expenses	(95,378)	(115,419)	(777)	-	(211,574)

	Consolidated				
	12.31.2021				
	Conglom. Banco do Brasil	Votorantim S.A.	Key management personnel ⁽³⁾	Others ⁽⁶⁾	Total
Assets					
Funds available	514	-	-	-	514
Securities and derivative financial instrument	2	80,255	-	531,057	611,314
Loans and leases	-	1,721	59	-	1,780
Other assets	39,360	11,276	607	-	51,243
Liabilities					
Demand deposits	(761)	(1,442)	(232)	-	(2,435)
Time deposits	(1,306,989)	(1,153,805)	-	-	(2,460,794)
Money market repurchase	-	(31,332)	(1,330)	-	(32,662)
Funds for accepting and issuing bonds	(260,229)	(379,729)	(4,398)	-	(644,356)
Derivative financial instruments	-	(1,901)	-	-	(1,901)
Other liabilities	(7,163,553)	(351,570)	-	-	(7,515,123)
07.01 to 09.30.2021					
Income (loss)					
Income from interest, provision of services and other income	258,176	31	-	-	258,207
Income (losses) from derivative	2,548	53,667	-	-	56,215
Fund raising, administrative expenses	(28,187)	(22,086)	(64)	-	(50,337)
01.01 to 09.30.2021					
Income (loss)					
Income from interest, provision of services and other income	709,325	1,020	-	-	710,345
Income (losses) from derivative	843	21,199	-	-	22,042
Fund raising, administrative expenses	(56,864)	(41,615)	(138)	-	(98,617)

(1) Companies related in note no. 3. Does not include transactions between ventures.

(2) Includes Promotiva SA, BVIA – BV Investimentos e Participações de Gestão de Recursos SA, BV Corretora de Seguros SA (formerly Votorantim Corretora de Seguros SA), BV Empreendimentos e Participações SA and Atenas SP 02 – Empreendimento Imobiliário Ltda. Does not include transactions between ventures.

(3) Board of Directors and their respective advisory committees, Executive Board, Fiscal Council and family members (spouse, children and stepchildren) of key management personnel.

(4) Includes consolidated investment funds, subsidiaries of BVIA - BV Investimentos e Participações de Gestão de Recursos S.A. and subsidiaries of BV Empreendimentos e Participações S.A., as well as all companies in which key personnel hold an interest or in which they hold a statutory position. The list of funds is described in Note 3.

(5) Includes operations with an original maturity of 90 days or less classified as Cash and cash equivalents.

(6) It includes unconsolidated investment funds due to the non-adoption of CPC 18, as well as all companies in which key personnel have a stake or in which they hold a statutory position. The relationship of funds is described in Note 3e.4.

28. EMPLOYEES BENEFITS

The main benefits offered to the employees of the Conglomerate, provided for in the category collective agreement are health insurance, life insurance, dental care, meal and food vouchers, variable compensation programs and profit sharing. Among the mentioned benefits, we highlight the variable remuneration programs.

The short-term and long-term compensation programs: Conditional Variable Incentive, Long-Term Incentive and Virtual Stock Purchase Program, approved by the Board of Directors on May 10, 2012, were terminated in the 2016 competency exercise with effect until February 2021.

In the first semester of 2017, the Conglomerate implemented the new Variable Compensation Program. The directors and employees of the Conglomerate are eligible for the program. This program was approved by the Board of Directors on March 09, 2017 and were terminated in the 2018 fiscal year, with effect until February 2023.

ILP Plan: In 2021, the Conglomerate implemented a long-term incentive plan for executives, which consists of an expectation of the right to receive virtual shares, conditioned to the organization's performance over time, with the objective of (i) attracting, motivating and retaining talent; (ii) alignment of executives' interests with shareholders' objectives and interests; (iii) generation of results and sustainable creation of value (in relation to ESG practices - Environment, Social and Governance, in this year the executives have a specific indicator linked to ESG and its result will impact the variable compensation calculated at the end of the cycle, the higher details in explanatory note 31a); and (iv) creating a long-term vision. This plan lasts for up to 4 years.

Expenses whose expected realization arises exclusively from the provision of services to the Conglomerate by the beneficiaries of the variable compensation programs: in the period from January 01 to September 30, 2022 were recognized in the Conglomerate's results, in Personnel expenses – Earnings R\$ 113,860 (R\$ 48,683 in the period from January 01 to September 30, 2021) in relation to long-term incentive transactions. Incentives generally become entitlement between 1 and a maximum of 4 years from the grant date.

The following payments were made to employees referring to the variable and long-term compensation programs that have already been terminated:

Year of the program	01.01 to 09.30.2022	01.01 to 09.30.2021
2016	-	27,625
2017	5,534	5,453
2018	778	674
Total	6,312	33,752

In September 30, 2022, The conglomerate recorded under Other liabilities - Provision for personnel expenses the amount of R\$ 214,394 (R\$ 148,820 in December 31, 2021).

Changes in phantom shares

Virtual Stock Purchase Program	Parent Company		Consolidated	
	01.01 to 09.30.2022	01.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Opening quantity	-	12,792,843	-	14,137,436
Paid	-	(12,743,493)	-	(14,088,086)
Expired	-	(49,350)	-	(49,350)
Final Quantity ⁽¹⁾	-	-	-	-

⁽¹⁾ The Virtual Share Purchase Program ended in the 2016 fiscal year with effect until February 2021.

ILP Plan	Parent Company		Consolidated	
	01.01 to 09.30.2022	01.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Opening quantity	21,125	-	22,449	-
New / Updates	15,554	-	18,133	-
Final Quantity ⁽¹⁾	36,679	-	40,582	-

⁽¹⁾ The ILP Plan for executives came into force in 2021.

In addition to the benefits provided in the collective agreement category, the Conglomerate still offers other benefits, among which we highlight the private pension plan.

In March 2019, the defined contribution private pension plan was launched, in the Free Benefit Generation Plan and Life Generating Free Benefits modalities, where the Conglomerate, as a sponsor contributes to the formation of the amount to be converted to complementary post-employment retirement income. This new plan was approved by the Board of Directors on December 6, 2018.

The private pension program aims to (i) strengthen the long-term bond; (ii) awareness of financial planning; and (iii) supplement the retirement income.

29. CONTINGENT ASSETS AND LIABILITIES AND LEGAL, TAX AND SOCIAL SECURITY OBLIGATIONS

a) Contingents Assets

Contingent assets are not recognized in the Interim Financial Statements in accordance with CMN Resolution 3,823/2009.

b) Labor lawsuits

The Conglomerate is the defendant in labor lawsuits mostly filed by former employees. Provisions for probable losses represent several claim types, such as: indemnities, overtime, working time exemption, supplement per function and representation, among other matters.

c) Tax lawsuits

The Conglomerate is subject, to inspections made by tax authorities which may eventually generate assessments, for example: composition of the IRPJ/CSLL tax basis (deductibility); and discussion related to the levy of taxes, upon occurrence of certain economic facts. Most lawsuits deriving from tax assessments refer to Services tax, Income tax, Social contribution on net profit, PIS/Contribution for Social Security Funding and Employer Social Security Contributions. Some of them are guaranteed, when necessary, by escrow deposits made to suspend payment of taxes under discussion.

d) Civil lawsuits

Basically refer to indemnity actions, review on contract conditions and charges; and fees.

e) Provision for tax, civil and labor lawsuits - Probable loss

The Conglomerate recognized a provision for tax, civil and labor lawsuits with "probable" risk of loss, classified on an individual or collective basis, according to the nature and/or value of the process.

The estimates of the outcome and the financial effect are determined by the nature of the actions, by the judgment of the entity's Management, supplemented by the opinion of the legal counsel, based on the process elements and by the experience and complexity of similar claims.

The provision for tax, civil and labor lawsuits that was set up to cover the losses estimated, is considered sufficient by the Conglomerate's Management.

