Financial Statements

December, 31 2023

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banco

FINANCIAL STATEMENTS
as of December 31, 2023
(In thousands of Reais, unless otherwise stated)

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PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

Management Report

December 31, 2023

We present the Management Report and the Individual and Consolidated Financial Statements of Banco Votorantim S.A. (BV Bank or Bank) for the period ended December 31, 2023, prepared in accordance with accounting practices adopted in Brazil, established by the Brazilian Corporate Law, in compliance with the rules and instructions of the National Monetary Council (CMN), of Central Bank of Brazil (Bacen), the Securities and Exchange Commission (CVM), when applicable, and presented in accordance with the Accounting Plan for Institutions of the National Financial System (COSIF).

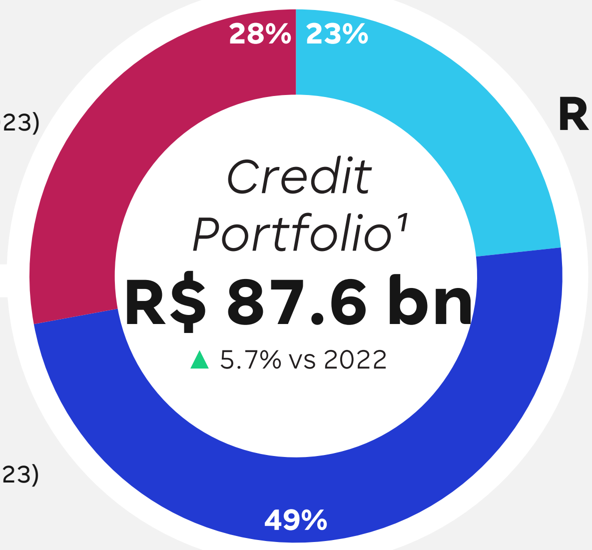
2023 Highlights

Resilience in the core business...

Recurrent Net Income
R$ 1,154 mln
▼ 21.2% vs 2022

Recurrent ROE
9.1%
▼ 3.1 p.p. vs 2022

... with advances in the **diversification strategy**...



Wholesale
R$ 24.4 bn (2023)
▼ 2.9% vs 2022

Used Light Vehicles
R$ 42.7 bn (2023)
▲ 14.5% vs 2022

Growth
R$ 20.4 bn (2023)
▼ 0.1% vs 2022

Motorcycles, Heavy and New
R$ 4.4 bn (2023)
▲ 19.1% vs 2022

Car Equity Loan
R$ 3.3 bn (2023)
▲ 56.4% vs 2022

BaaS[2] Platform
R$ 154 bn (TPV 2023)
▲ 10% vs 2022

Insurance
R$ 1.4 bn
(Insurance premiums 2023)
▲ 53.5% vs 2022

... maintaining a **solid balance sheet** with efficient risk management

NPL 90 days
5.2%
▲ 0.3 p.p. vs 2022

Coverage Ratio
156%
vs 166% in 2022

Basel Ratio
15.6%
▲ 1.3 p.p. vs 2022

1 – Expanded Loan Portfolio; 2 - Banking as a Service. Segment in which BV is market leader

Strategy

Client Centricity | *Diversification & Profitability* | *Innovation & Technology* | *People, Culture & ESG*

In 2023, we completed 4 years since the beginning of our customer-oriented journey. During this period, we achieved significant milestones that supported our advances to become a customer-oriented bank. We repositioned our brand, established a new customer division, developed personalized solutions and entered into strategic partnerships. Furthermore, we invested heavily in training our customer service teams and improved our digital channels, aiming to improve our customers' experience. The launch of the digital account in 2020 further reinforced our dedication to customer centricity, offering all our solutions through the BV app.