Contingent liability balances classified as probable

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Tax claims	49,800	53,398	73,543	73,819
Civil claims	240,116	253,641	251,459	266,316
Labor claims	351,435	372,520	363,209	391,956
Total	641,351	679,559	688,211	732,091

e.1) Movements in provisions for tax, civil and labor demands classified as probable

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Tax claims				
Opening Balance	48,945	39,236	53,398	37,235
Constitutions	167	9,663	1,568	9,747
Reversal of provision	(83)	-	(1,706)	(35)
Write-off due to payment ⁽¹⁾	-	(3,551)	(7,059)	(3,562)
Updates	771	1,034	3,599	2,997
Closing Balance	49,800	46,382	49,800	46,382
Civil claims				
Opening Balance	249,227	253,902	253,641	259,758
Constitutions	11,878	13,367	33,215	38,716
Reversal of provision	(17,368)	(11,489)	(40,041)	(36,158)
Write-off due to payment ⁽¹⁾	(10,501)	(11,390)	(25,856)	(38,202)
Updates ⁽²⁾	6,880	7,093	19,157	27,369
Closing Balance	240,116	251,483	240,116	251,483
Labor claims				
Opening balance	369,826	442,294	372,520	470,740
Constitutions	47,290	34,750	110,563	148,492
Reversal of provision	(12,792)	(17,196)	(40,934)	(93,893)
Write-off due to payment ⁽¹⁾	(60,555)	(60,346)	(113,768)	(136,145)
Updates ⁽²⁾	7,666	3,911	23,054	14,219
Closing balance	351,435	403,413	351,435	403,413
Total tax, civil and labor claims	641,351	701,278	641,351	701,278

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Tax claims				
Opening Balance	66,650	52,127	73,819	53,301
Constitutions	7,111	9,828	10,417	10,204
Reversal of provision	(1,263)	(31)	(7,210)	(144)
Write-off due to payment ⁽¹⁾	(35)	(5,198)	(7,545)	(8,620)
Updates	1,080	1,069	4,062	3,054
Closing Balance	73,543	57,795	73,543	57,795
Civil claims				
Opening Balance	259,874	267,803	266,316	273,612
Constitutions	13,793	14,941	38,189	43,730
Reversal of provision	(18,500)	(12,178)	(43,645)	(38,534)
Write-off due to payment ⁽¹⁾	(11,278)	(12,444)	(29,601)	(42,429)
Updates ⁽²⁾	7,570	7,019	20,200	28,762
Closing Balance	251,459	265,141	251,459	265,141
Labor claims				
Opening balance	382,321	460,495	391,956	491,785
Constitutions	48,145	45,337	113,942	163,698
Reversal of provision	(13,467)	(20,402)	(42,573)	(100,928)
Write-off due to payment ⁽¹⁾	(61,657)	(65,574)	(124,177)	(145,360)
Updates ⁽²⁾	7,867	4,026	24,061	14,687
Closing balance	363,209	423,882	363,209	423,882
Total tax, civil and labor claims	688,211	746,818	688,211	746,818

⁽¹⁾ Refers to write-off for payment by judicial decision or agreement between the parties. The amount effectively paid is presented in note 23c and 23f.

⁽²⁾ It includes inflation indexation and the effects of remeasurement of "unit prices", which compose the methodology for calculating losses.

e.2) Expected schedule of disbursements as of September 30, 2022

	Parent Company			Consolidated		
	Tax	Civil	Labor	Tax	Civil	Labor
Up to 5 years	23,024	240,116	351,435	29,672	251,459	363,209
From 5 to 10 years	26,776	-	-	43,871	-	-
Total	49,800	240,116	351,435	73,543	251,459	363,209

Uncertain lawsuit duration and the possibility of changes in prior court judgments make disbursement schedule and values uncertain.

e.3) (Provision) / reversal of provision for contingent liabilities

	Parent Company			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Tax Claims	(855)	(7,146)	3,598	(9,147)
Civil Claims	9,111	2,419	13,525	8,275
Labor Claims	18,391	38,881	21,085	67,327
Total	26,647	34,154	38,208	66,455

	Consolidated			
	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Tax Claims	(6,893)	(5,668)	276	(4,494)
Civil Claims	8,415	2,662	14,857	8,471
Labor Claims	19,112	36,613	28,747	67,903
Total	20,634	33,607	43,880	71,880

f) Contingent liabilities - Possible loss

Amounts shown in the chart below represent estimated disbursement value in case the Bank receives a negative judgement. Claims are classified as possible when likelihood of loss is lower than probable and higher than remote.

f.1) Balances of contingent liabilities classified as possible

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Tax claims (Note 29.f.1.1)	1,883,272	1,881,740	2,260,234	2,239,056
Civil Claims ⁽¹⁾	139,370	122,950	151,324	139,108
Labor Claims ⁽²⁾	212,244	223,760	216,724	250,663
Total	2,234,886	2,228,450	2,628,282	2,628,827

⁽¹⁾ Refer, basically, to collection actions.

⁽²⁾ Refer to lawsuits filed, mostly, by former employees, whose nature of the claims involves indemnification, overtime, mischaracterization of working hours, additional function and representation and others.

f.1.1) Main lawsuits of tax nature classified as possible loss

Possible causes description - Tax	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
INSS without profit sharing ⁽¹⁾	712,887	678,211	735,791	699,820
IRPJ/CSLL - PDD Deduction 2014/2016 ⁽²⁾	336,065	316,479	438,799	412,534
IPVA - Third parties ⁽³⁾	162,922	164,497	163,067	172,530
IRPJ/CSLL - Deduction PDD 2008	174,288	166,645	174,288	166,645
ISS VRG ⁽⁴⁾	-	-	157,917	143,476
IRPJ/CSLL on JCP cumulatively distributed of previous periods ⁽⁵⁾	115,376	111,104	143,310	137,376
PF and BNCSLL: excess of compensation AB 2012	97,957	92,955	97,957	92,955
IRRF from remittances abroad: impossibility of compensation ⁽⁶⁾	-	50,083	-	50,083
PIS/COFINS on demutualization	19,570	22,227	44,747	46,725
ISS	22,799	22,325	43,726	42,384
INSS on profit sharing - Nassau Branch	45,215	42,040	45,215	42,040
IRPJ on undue offset of tax loss - Gratuities to statutory officers	32,248	30,186	32,248	30,186
IRPJ/CSLL - Undue exclusion: goodwill on the acquisition of foreign government bonds	26,825	24,912	26,825	24,912
INSS - Benefits (VA/VR) ⁽⁷⁾	-	23,413	-	23,413
IRPJ - FINOR	8,001	7,659	11,876	11,403
Others causes	129,119	129,004	144,468	142,574
Total	1,883,272	1,881,740	2,260,234	2,239,056

⁽¹⁾ Refer to assessments drawn up by the Brazilian Internal Revenue Service that deal with the collection of Social Security Contribution calculated on the amounts paid by companies as PLR supposedly in disagreement with the rules established by Law n°. 10,101/2000.

⁽²⁾ Refer to assessments drawn up on the Brazilian Internal Revenue Service alleging the improper deduction of losses in Loans for allegedly not meeting legal requirements.

⁽³⁾ Refer to the discussion about the responsibility for the payment of IPVA of vehicles financed with fiduciary alienation in guarantee only in cases in which the fiduciary creditor performs the guarantee.

⁽⁴⁾ Refer to the discussion on the incidence of ISS on the Guaranteed Residual Value - VRG charged by the company in leases held in the period from 2014 to 2017.

⁽⁵⁾ Refer to the possibility of distribution of the accumulated JCP based on the profits earned in previous years, within the legal limit of 50% of the profit calculated in the distribution year.

⁽⁶⁾ In the period from January 01 to September 30, 2022, the origin of the offset was definitively recognized, with only the debts related to the isolated fine remaining under discussion, which were reclassified to remote, due to the success obtained in the main action.

⁽⁷⁾ In the period from January 01 to September 30, 2022, the prognosis was changed from possible to remote, due to the success obtained in previous processes that had the same credit as their origin.

g) Deposits as collateral
Balances of escrow deposits recognized for contingencies

	Parent Company		Consolidated	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Tax claims	221,941	205,966	258,367	240,504
Civil claims	133,998	146,728	145,621	160,249
Labor claims	148,878	171,727	150,183	172,856
Total	504,817	524,421	554,171	573,609

h) Obrigações legais

The Consolidated maintains a legal obligation in the amount of R\$ 67,774 (R\$ 59,394 on December 31, 2021) and the Bank recorded the amount of R\$ 58,579 (R\$ 52,325 on December 31, 2021), whose main discussion concerns a declaratory action in which the aim is to remove the levy of ISS on revenues from guarantee operations, surety and other guarantees provided, as well as obtaining the refund of the amounts paid in this way in the last five years, the amount of which provisioned at the Bank is R\$ 35,381 (R\$ 32,013 on December 31, 2021).

The other actions refer to PIS LC 07/70, ISS Deduction in the PIS and COFINS calculation basis and APF - Accident Protection Factor.

i) Public civil lawsuits

Conglomerate has contingent liabilities involving public civil actions in which, based on the analysis of the legal advisors and/or assessment of internal lawyers, the risk of loss is considered possible. Depending of their current stage of completion, measurement of amounts involved in these lawsuits could not be determined with accuracy, while the possibility of loss depends on the qualification of the clients interested in the lawsuit.

Main themes discussed in these lawsuits, which we can highlight are lawsuits of collection of tariffs and issues involving payroll credit to INSS retirees and pensioners, and CDC (direct credit to consumers).

30. RISK AND CAPITAL MANAGEMENT

1) Risk management process

The integrated risk-management approach includes adopting instruments to ensure that material risks incurred by the Conglomerate. This approach aims to organize the decision process and define the mechanisms that establish risk appetite and risk level that is acceptable and compatible with the volume of capital available, in line with the business strategy adopted.

The Institution has a group of risks considered to be material, whose approving is done periodically by the Board of Directors. For each listed risk an assessment the most appropriate treatment is done (Management, Hedge / Insurances or Capitalization) with the goal to address the best monitoring and controlling way of each exposure. Risks considered to be material in the reference date are:

- Credit risk;
- Counterpart credit risk;
- Credit concentration risk;
- Market risk;
- Interests rate variation of banking portfolio risk (RBAN);
- Liquidity risk;
- Operational risk;
- Reputation risk;
- Strategy risk;
- Social risk;
- Environmental risk;
- Climate risk;
- Models risk;
- Compliance risk;
- Underwriting risk;
- Collateral risk;
- Technology risk;
- Cyber security risk; and
- Contagion risk.

The levels of risk exposure are monitored through a risk limit framework, incorporated into the Conglomerate's daily activities. Senior Management is involved by following through and performing actions that are necessary for risk management.

Compliance framework for capital and risks management comprise the entire Prudential Conglomerate and is composed, besides the respective teams and directors responsible for risks and ALM (Asset Liability Management), also for collegiate forums, domestic and corporative, formally organized and with ranges representatives. Each compliance board have role, scope and composition determined by normative, that orientates about the rules, responsibilities and limits according to business strategies and market scenarios. Main forums are:

- Board of Controls and Risks and Board of ALM and taxes are the main internal management forums of risk and capital. In addition, the Executive Board (ComEx) has by assignment the general supervision of such matters.
- Board of Risks and Capital (CRC) is in charge of assist the Board of Directors, in accordance with Resolution no. 4,557 from BACEN, in the creation of a capital allocation strategy for the Conglomerate, in note to the risk appetite statement (RAS) and in the risk and capital monitoring, besides coordinate its activities with the Audit Board (COAUD), in order to turn the exchange of information easy, the necessary adjustments to the risks and capital compliance framework and guarantee the effective treatment to the risks the Conglomerate is exposed.

Risk appetite consists in risk statement that the Institution is inclined to accept to reach its goals, and is tracked through the indicators and its respective limits. Risks appetite statement is approved by the Board of Directors and reflects the expectation of the Senior Management and orientates the strategic planning and budget, permeating the Institution. As of this certificate, its monitoring happens through a dashboard composed by indicators and limits that are monthly followed-up in the competent ranges, besides shares, complementary monitoring and specific projects.

The Conglomerate has general and specific structures and policies for risk and capital management, in accordance with CMN Resolution No. 4,557, approved by the Board of Directors and the basic principles observed in the management and control of risks and capital were established in accordance with current regulations and market practices.

In addition emphasize that the Institution realizes the Internal Capital Adequacy Assessment Process (ICAAP), in line with CMN Resolution No. 4,557, Bacen Circular No. 3,911 and Bacen Circular-letter No. 3,907, and the respective report is annually disclosed to Bacen, comprising the plan of capital, stress test, plan of capital and management contingencies and the assessment of capital need before the relevant risks the Institution is exposed, among other subjects.

Detailed information on the risk and capital management process can be observed in the document "Risk and Capital Management Report", prepared based on compliance with BCB Resolution No. 54/2020, available on the Investor Relations website at www.bancobv.com.br/ri. Below are the definitions of the main risks of the Conglomerate.

a) Credit risk

(i) Definition

Credit Risk is defined as the possibility of occurrence of losses associated to:

- Non-compliance by the counterparty (the borrower, the guarantor or the issuer of securities or securities acquired), from its obligations under the terms agreed upon;
- Devaluation, reduction of remuneration and expected gains in financial instruments arising from the deterioration of the credit quality of the counterparty, the intervening party or the mitigating instrument;
- Restructuring of financial instruments; and
- Costs of recovery of exposures of problematic assets.

(ii) Financial guarantees provided

	Parent Company and Consolidated			
	09.30.2022		12.31.2021	
	Guaranteed values	Provision	Guaranteed values	Provision
Linked to bids, auctions, provision of services or execution of works	1,139,699	5,193	955,502	3,060
Guarantee or surety in judicial and administrative tax proceedings	3,313,482	161,172	3,197,605	163,868
Linked to the distribution of securities by public offering	168,508	93	257,278	86
Other bank guarantees	1,997,831	38,014	2,312,293	34,458
Other financial guarantees provided	180,220	13	186,153	3
Total	6,799,740	204,485	6,908,831	201,475

b) Market risk

(i) Definition

Market risk is defined as the possibility of financial losses arising from the variation in the fair value of exposures held by a financial institution. These financial losses may be incurred due to the impact produced by the variation of risk factors, such changes in interest rates, exchange rates, and stock or commodity prices.

(ii) Sensitivity analysis

Conglomerate uses two methodologies for sensitivity analysis of its exposures:

Sensitivity analysis 1

Initially, it uses the application of parallel shocks on most relevant risk factor curves. The purpose of this method is to simulate effects on the fair value of the Conglomerate portfolio in view of possible scenarios, which consider possible fluctuations in market interest rates. Two possible scenarios are simulated in which analyzed risk would be increased or reduced by 100 base points.

Trading portfolio

Risk Factor	Concept	Exposure	Basic interest rate shock			
			09.30.2022		12.31.2021	
			+ 100 bps	- 100 bps	+ 100 bps	- 100 bps
Fixed rate	Fixed interest rate variation risk	475,440	8,413	(8,246)	106	(104)
Foreign currency coupons	Foreign currency coupon exchange movements	46,783	(8,316)	8,151	7,191	(7,049)
Price indexes	Price indexes coupons variation risk	66,597	193	(189)	(1,333)	1,306

Trading and banking portfolio

Risk Factor	Concept	Exposure	Basic interest rate shock			
			09.30.2022		12.31.2021	
			+ 100 bps	- 100 bps	+ 100 bps	- 100 bps
Fixed rate	Fixed interest rate variation risk	13,157,066	(192,166)	188,361	(186,677)	182,980
Foreign currency coupons	Foreign currency coupon exchange movements	(2,236,685)	(31,558)	30,933	48,703	(47,739)
Price indexes	Price indexes coupons variation risk	(139,880)	(4,934)	4,836	(9,578)	9,388
TR/TBF	Risk of TR (reference rate) and TBF (basic financial rate) coupon variation	-	(415)	407	(48)	47

Sensitivity analysis 2

Simulations that measure the effect of changes in market and price curves on Conglomerate exposures for the purpose of simulating effects on income of three specific scenarios, as follows:

• **Scenario 1** - In the construction of this scenario, the currencies suffer shocks of 1% on the closing value. The stressed value of the US dollar (BM&F DOL-CL) would be R\$ 5.4193 (101% de R\$ 5.3656) (R\$ 5.5779 on December 31, 2021). The shocked BOVESPA index is 111,137 points, equivalent to 101% of the closing value on September 30, 2022 (105,871 on December 31, 2021). The fixed interest curves, price index coupons, foreign currency coupons and other interest rate coupons suffer parallel shocks of 10 basis points, that is, all values, regardless of the term, increase or decrease in 0.10%.

• **Scenario 2** - Scenario where currencies and the BOVESPA index suffer shocks of 25% and interest rates suffer parallel shocks of 25% on the closing value. The pre rate, as of September 30, 2022, for the one-year term is 13.18% (11.80% as of December 31, 2021). Thus, the entire curve is bumped by 3.30% more or less, depending on the hypothetical result generated (2.95% on December 31, 2021).