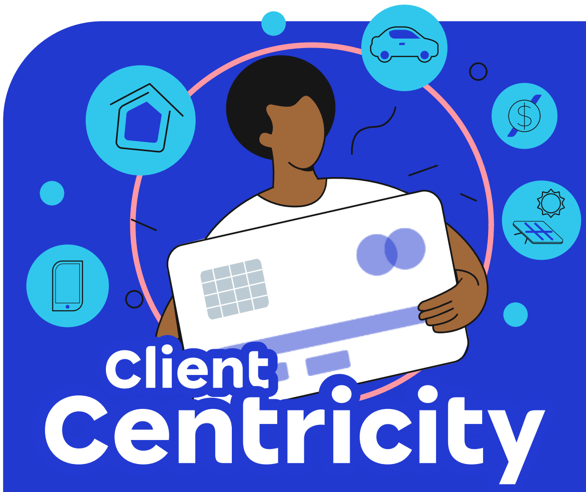
In 2023, the partnership with Méliuz, which aims to strengthen our skills in attracting and engaging customers, completed its first year since the announcement, and has already delivered promising results: it was opened more than 900 thousand BV digital accounts, and it was issued over 45 thousand credit cards within the Méliuz app. We will soon launch the Méliuz white label shopping mall within our BV digital banking experience, which will be another solution focused on improving the customer experience.

These initiatives were essential for attracting new customers, increasing engagement and extending lifetime value, while evolving brand perception and satisfaction levels. At the end of 2023, we reached 5.0 million individual customers, with a higher engagement level, evidenced by the cross-sell index, which ended 4Q23 at 2.1 and by the increase in revenue from relationships, which reached R$ 1 billion in the year to date. Finally, the annual total payment volume (TPV) grew 22.1% over 2022, reaching R$36.9 billion.

The customer satisfaction, measured by NPS (Net Promoter Score), ended 2023 at levels of quality and excellence. In customer service, we ended 4Q23 with an average NPS of 78, compared to 75 in the same period in 2022. In the collection department, the average NPS was 75 in 4Q23, in line with the same period of the previous year. Finally, the ombudsman NPS has remained in the excellence zone in all months of 2023, ending 4Q23 at 91, compared to 89 in 4Q22.

As a result of these transformations, we have continually been among the banks with the lowest complaint rates in the Central Bank ranking. On the Consumidor.gov.br platform, we closed the year with the highest rating given by consumers for the financial sector (3.0 on a scale of 1 to 5) and a solution rate of 83.8%, the second highest rate in the financial sector.

In 2023, Banco BV entered the ranking of the 100 most valuable brands in Brazil for the first time, occupying 55th position. This achievement is the result of our solid brand repositioning strategy, focus on product development and dedication to providing the best experience to our customers.



5.0 million
Individual Customers

R$ 36.9 bn in 2023
Total Payment Volume [1]
▲22.1 % vs 2022

78 vs 75 in 4Q22
Customer Service NPS[2]

75 vs 75 in 4Q22
Collection NPS[2]

91 vs 89 in 4Q22
Ombudsman NPS[2]

1 – Includes expenses with debit, credit, DOC, TED and PIX; 2 – Transactional NPS

Strategy

Client Centricity | Diversification & Profitability | Innovation & Technology | People, Culture & ESG

We are a complete bank with a diversified business portfolio and a wide range of financial products and services for individuals and companies. Our credit portfolio is segmented as follows:

i. Financing of Used Light Vehicles:

In the auto ecosystem, we offer vehicle financing through our robust commercial strength and distribution network with a presence across the country, in addition to digital channels. At the end of 2023, we operated with more than 25 thousand car dealers spread throughout Brazil. In addition to physical presence, we also have our digital channels such as NaPista – an automotive marketplace launched in 2023, which brings together advanced solutions for car dealers, such as unlimited inventory and leads and a very user-friendly interface. In addition to our own digital channels including the BV website and NaPista, we also operate with partners such as SóCarrão and Karvi which enhances our access to potential new customers. Our auto finance process is 100% digital, from financing simulation up to the contract signing. It is also worth highlighting the efficiency in the credit analysis process, where 97% of analyzes are automated without human intervention. All these capabilities developed over decades have ensured a sustainable leadership of more than 10 years in this segment.

ii. Wholesale:

In this segment, we operate with companies with annual revenues above R$300 million. Our portfolio is sub-segmented into Corporate (revenue between R$300 million and R$1.5 billion), and Large Corporate (revenue above R$1.5 billion) + Financial Institutions. In addition to credit products, we have a strong presence in the debt capital markets (DCM), foreign exchange, cash management, capital markets and M&A.

iii. Growth:

Expanding the offer of solutions to our customers, we offer a variety of credit products that also contribute to the greater diversification of our business. The Growth segment is made up of:

- **Solar Panel Financing:** We offer financing of solar panels for homes and small businesses, either through our wide distribution network with our integrator partners, in addition to our digital partner Meu Financiamento Solar (MFS);
- **Credit Card:** We offer a diverse portfolio of cards to meet the needs of each customer, including options such as BV Livre, BV Mais and BV Único. The cards offer benefits such as a loyalty program, cashback, annual fee discounts and vehicle assistance. The credit card has been an important product within the agenda of expanding BV's relational scope as it contributes to greater customer engagement and lifetime value;
- **Motorcycles, Heavy and New Vehicles;** Our financing capabilities for used light vehicles are extended to financing other vehicles, such as motorcycles, trucks and new vehicles;
- **Car Equity Loan (EGV):** This product allows the customer to take out credit and use their already paid-off vehicle as collateral. It closely adheres to BV's strategy, both due to its historical presence in the vehicle financing segment and because it is a product with a guarantee;
- **Small and Medium-sized Enterprises (SMEs)**: Initiative seeks to expand our exposure in this company's segment with a focus on anticipating receivables, through penetration into the value chain of our Wholesale customers;
- **Other Loans (retail):** We complement our portfolio with FGTS loans, health financing, private payroll loans and personal loans.

Strategy

Client Centricity | ***Diversification & Profitability*** | *Innovation & Technology* | *People, Culture & ESG*

Wholesale

R$ 24.4 bn (2023)

▼ 2.9% vs 2022

***Corporate Banking*:**

- *Corporate* (> R$ 300 million)
- *Large Corporate* (> R$ 1,5 billion)
- Financial Institutions

Focus on diversification and profitability

Growth

R$ 20.4 bn (2023)

▼ 0.1% vs 2022

Credit Card: R$ 5.1 billion
▼ 12.6% vs 2022

Solar Panel: R$ 4.5 billion
▼ 2.9% vs 2022

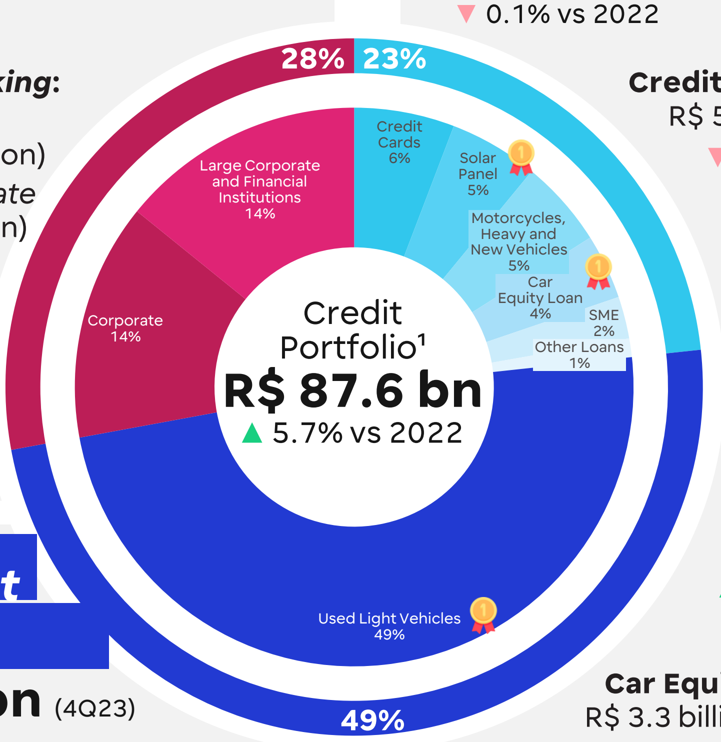
Motorcycles, Heavy and New Vehicles: R$ 4.4 billion
▲ 19.1% vs 2022

Car Equity Loan: R$ 3.3 billion
▲ 56.4% vs 2022

SME: R$ 2.1 billion
▼ 12.7% vs 2022

Other Loans: R$ 941 million
▼ 43.8% vs 2022

Leadership in financing of Solar Panels and Car Equity Loan



Used Light Vehicles

R$ 42.7 bn (4Q23)