• **Scenario 3** - Scenario where currencies and the BOVESPA index suffer shocks of 50% and interest rates suffer parallel shocks of 50% on the closing value.

In the analysis made for operations classified in the banking portfolio, the valuation or devaluation due to changes in interest rates and market prices do not represent a significant financial and accounting impact on the results of the Conglomerate. This is because this portfolio is mainly composed of credit operations, borrowings and securities, whose accounting record is carried out mainly at the rates agreed upon when the operations were contracted. In addition, the main characteristic of these portfolios is the accounting classification of financial assets measured at fair value through other comprehensive results and, therefore, the effects of interest rate or price fluctuations are reflected in shareholders' equity and not in results. There are also operations naturally linked to other instruments (natural hedge), thus minimizing the impacts in a stress scenario.

The tables below summarize the results for the trading portfolio, composed of public and private securities, derivative financial instruments and funds raised through repurchase agreement operations, and banking, presenting the amounts observed on each reference date:

Trading portfolio

Risk Factor / Concept	Exposure	Scenario I		Scenario II		Scenario III	
		Movements of rates	Income (loss)	Movements of rates	Income (loss)	Movements of rates	Income (loss)
	09.30.2022						
Fixed rate / Fixed interest rate variation risk	475,440	Increase	833	Decrease	(27,171)	Decrease	(54,343)
Foreign currency coupons / Foreign currency coupon exchange movements risk	46,783	Increase	(823)	Increase	(11,280)	Increase	(22,559)
Foreign exchange movements / Exchange rate movements risk	932,036	Increase	9,320	Decrease	(233,009)	Decrease	(466,018)
Price index / Price indexes coupons variation risk	66,597	Increase	19	Decrease	(369)	Decrease	(739)
	12.31.2021						
Fixed rate / Fixed interest rate variation risk	676,492	Increase	52	Decrease	(1,675)	Decrease	(3,729)
Foreign currency coupons / Foreign currency coupon exchange movements risk	1,446,655	Increase	(816)	Increase	(1,945)	Increase	(3,882)
Foreign exchange movements / Exchange rate movements risk	2,005,058	Increase	19,969	Decrease	(513,924)	Decrease	(1,023,743)
Price index / Price indexes coupons variation risk	47,172	Increase	(194)	Increase	(2,198)	Increase	(3,605)
Other / Other coupons movements risk	2,552	Increase	21	Decrease	(1,220)	Decrease	(2,530)

Trading and Banking Portfolio

Risk Factor / Concept	Exposure	Scenario I		Scenario II		Scenario III	
		Movements of rates	Income (loss)	Movements of rates	Income (loss)	Movements of rates	Income (loss)
	09.30.2022						
Fixed rate / Fixed interest rate variation risk	13,157,066	Increase	(19,026)	Increase	(633,188)	Increase	(1,266,376)
Foreign currency coupons / Foreign currency coupon exchange movements risk	(2,236,685)	Increase	(3,125)	Increase	(42,805)	Increase	(85,610)
Foreign exchange movements / Exchange rate movements risk	48,340	Increase	483	Decrease	(12,085)	Decrease	(24,170)
TJLP / TJLP coupon movements risk	4,142	Increase	(7)	Increase	(99)	Increase	(197)
TR/TBF / TR (reference rate) and TBF (basic financial rate) coupon variation risk	-	Increase	(41)	Increase	(194)	Increase	(388)
Price index / Price indexes coupons variation risk	(139,880)	Increase	(488)	Increase	(9,639)	Increase	(19,278)
	12.31.2021						
Fixed rate / Fixed interest rate variation risk	(2,305,895)	Increase	(16,593)	Increase	(472,276)	Increase	(911,620)
Foreign currency coupons / Foreign currency coupon exchange movements risk	1,219,867	Increase	6,250	Decrease	(16,254)	Decrease	(32,705)
Foreign exchange movements / Exchange rate movements risk	(56,928)	Increase	495	Decrease	(29,560)	Decrease	(57,266)
TJLP / TJLP coupon movements risk	(15,048)	Increase	(6)	Increase	(73)	Increase	(142)
TR/TBF / TR (reference rate) and TBF (basic financial rate) coupon variation risk	20,929	Increase	218	Maintenance	-	Maintenance	-
Price index / Price indexes coupons variation risk	682,265	Increase	(985)	Increase	(11,895)	Increase	(21,081)
Other / Other coupons movements risk	2,610	Increase	21	Decrease	(1,220)	Decrease	(2,530)

(iii) Stress tests

The Conglomerate uses stress measures resulting from simulations of their exposures subject to market risks under extreme conditions, such as financial crises and economic shocks. These tests aim at measuring impacts of events that are plausible but not likely to occur. The Conglomerate test program on market risk stress uses evaluation methods based on retrospective tests.

Retrospective tests

The retrospective test on stress estimates Bank's consolidated portfolio exposure variation by applying shocks to risk factors that are equivalent to those recorded in historic market stress periods, considering the following parameters:

- Extension of historic series to determine the scenarios: from 2005 to reference base date;
- Maintenance period: 10-business-day accumulated returns;
- Test frequency: daily

Results of retrospective stress tests intent to assess the capacity to absorb great losses and identify possible measures to reduce institution's risks.

For the estimates of gains and losses of the retrospective stress test in the consolidated portfolio, on September 30, 2022 and based on the perception of Management regarding the behavior of shares, commodities, foreign currencies and interest rates, two scenarios were used:

Scenario I - In this scenario, the yield curves suffer positive parallel shocks; the exchange rate (Reais/dollar) considered is R\$ 6.07 (R\$ 6.31 on December 31, 2021); commodities suffer positive shocks of 10% on the closing value on September 30, 2022; and a negative variation of -15.28% is applied to the BOVESPA Index (the same rates were used on December 31, 2021).

Scenario II - In this scenario, the yield curves suffer parallel negative shocks; the exchange rate (Reais/dollar) considered is R\$ 4.78 (R\$ 4.97 on December 31, 2021); commodities suffer negative shocks of 10% on the closing value on September 30, 2022; and a positive variation of 24.49% of the BOVESPA Index is applied (the same rates were used on December 31, 2021).

Chart amounts represent greatest losses and gains of the Consolidated Portfolio considering scenarios of the historic series used for the simulation.

Results of the retrospective stress test on consolidated portfolio, in accordance with the Conglomerate's market risk stress test program, are as follows.

Estimates of retrospective stress test greatest losses - Consolidated portfolio

Risk Factor	09.30.2022		12.31.2021	
	Exposure	Stress ⁽¹⁾	Exposure	Stress ⁽¹⁾
Shares	-	-	2,610	(1,797)
Foreign currencies	48,340	(10,009)	(56,928)	(11,392)
Interest rate	10,784,643	(334,757)	(397,882)	(282,723)
Total	10,832,983	(344,766)	(452,200)	(295,912)

Estimates of retrospective stress test greatest gains - Consolidated portfolio

Risk Factor	09.30.2022		12.31.2021	
	Exposure	Stress ⁽¹⁾	Exposure	Stress ⁽¹⁾
Shares	-	-	2,610	86
Foreign currencies	48,340	12,112	(56,928)	10,040
Interest rate	10,784,643	278,735	(397,882)	223,992
Total	10,832,983	290,847	(452,200)	234,118

⁽¹⁾ The optimistic and pessimistic stress tests for the group of stocks are done only under the BOVESPA index.

(iv) Fair value hierarchy

Calculation of fair value is subject to a control structure defined to assure that the calculated amounts are determined by a department that is independent from the risk taker.

Fair value is determined according to the following hierarchy:

- **Level 1:** prices quoted (not adjusted) in active market;
- **Level 2:** inputs which are observable for assets or liabilities, directly (prices) or indirectly (derived from prices); and
- **Level 3:** assumptions which are not based on observable market data (unobservable inputs). Involve the use of quantitative methods that use market references and unobservable data in the market in producing its estimates.