▲ 14.5% vs 2022

- **Capillarity:** +25 thousand car dealers, digital channels
- **Efficiency**: 97% of automatic credit analyzes
- **Innovation and Digital Transformation:** 100% digital financing process
- **NaPista:** New intelligent vehicle platform, integrated into BV's financing offer

Leadership in financing of used light vehicles

1 – Expanded Loan Portfolio; Segment in which BV is market leader

Strategy

Client Centricity | *Diversification & Profitability* | Innovation & Technology | People, Culture & ESG

Furthermore, we also operate in segments that have great synergy with our retail and wholesale operations, and contribute to the bank's revenue diversification:

i. Platform:

We offer banking infrastructure services, such as individual account, PIX and slip payment aimed at companies that wish to offer banking services to their customers without the complexity of becoming a bank, all through an open platform connected predominantly through API (Application programming interface). For fintechs or industry sectors that aim to explore the digital wallet market, our Banking as a Service (BaaS) solution makes it possible for such institutions, which do not have direct access to the SPB (Brazilian Payment System), to carry out transactions with the financial market through a superior and individualized experience for its customers. For participants in the card industry - issuers, acquirers and sub-accreditors - our BaaS solution offers the financial settlement service in a fully automated way.

In 2023, we recorded more than R$ 154 billion in TPV on our Platform, representing 10% growth over 2022, with 171 connected customers. And we have completed the acquisition of Bankly, which will boost our BaaS strategy and reinforce our ambition to become the main platform for this model in Brazil.

*BaaS Platform_*

171

partners in the 4Q23_

R$ 154 bn TPV[1] in 2023_

▲10% vs 2022

Bankly

transaction completed in Nov/23

ii. Insurance:

With strong synergy with our vehicle financing business, we operate in the insurance segment as one of the largest insurance brokers in the country, in partnership with the main insurance companies in the market, offering a wide range of solutions aligned to the diverse needs of our customers. Our products include vehicle, credit life, home, dental, life and personal accident insurance, pet and funeral assistance.

In 2023 we recorded more than R$1.4 billion in premiums issued, growth of 53.5% over 2022 and a record in the history of BV.

BV Insurance Broker

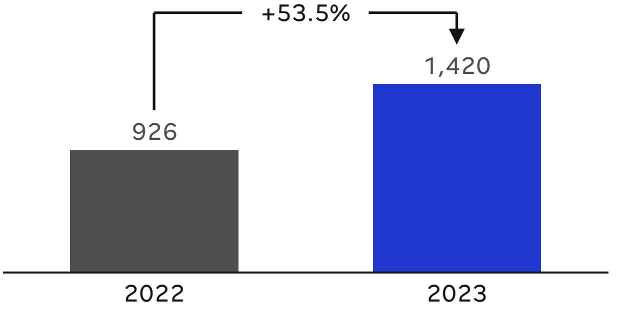
+ 10

Partners Insurance Companies

Historical record

in insurance premiums issued in 2023

Insurance Premiums Issued (R$ mln)

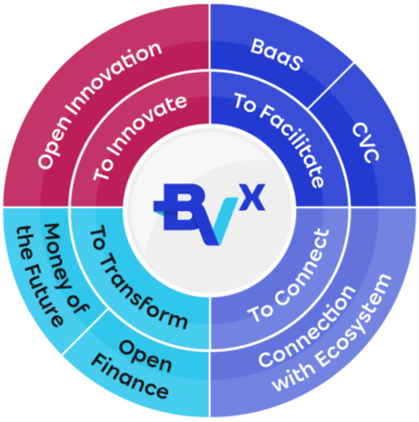


1 – TPV: Total Payment Volume, includes registration and payment of bills, TED, DOC and Pix

Strategy

Client Centricity | Diversification & Profitability | **Innovation & Technology** | People, Culture & ESG

As a data and technology-driven bank, our commitment lies at the forefront of financial innovation. We use advanced data analytics to understand the individual needs of our customers in order to provide personalized and efficient experiences. We consolidated all our innovation initiatives and digital partnerships within the BVx ecosystem. Through it, we seek to enhance the attributes that are already present in our daily lives: Innovate with solutions seen from different perspectives; Connect people, products and services; Facilitate partnerships and investments and; Transform businesses focused on the financial lives of people and companies.



BVx Ecosystem

Our ecosystem of innovation and digital partnerships (BVx) is made up of six areas of activity: (i) Banking as a Service (BaaS); (ii) Corporate Venture Capital (CVC); (iii) Connection with the Ecosystem; (iv) Open Finance; (v) Future Money; and (vi) Open Innovation. These fronts allow BVx to achieve its objective of offering innovative solutions, facilitating connections between interested parties and helping to transform businesses, in order to improve the financial lives of people and companies.

Corporate Venture Capital (CVC)

We build strategic partnerships with the aim of expanding the reach of our solutions and, at the same time, enriching the product offering for our customers. We ended 2023 with a portfolio of 11 invested companies from different segments, including e-commerce, solar energy, buy now pay later, insurtech and open finance.

First year of partnership with Méliuz

At the end of 2023, we completed the first year since the announcement of the strategic partnership with Méliuz, which aims to strengthen our skills in customer attraction and engagement, and we have already recorded promising results: we opened more than 900 thousand BV digital accounts and issued more than 45 thousand credit cards through the Méliuz app. We are transferring accounts and cards from Méliuz's legacy operation to BV and will begin offering new BV products on the Méliuz app throughout the first half of 2024. The next steps of the partnership include the development of the Méliuz white label shopping mall, in pilot phase at the beginning of 2024, within our BV digital banking experience, which will help us in the search for the principality of our customers.

Connection with the Ecosystem

On this front, our objective is to seek constant rapprochement with partner agents in the innovation ecosystem in the financial industry. We ended the year with 40 active contracts with startups, 4 times higher than the previous year. In addition, we were present and sponsored the main innovation and technology events of 2023 that discussed trends in the financial sector: South Summit, Web Summit, Hacktown, Startup Summit and CASE.

On the international agenda, BV was present at SXSW, in Texas (USA), a festival that anticipates the main trends in the sector and participated in Money 20/20 in October, one of the biggest global innovation events in the financial market.

Strategy

Client Centricity | Diversification & Profitability | Innovation & Technology | People, Culture & ESG

Open Finance

Open Finance is an ecosystem under construction that gives customers more control over their finances. Our goal is to provide the best opportunities for customers, through data sharing, aiming to significantly transform their experiences. During 2023, we innovated and launched the CO^2 emissions statement based on Open Finance data, where our card customers can receive communication with the total value of carbon dioxide (CO^2) emissions associated with purchase data of the last month. This initiative was a pioneer in the Brazilian financial market, in which an institution starts using Open Finance data to calculate the diffusion of harmful gases into the environment, reaffirming our commitment to the innovation and ESG agenda. We also launched two experiences to simplify our customers' lives: the possibility of making investments in BV CDBs and paying vehicle financing installments with the balance in an account at other banks.

Money of the Future

The increase in transactions through any digital means is already a reality. Technological resources and innovations related to these financial transactions are also progressing at a rapid pace. Our objective here is to transform financial services through the digitalization of money and involvement in the country's main financial market agendas. In 2023, BV was one of the banks selected for the consortium of the pilot project for the digital real (Brazilian digital currency) – Drex, from the Central Bank of Brazil. By being involved in the project, BV remains at the forefront of innovation in financial institutions, in addition to actively contributing to the development of solutions that promote efficiency, accessibility and financial inclusion. We also expanded our role in the digital assets agenda, being one of the pioneers to advance in verifying the functionality of buying and selling tokenized federal public securities, within the tests of the digital real.

Open Innovation

On this front, our goal is to constantly innovate with a focus on developing new products and services, improving the customer experience and increasing efficiency. In 2023, we carried out Inova BV, an intrapreneurship program, with the participation of 110 employees, allowing all areas of the bank to be connected to better understand the challenges and the best way to work on new solutions. We also launched the Open Innovation Program for startups (PIA), with the aim of strengthening BV's relationship with the entrepreneurial innovation ecosystem. Finally, through our Credit Cycle Experimentation Center we analyzed more than 55 startups in search of innovative solutions and carried out a partnership project with Innovative Assessment, which aims to approve vehicle financing using customer behavior information through of a psychometric assessment and not just on traditional market parameters. This project paved the way for a more sophisticated approach to credit analysis, leading to more accurate financing approvals and benefiting both the bank and customers, generating R$ 70 million in new credits contracted.