The following table presents financial instruments recorded at fair value as of September 30, 2022 and December 31, 2021, classified in the different hierarchical levels of measurement at fair value:

Consolidated	09.30.2022				12.31.2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Asset								
Hedged interbank investments (Note 10f)	-	-	-	-	-	402,746	-	402,746
Securities (Note 9a)	18,223,190	7,565,089	1,187,787	26,976,066	14,592,676	6,796,323	712,763	22,101,762
Trading securities	12,068,777	521,162	12,432	12,602,371	4,732,679	1,664,200	-	6,396,879
Securities available to sale	6,154,413	7,043,927	1,175,355	14,373,695	9,859,997	5,132,123	712,763	15,704,883
Derivatives financial instruments (Note 10a)	31,781	4,264,860	-	4,296,641	21,357	3,692,400	-	3,713,757
Hedged loan portfolio (Note 10f)	-	17,896,949	-	17,896,949	-	16,744,958	-	16,744,958
Total	18,254,971	29,726,898	1,187,787	49,169,656	14,614,033	27,636,427	712,763	42,963,223
Liability								
Money market repurchase commitments - Free portfolio (Note 18c)	-	(507,195)	-	(507,195)	-	(582,751)	-	(582,751)
Derivatives financial instruments (Note 10a)	(9,061)	(4,052,297)	-	(4,061,358)	(35,545)	(2,329,794)	-	(2,365,339)
Total	(9,061)	(4,559,492)	-	(4,568,553)	(35,545)	(2,912,545)	-	(2,948,090)

The fair value of financial instruments traded in active markets (such as securities held for trading and available for sale) is based on market prices quoted on the balance sheet date. A market is seen as active if quoted prices are readily and regularly available from an exchange, distributor, broker, industry group, pricing service or regulatory agency, and those prices that represent actual market transactions and occur regularly on a purely commercial.

The best evidence of fair value is the price quoted in an active market. Most valuation techniques use observable market inputs, characterizing a high degree of confidence in the estimated fair value.

According to the levels of information in the measurement of fair value, the following evaluation techniques are applied:

The fair value determined for financial instruments classified as level 1 assumes the pricing, at the daily minimum, through price quotes, indices and rates immediately available for non-forced transactions and originating from independent sources.

In cases where quoted market prices are not available, fair values are obtained by using quoted prices for similar assets and liabilities in active markets, or through future cash flows discounted to present value at discount rates obtained through observable market inputs or other valuation techniques based on mathematical methods that use market references.

In this context, the fair value of financial instruments that are not negotiated on active markets (for example, over the counter derivatives) is determined based on evaluation techniques. These valuation techniques maximize the use of the data adopted by the market where it is available and rely as little as possible on entity-specific estimates. If all relevant information required for the fair value of an instrument is adopted by the market, the instrument is included in level 2.

For the fair value of financial instruments classified as level 3, there is no pricing information observable in active markets. The Conglomerate uses pricing criteria based on mathematical models known in the academic environment and/or use specific governance with the participation of experts and structured internal processes.

The quality of and adherence to the models used are guaranteed through a structured governance process. The areas responsible for defining and implementing the pricing models are segregated from the business areas. The models used are documented and submitted to validation of an independent area and approved by the Market Risk Committee.

(v) Transfers of level 3

Consolidated	Balance in 12.31.2021	01.01 a 09.30.2022			Balance in 09.30.2022
		Transfers between levels (1)	Additions / (settlements)	Income (loss) / Other changes	
Asset					
Securities					
Securities for trading	-	12,432	-	-	12,432
Securities available to sale	712,763	251,678	9,514	201,400	1,175,355
Total	712,763	264,110	9,514	201,400	1,187,787

(1) These assets were reclassified between levels 1, 2 and 3 due to periodic review of the hierarchy.

Consolidated	Balance in 12.31.2020	2021		Balance in 12.31.2021
		Additions / (settlements)	Income (loss) / Other changes	
Asset				
Marketable securities				
Securities available to sale	575,439	64,121	73,203	712,763
Total	575,439	64,121	73,203	712,763

(vi) Fair value of financial instruments measured at adjusted cost

Financial instruments registered in equity accounts, compared to fair value:

Consolidated	09.30.2022		12.31.2021	
	Book value	Fair value	Book value	Fair value
Assets	68,880,906	68,171,967	68,048,099	67,367,302
Compulsory deposits at the Central Bank of Brazil (Note 11b)	2,070,122	2,070,122	1,492,118	1,492,118
Liquidity interbank investments (Notes 7 / 8a)	1,716,648	1,716,648	6,079,979	6,079,979
Securities - Held to Maturity (Note 9a)	16,262,617	15,554,520	13,796,106	13,115,352
Loan portfolio (Notes 12a / 30.1.b.iv)	44,313,734	44,312,892	44,333,258	44,333,215
Other financial assets (Note 13a)	4,517,785	4,517,785	2,346,638	2,346,638
Liabilities	(102,372,788)	(101,789,927)	(98,321,605)	(99,527,169)
Money market repurchase commitments (Notes 18c / 30.1.b.iv)	(20,431,874)	(20,272,636)	(16,237,842)	(16,102,470)
Deposits (Note 18a)	(21,925,275)	(22,033,651)	(24,046,720)	(24,650,396)
Borrowings and transfers from Brazilian government (Onlendings) (Note 19)	(6,068,028)	(5,932,369)	(5,102,555)	(5,038,626)
Securities issued (Note 20)	(40,347,534)	(39,798,817)	(38,273,281)	(38,797,695)
Subordinated debts and debt instruments eligible for capital (Note 21)	(4,290,247)	(4,442,624)	(3,588,447)	(3,865,222)
Other financial liabilities (Note 22a)	(9,309,830)	(9,309,830)	(11,072,760)	(11,072,760)
Total	(33,491,882)	(33,617,960)	(30,273,506)	(32,159,867)

Metrics used to determine the fair value of the main financial instruments

Interbank investments: For operations in this group, the book value was considered as an approximation equivalent to fair value, as they are mostly short-term operations.

Securities: Securities classified in the "trading" and "available for sale" categories are accounted by their fair value, based on the collection of market information and the use of standardized mark-to-market methodologies, generally based on the discounted cash flow method. For the calculation of fair value, the aforementioned techniques are also applied to securities classified in the "held to maturity" category.

Loan and lease operations: Loan operations allocated to Hedge Accounting programs, of the market risk hedge type, are accounted by their fair value. For leasing operations, the fair value was calculated based on discounted future flow values considering current market rates and for other operations, the book value was considered an equivalent approximation of the fair value.

Deposits: For time deposit operations, discounted future flow amounts were used for the calculation of fair value considering current market rates. For demand deposits, the book value was considered as fair value.

Borrowings and onlendings: It was taken into account the fair value of this group operations equals to its book value.

Money market purchase commitment: For variable rate commitments, it was considered the book value as an equivalent approach to fair value. For fixed rate commitments, it was used the values of discounted future flow to calculate fair value, considering present market rates.

Securities issued: For the operations of this group, the book value was considered as an approximation equivalent to the fair value. For fixed-rate transactions, the discounted future flows values were used to calculate the fair value considering current market rates.

Subordinated debt and debt instruments eligible for equity: For the operations of this group, the discounted future flow values were used to calculate the fair value, considering the prevailing market rates.

c) Liquidity risk**(i) Definition**

Liquidity risk is defined as:

- Possibility of the Conglomerate not being able to effectively honor expected and unexpected current and future obligations, including those deriving from guarantee binding, without affecting its daily operations and without incurring significant losses; and
- Possibility that the Conglomerate not be able to trade a position at market price due to its large size in relation to the usually traded volume, or due to market discontinuity.

d) Operational risk**(i) Definition**

Operational risk is defined as the possibility of losses resulting from external events or from failure, deficiency or inadequacy of internal processes, people or systems. This definition includes the legal risk associated with inadequacies or deficiencies in contracts signed by the Conglomerate, sanctions due to non-compliance with legal provisions and indemnities for damages to third parties arising from the activities carried out by the Conglomerate. Operational risk events include:

- Internal and external fraud;
- Labor claims and poor workplace safety;
- Inadequate practices regarding customers, products and services;
- Damage to physical assets owned or in use by the Conglomerate;
- Situations that lead to the disruption of the activities of the Conglomerate;
- Failures in information technology systems, processes or infrastructure; and
- Failure to execute, comply with deadlines or manage the activities of the Conglomerate.

e) Social, environmental and climatic risk**(i) Definition**

CMN Resolution No. 4,943, which came into force in July 2022, established a specific definition for social and environmental risk, in addition to introducing the concept of climate risk. Social risk is related to practices that violate fundamental rights and guarantees or common interests. Environmental risk is associated with acts of environmental degradation. Climate risk is divided into: (i) transition risk, related to the process of transition to a low carbon economy, and (ii) physical risk, related to the occurrence of frequent and severe weather or long-term environmental changes, which may be associated with changes in weather patterns.

(ii) Social, environmental and climate risk management

Banco BV's social, environmental and climate risk management structure is responsible for identifying, classifying, evaluating, monitoring, mitigating and controlling the risks incurred in the Institution's activities and operations, in accordance with regulatory requirements and following the principles of relevance and proportionality mentioned in CMN Resolution No. 4,557/17.

Currently, the Conglomerate's social, environmental and climate risk management is guided by the Corporate Policy on Sustainability and Social, Environmental and Climate Responsibility (PSRSAC). This policy complies with the provisions of the new CMN Resolution No. 4,945/21, which came into force in July 2022, and the self-regulation Febraban SARB No. 14, guiding the behavior of the companies of the Votorantim Economic and Financial Conglomerate with regard to social, environmental practices and business climate and stakeholder relationships.

Demonstrating the importance of the topic for the Institution, the risk appetite (RAS) of Banco BV includes an exclusive dimension on social, environmental and climate risk, and the indicator is monitored monthly and reported to the Controls and Risks Committee (CCR), Risk and Capital Committee (CRC) and Board of Directors (CA).

Social, environmental and climate risk management observes the applicable environmental legislation, as well as evaluates the socio-environmental aspects with which the client, supplier or investee is involved, in order to support the decision-making of the competent areas during the processes of concession of credit, evaluation of real estate guarantees, approval of suppliers, funding sources, new investments, products and services.

The management of social, environmental and climate risk during the granting of credit is carried out through analysis methodologies that determine the ESG Rating, which is included in the Credit Rating assignment process. The identified data related to social, environmental and climate risks incurred from exposures in credit operations and securities will be sent to Bacen through document 2030 - Social, Environmental and Climate Risk Document (DRSAC), from the date of base date in June 2023, as provided for in BCB Resolution No. 151/21.

Additionally, in line with the Conglomerate's PSRSAC, Banco BV became a signatory to the Equator Principles (EP) in 2016. The PE is a global initiative that establishes guidelines for the identification, assessment, and management of environmental and social risks. In project finance (in operations above US\$ 10 million) and corporate financing for projects. These guidelines also stipulate a minimum standard for carrying out due diligence during the implementation of these projects and assist in credit decision making.

2) Capital management

Capital management in the Conglomerate is carried out with the objective of ensuring compliance with regulatory limits and establishing a solid capital base that enables the development of business and operations in accordance with the Conglomerate's strategic plan.

In accordance with Resolutions no. 4,557, of National Monetary Council (CMN), and Bacen Circular no. 3,846, the Conglomerate has structure and policies for capital management approved by the Board of Directors, in compliance with Internal Capital Adequacy Assessment Process (ICAAP), contemplating the following items:

- Capital management through a continuous process of planning, evaluating, controlling and monitoring the capital needed to deal with the relevant risks;
- Documented policies and strategies;
- Specific forums to compose strategies and manage the use of capital;
- Capital Plan for three years, including Capital targets and projections, main funding sources and Capital contingency plan;
- Stress tests and their impacts on Capital;
- Managerial reports to the Senior Management (Executive Board and Board of Directors);
- Evaluation of Capital Adequacy in the Regulatory and Economic View; and
- Report to the regulator regarding capital management, through the Statement of Operational Limits and Annual Report of ICAAP.

In addition, analyzes of the feasibility of repurchasing instruments eligible for capital with redemption clauses are performed, whenever pertinent.

(i) Capital ratios

Capital ratios are calculated according to the criteria set by CMN Resolutions no. 4,955/21 and no. 4,958/21, which refer to the calculation of Reference Equity (PR) and Minimum Required Reference Equity (MRE) in relation to Risk Weighted Assets (RWA), respectively, as follows:

- Basel Index (PR / RWA);
- Principal Capital Index (Principal Capital / RWA);
- Level I Index (Level I / RWA).

The Leverage Ratio (RA), as established by BACEN Circular No. 3,748/2015, is defined by the Tier I ratio over the Conglomerate's Total Exposure. The minimum limit of the Leverage Ratio (RA) is 3%, according to Resolution No. 4,615 of the National Monetary Council.

CMN Resolution No. 4,955/21 defines the items referring to prudential adjustments deducted in full from the Reference Equity:

- (i) goodwill paid on the acquisition of investments based on expected future profitability, net of deferred tax liabilities associated therewith;
- (ii) intangible assets;
- (iii) actuarial assets related to defined benefit pension plans net of related deferred tax liabilities associated to them;
- (iv) Investments in a) entity similar to unconsolidated financial institution, insurance company, reinsurer, capitalization company and open entity of supplementary pension; and b) an institution authorized to operate by The Central Bank of Brazil or in an institution located abroad that has an activity equivalent to that of a financial institution in Brazil, which does not compose the Conglomerate;
- (v) participation of non-controlling shareholders in the capital of a) subsidiary that is an institution authorized to operate by Bank Central do Brasil; and b) subsidiary abroad that has an activity equivalent to that of a financial institution in Brazil;
- (vi) tax credits arising from temporary differences that depend on the generation of profits or future tax revenues for their realization;
- (vii) tax credits arising from tax losses and negative basis of social contribution on net income. The Conglomerate considers the effects of the application of § 10 of Article 5 of CMN Resolution No. 4,955/2021, which authorizes financial institutions to stop deducting from the Principal Capital, tax credits from tax losses arising from a short position in foreign currency held with the objective of providing hedge for its participation in investments abroad, in the following schedule: I - at least 50% (fifty percent), until June 30, 2022; and II - 100% (one hundred percent), until December 31, 2022.
- (viii) Non-controlling interest in the capital of: a) subsidiary in the country that is not an institution authorized to operate by the Central Bank of Brazil; and b) subsidiary abroad that does not carry out an activity equivalent to that of a financial institution in Brazil;
- (ix) Among others.

CMN Resolution No. 4,955/2021 came into force on January 3, 2022 and revoked CMN Resolution No. 4,192/2013. There were no relevant impacts on the calculation of the Reference Equity of the Prudential Conglomerate with this regulatory change.

The scope of consolidation used as a basis for verifying operating limits considers the Prudential Conglomerate, defined in CMN Resolution No. 4,950/2021 and revoked CMN Resolution No. 4,280/2013. There were no relevant impacts on the calculation of the Reference Equity of the Prudential Conglomerate with this regulatory change.

(ii) Capital sufficiency (regulatory view)

The analysis of capital sufficiency in the regulatory view aims to assess whether the Company has Reference Equity (Available Capital) at a level higher than the capital required to cover Pillar I risks, plus the additional requirement to cover the risk of variation in rates interest on operations not classified in the trading book (IRRBB) according to BCB Resolution No. 48/2020.

Monthly after the calculation of the Referential Equity (PR) and Required Capital, management reports for monitoring the capital allocated to risks and capital ratios (Basel, Level I and Principal) are published for the areas involved.

The information on the Basel Ratio of the Prudential Conglomerate is presented below:

Basel ratio	09.30.2022	12.31.2021
PR - Reference Equity	13,078,853	12,209,489
Level I	12,154,819	11,419,468
Complementary Capital	2,185,896	1,683,059
Common Equity	9,968,923	9,736,409
Shareholders' equity ⁽¹⁾	12,538,176	11,390,169
Prudential adjustments ⁽²⁾	(2,569,253)	(1,653,760)
Others	(2,567,320)	(1,652,121)
Adjustment to fair value	(1,933)	(1,639)
Level II	924,033	790,021
Subordinated debts eligible as capital	924,033	790,021
Subordinated debts authorized in accordance with CMN Resolution No. 4,955/2021 ⁽³⁾	924,033	790,021
Risk-weighted assets (RWA)	76,711,623	77,154,848
Credit risk (RWACPAD)	68,461,243	69,307,571
Market risk (RWAMPAD)	955,082	909,356
Operational risk (RWAOPAD)	7,295,298	6,937,921
Minimum Required Regulatory Capital ⁽⁴⁾	6,136,930	6,172,388
Minimum Required Capital ⁽⁵⁾	3,452,023	3,471,968
Tier I Minimum Required Reference Equity ⁽⁶⁾	4,602,697	4,629,291
Regulatory Capital determined to cover interest rate risk of transactions not classified in trading portfolio (RBAN)	684,929	310,146
Margin on Minimum Required Regulatory Capital	6,941,923	6,037,101
Margin on Minimum Required Capital	6,516,900	6,264,441
Margin on Minimum Required Tier I Regulatory Capital	7,552,122	6,790,178
Margin on Minimum Required Regulatory Capital including RBAN and ACP ⁽⁷⁾	4,339,203	4,183,859
Common Equity Index (CP / RWA)	13.00%	12.62%
Tier I Capital Index (Tier I / RWA)	15.84%	14.80%
Basel ratio (PR / RWA)	17.05%	15.82%
Leverage ratio	8.01%	8.02%

⁽¹⁾ According to article art. 4, § 2 of CMN Resolution No. 4,955/2021, the amounts related to adjustments to the fair value of derivative financial instruments used to hedge the cash flow of hedged items that do not have their fair value adjustments recorded in the books do not make up the basis of calculation for purposes of calculating the Reference Equity. The amounts reported include these adjustments.

⁽²⁾ Consider the effects of the application of § 10 of Article 5 of CMN Resolution No. 4,955/2021, which authorizes financial institutions to stop deducting from the Principal Capital, tax credits from tax losses arising from a short position in foreign currency carried out with the objective of to provide hedge for its participation in investments abroad in the following schedule: I - at least 50% (fifty percent), until June 30, 2022; and II - 100% (one hundred percent), until December 31, 2022.

⁽³⁾ The balance of Subordinated Debt instruments issued prior to CMN Resolution No. 4,955/2021 was considered with the application of the reducers established in art. 27 of the aforementioned Resolution.

⁽⁴⁾ Corresponds to the application of the factor "F" to the amount of RWA, with "F" being equal to 8% of the RWA.

⁽⁵⁾ It represents at least 4.5% of RWA.

⁽⁶⁾ It represents at least 6% of RWA.

⁽⁷⁾ Additional Principal Capital (ACP) which corresponds to the Conservation Additional and Countercyclical Additional.

Prudential Adjustments deducted from Common Equity:

	09.30.2022	12.31.2021
Prudential Adjustments I - Goodwill paid	(187,480)	(101,827)
Prudential Adjustments II - Intangible assets	(891,701)	(647,617)
Prudential Adjustments VII - Deferred tax assets from Intertemporal differences	(482,904)	(169,013)
Prudential Adjustments VIII - Deferred tax assets of Tax losses/negative basis of CSLL	(1,005,235)	(733,664)
Prudential Adjustments XV - Understatement - Resolution No. 4,277/13 Adjustments	(1,933)	(1,639)
Total	(2,569,253)	(1,653,760)

Fixed asset index

Conglomerate Prudential's fixed assets ratio totaled 0,010% (0,018% on December 31, 2021), being calculated in accordance with CMN Resolutions No. 4,955/21, which became effective as of January 3, 2022. There are no relevant impacts on the calculation of the fixed asset ratio of the Prudential Conglomerate with this regulatory change.

	09.30.2022	12.31.2021
Fixed assets limit	6,539,427	6,104,745
Value of fixed assets limit position	1,348,993	2,220,489
Value of margin or insufficiency	5,190,434	3,884,256

In accordance with BCB Resolution nº 54/2020, the Conglomerate holds additional information of its procedure of capital and risks management in the website: www.bancobv.com.br/ri.

31. ENVIRONMENT, SOCIAL AND GOVERNANCE - ESG PRACTICES

a) Governance and regulation

In May 2021, the bank launched its long-term ESG commitments, until 2030, called the "Pact for a lighter future", which defines 5 public goals that will guide the Conglomerate's actions, divided into 3 pillars: climate change, sustainable business and diversity. In addition, the bank included sustainability goals in the variable compensation of executives and in the strategic planning, as described in note 28. In June 2022, the Board of Directors approved the creation of the ESG Committee to advise it on socio-environmental aspects.

In the context of the Sustainability dimension of the BC# Agenda, the Central Bank of Brazil (Bacen), using as a reference the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), a task force created in 2015 by the Financial Stability Committee (FSB), published in September 2021: BCB Resolution No. 139 and BCB Normative Instruction No. 153, which provide for the Social, Environmental and Climate Risks and Opportunities Report (GRSAC) and enter into force in December 2022 and CMN Resolution No. 4,945 which provides for the Social, Environmental and Climate Responsibility Policy (PRSAC), and came into force in July 2022 for an institution classified under S2, which is the case of BV bank. The bank's sustainability can be consulted at www.bancobv.com.br/ri.

The socio-environmental risk management guidelines and definitions established by CMN Resolution No. 4,327/2014 will be replaced by CMN Resolution No. 4,943/21, which amends CMN Resolution 4,557/2017, to include a specific section with definitions and requirements for managing social, environmental and climate risks applicable to Financial Institutions, coming into force in July 2022 for an institution classified under S2, which is the case of banco BV. Additional information on social, environmental and climate risk and its management by the Conglomerate is described in note 30.1.e.

In June 2022, the Federal Accounting Council created, through CFC Resolution n°1.670/22, the Brazilian Sustainability Pronouncements Committee, which aims to study and prepare technical documents on sustainability disclosure standards and the disclosure of information of this nature.

b) Environment

Banco BV is one of the main financing banks for photovoltaic panels for solar energy for residential use and as of September 30, 2022 this portfolio is R\$ 4,098,983 (R\$ 2,513,353 on December 31, 2021).

In March 2020, banco BV carried out the first issuance of a green bond in the amount of R\$ 255,535 recorded under the heading of Resources from acceptance and issuance of bonds, which were allocated to assets or projects related to the generation of renewable energy, such as financing solar panels and developing wind farms. The bank's inaugural issue obtained the international certification of the Climate Bonds Standard, which is coordinated by the Climate Bonds Initiative (CBI). CBI is a non-profit organization focused on promoting large-scale investments in the low-carbon economy. It is the only organization in the world that has Climate Bonds Standard and Sectoral Criteria to certify emissions as green. Issue materials such as the Green Bond Framework, Second-Party Opinion, Green Bond Annual Report, and Post-issuance Verification can be found at www.bancobv.com.br.

In the period from January 01 to September 30, 2022, Banco BV carried out new issuances of green bonds (CDB green) in the amount of R\$ 593,255. In July 2022, the bank concluded a fundraising in the amount of R\$ 269,960 with the International Finance Corporation (IFC), the funds will be used to expand access to financing for sustainable vehicles in Brazil, including electric, hybrid and multi-fuel vehicles, contributing to reduce greenhouse gas emissions in the country.

Fundraising	Currency	Issued amount	Interest rates p.a.	Issuance year	Maturity year	Parent Company and Consolidated	
						09.30.2022	12.31.2021
Deposits (Note 18a)						281,594	-
Time Deposits						281,594	-
Variable rate	R\$	76,182	From 103.00% to 107.30% of the DI	2022	2024	77,327	-
With exchange variation	USD	38,084	From 97.80% to 100.60% pa +	2022	2023	204,267	-
Resources for acceptance and issuance of securities (Note 20)						1,154,725	1,082,731
Securities issued abroad						274,947	280,739
Foreign exchange	USD	50,000	3,35% p.a. + exchange rate variation	2020	2024	274,947	280,739
Financial bills						879,778	801,992
Variable rate	R\$	293,150	From 1,23% to 1,37% p.a. + DI	2021	2024	334,137	302,919
Variable rate	R\$	466,700	From 5,26% to 5,84% p.a. + IPCA	2021	2027	545,641	499,073
Obligations for loans and onlendings (note 19b)						273,253	-
Obligations for loans						273,253	-
Taken from bankers abroad	USD	50,000	5.05% pa + exchange variation	2022	2027	273,253	-
Total						1,709,572	1,082,731

In November 2020, BV bank announced a public commitment to offset the entirety of CO₂ emissions from the cars it finances from 2021. In the period from January 01 to September 30, 2022, BV bank recognized in the result (in Other operating expenses) the provision for CO₂ expenses, as a contra entry to the corresponding liability, recorded in Other liabilities - Offsetting CO₂ emissions from vehicles financed by Banco BV. The bank acquired carbon credits and green bonds, representing a total of 5,408 million tons of CO₂, recorded under Intangible Assets and their consumption (amortization) is carried out based on the volume of CO₂ produced by the financed vehicles, recorded under Other administrative expenses - Amortization. The accounting practices adopted by the Institution for the recognition and measurement of carbon credits and green bonds that are acquired and the liability corresponding to the commitment to offset carbon emissions are described in explanatory notes 4I and 4r, respectively.

The table below shows the accounting effects of the equity record and income:

	Parent Company and Consolidate	
	09.30.2022	12.31.2021
Asset	19,141	23,187
Intangible assets (Note 17a)	19,141	23,187
Carbon credits and green bonds - Cost value	28,114	27,573
Carbon credits and green bonds - Accumulated	(8,973)	(4,386)
Liabilities		
Other liabilities (Note 22a)	595	428
Compensation of CO ₂ emission by vehicles financed by Banco BV	595	428

	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Income				
Other administrative expenses (note 23d)	(1,675)	(1,330)	(4,587)	(3,166)
Amortization	(1,675)	(1,330)	(4,587)	(3,166)
Other operating expenses (note 23f)	(60)	(3)	(167)	(430)
Provision for offsetting CO ₂ emissions by vehicles financed by Banco BV	(60)	(3)	(167)	(430)
Total expenses recognized in income	(1,735)	(1,333)	(4,754)	(3,596)

Since 2020, the Bank has been offsetting its greenhouse gas emissions (GEE), which became a public commitment in 2021. The commitment is the annual compensation of 100% of direct GEE emissions, recognizing in the result (under Other administrative expenses - Others) the amount of R\$ 61 in the period ended on September 30, 2022, referring to expenses with consulting and carrying out the GEE inventory (R\$ 57 in the period ended September 30, 2021, referring to the acquisition of 10 thousand tons of carbon credits and other consulting and auditing expenses). There were no new purchases of carbon credits for direct emissions, as the amount incurred in 2021 was sufficient to offset emissions in 2022.

c) Social

Faced with the pandemic caused by COVID-19, Banco BV supported vulnerable families and contributed to the improvement of hospital infrastructure, whose management is supported by Fundação Banco do Brasil and Instituto Votorantim. Banco BV also supports various social projects incentivized and promotes support actions, in the period ended September 30, 2021, it allocated the amount of R\$ 1,002 (R\$ 1,284 in the period ended September 30, 2021).

32. OTHER INFORMATION

a) Information about branches abroad

	09.30.2022	12.31.2021
Current and non-current assets	7,602,697	7,979,096
Banco Votorantim S.A. – Nassau Branch	7,602,697	7,979,096
Total Assets	7,602,697	7,979,096
Current and non-current liability	(5,861,867)	(6,185,903)
Banco Votorantim S.A. – Nassau Branch	(5,861,867)	(6,185,903)
Shareholder's equality	(1,740,830)	(1,793,193)
Banco Votorantim S.A. – Nassau Branch ⁽¹⁾	(1,740,830)	(1,793,193)
Total liabilities	(7,602,697)	(7,979,096)

	07.01 to 09.30.2022	07.01 to 09.30.2021	01.01 to 09.30.2022	01.01 to 09.30.2021
Income (loss)	38,593	23,931	125,323	84,159
Banco Votorantim S.A. – Nassau Branch ⁽¹⁾	38,593	23,931	125,323	84,159

⁽¹⁾ Include exchange variation.

b) Insurance coverage

The Conglomerate contracts insurance coverage for assets subject to risks for amounts considered to be sufficient to cover eventual claims, considering the nature of its activity.

Insurance coverage

Covered risk	09.30.2022		12.31.2021	
	Covered values	Insurance premium	Covered values	Insurance premium
Parent Company				
Insurance Guarantee - Guarantee for legal proceedings	1,285,079	7,911	1,196,449	7,676
Real estate insurance for properties in use of relevant third parties	117,000	28	117,000	28
Cybersecurity insurance	100,000	2,986	100,000	2,318
Consolidated				
Insurance Guarantee - Guarantee for legal proceedings	1,538,028	9,655	1,374,444	8,411
Real estate insurance for properties in use of relevant third parties	122,700	31	122,700	31
Cybersecurity insurance	100,000	2,986	100,000	2,318

c) Agreements for offset and settlement of liabilities in the scope of the National Financial System

Agreements were executed for the offset and settlement of receivables and payables pursuant to CMN Resolution No. 3,263/2005, the purpose of which is to enable the offsetting of credits and debits maintained with the same counterparty, and in which the maturity dates of receivables and payables can be advanced to the date in event of default by one of the parties occurs or in case of the bankruptcy of the debtor.

d) Reconciliation of equity transactions with cash flows arising from financing activities

Parent Company and Consolidated	Liabilities			Shareholder's equity		Total
	Subordinated debts	Debt instruments eligible for capital	Dividends and interest over capital	Capital	Capital and income reserves ⁽¹⁾	
Balance in 12.31.2021	93,651	3,494,796	595,000	8,130,372	3,327,752	15,641,571
Resources from the allocation of income	-	-	-	-	41,634	41,634
Changes with cash effect	(50,373)	496,937	(245,000)	-	-	201,564
Interest on equity paid ⁽²⁾	-	-	(245,000)	-	-	(245,000)
Liquidation	-	(271,143)	-	-	-	(271,143)
Transfers	(250,473)	250,473	-	-	-	-
Resources from new funding	200,100	500,100	-	-	-	700,200
Taxes	-	17,507	-	-	-	17,507
Changes with no cash effect	8,675	246,561	75,000	350,000	-	680,236
Transfers	-	-	(350,000)	350,000	-	-
Interest expenses	8,675	298,731	-	-	-	307,406
Exchange variation	-	(52,170)	-	-	-	(52,170)
Interest on equity paid ⁽²⁾	-	-	425,000	-	-	425,000
Balance in 09.30.2022	51,953	4,238,294	425,000	8,480,372	3,369,386	16,565,005

Parent Company and Consolidated	Liabilities			Shareholder's equity		Total
	Subordinated debts	Debt instruments eligible for capital	Dividends and interest over capital	Capital	Capital and income reserves ⁽¹⁾	
Balance in 12.31.2020	193,543	3,499,583	72,709	8,130,372	2,466,444	14,362,651
Resources from the allocation of income	-	-	-	-	40,730	40,730
Changes with cash effect	229,241	(379,953)	(72,709)	-	-	(223,421)
Interest on equity paid ⁽²⁾	-	-	(72,709)	-	-	(72,709)
Liquidation	(27,684)	(645,055)	-	-	-	(672,739)
Transfers	(246,640)	246,640	-	-	-	-
Resources from new funding	503,565	-	-	-	-	503,565
Taxes	-	18,462	-	-	-	18,462
Changes with no cash effect	5,401	265,325	-	-	-	270,726
Interest expenses	5,401	192,515	-	-	-	197,916
Exchange variation	-	72,810	-	-	-	72,810
Balance in 09.30.2021	428,185	3,384,955	-	8,130,372	2,507,174	14,450,686

⁽¹⁾ Refers to the balance of Banco Votorantim capital and profit reserves. Does not include profit for the period recorded in retained earnings.

⁽²⁾ Net value of taxes.

e) Assets under management

Position of investment funds managed by Votorantim Asset Management Distribuidora de TVM S.A. ^{(1) (2)}.

	Quantity of funds/portfolios		Balance	
	09.30.2022	12.31.2021	09.30.2022	12.31.2021
Investment funds and portfolios managed accounts	196	210	48,964,465	52,340,574

⁽¹⁾ On September 30, 2021, the change of the corporate name of Votorantim Asset DTVM to BV DTVM was approved.

⁽²⁾ On August 29, 2022, the transformation of its legal type Ltda. for S.A.



FINANCIAL STATEMENTS

as of September 30, 2022

(Amounts in thousands of Reais, unless otherwise indicated)

33. SUBSEQUENT EVENTS

a) Green borrowing

In October 2022, Banco BV concluded a new funding in the amount of R\$ 517,000 (US\$ 100,000) with the International Finance Corporation (IFC), a member of the World Bank Group. This operation is in line with Banco BV's ESG strategy (Note 31).

b) Assignments without recourse

In October 2022, Banco BV carried out credit assignments without recourse with substantial retention of risks and benefits with a subsidiary in the amount of R\$ 640,009.

THE BOARD

Alexei De Bona - Accountant - CRC PR-036459/O-3