Awards

BV was recognized as the most innovative bank in Brazil by 100 Open Startups

The numerous initiatives of our innovation ecosystem and digital partnerships have gained recognition. Recently, BV was recognized as the most innovative bank in Brazil by 100 Open Startups, an initiative that highlights startups and corporations that are leaders in open innovation for the evolution of innovation practices in Brazil and Latin America.

BV wins Google Cloud award in the Financial Services Category

In 2023 we were awarded the "Customer Award 2023" in the Financial Services category by the Google Awards, a recognition that proves our prioritization of customer centrality and commitment to collaborating with technological innovation. The awards were the result of a series of successful projects from companies around the world, such as launching new applications and features to improve the customer experience, leading complex migrations and business transformations, and using automation to increase security.

BV was certified by MIT as an Innovative Company

In 2023, the bank was also certified as one of the 72 most innovative companies in Brazil, among more than a thousand registered and 382 assessed by MIT Technology Brasil, receiving the Innovative Workplaces seal, which identifies companies with the most innovative practices in the market.

Strategy

Client Centricity | Diversification & Profitability | Innovation & Technology | **People, Culture & ESG**

It is our culture that guides the way we do business, generate results and relate to each other. And in the same way that we seek to make our customers' lives easier, we replicate the same philosophy for our employees. Therefore, we remain committed to constantly improving our company to provide a welcoming and pleasant environment for everyone.

For the fourth consecutive year, in 2023, we received the prestigious GPTW seal, which recognizes the best companies to work for and evaluates the essential attributes for a positive work environment. Additionally, we have been certified with the GPTW seal for our exemplary practices in gender equity and ethnic-racial diversity. We are also proud to win third place in the GPTW Financial Institutions 2023 ranking, in the large banks category. In the e-NPS assessment, in which employees assess whether the company is a good place to work, we achieved an index of 88, with a general favorability index of 87% among our employees, while the average for non-certified companies in 2022 was 65%. These achievements reflect our commitment to being a reference in the sector and offering an exceptional work environment.

2023 GPTW_

87 General Favorability

88 e-NPS

Great Place To Work. Certificada Mai/2023 - Mai/2024 BRASIL

2030 Commitments for a Lighter Future

Our sustainability aspiration is "To foster social development through sustainable action with our ecosystem". To strengthen our aspirational and sustainable commitment, in May 2021 we launched our "**2030 Commitments for a lighter future**". In it, we assume 5 public goals with the aim of getting closer to the UN Sustainable Development Goals and which are in line with the Global Compact, of which we are signatories. The 2030 commitments are aligned with our aspirations and based on the 3 pillars of action (i) neutralizing our environmental impact; (ii) accelerate social inclusion and; (iii) mobilize resources for sustainable businesses. Below, we present the partial achievement of commitments by the end of 2023:

Neutralize our Environmental Impact

i. *To carry out **100% of CO_2 compensation for our main business**, vehicle financing:*

   *Since the beginning of the program, 100% of the fleet financed by BV has had its CO_2 emissions offset (equivalent to **more than 3.9 million tons of CO_2 since 2021**)*

ii. *Offset **100% of BV's direct greenhouse gas** (GHG[1]) emissions:*

   *In 2023, we offset 100%, or **3.3 thousand tons of GHG[1]** related to our emissions in 2022*

Accelerate Social Inclusion

iii. *Reach **50% of leadership positions** held by **people who identify as female:***

   We are already 40% women in leadership positions and 46% women in general

iv. *Reach the participation of **35% of black people in BV's workforce**:*

   ***We reached already 25%** by the end of 2023*

Mobilize Resources for Sustainable Business

v. *Financing and distributing **R$80 billion in the capital market for ESG businesses:***

   *We reached **R$22.0 billion financed and distributed for ESG businesses** since 2021*

1 – Greenhouse gases

Strategy

Client Centricity | Diversification & Profitability | Innovation & Technology | People, Culture & ESG

In 2023, we also highlight the following initiatives and achievements within our ESG agenda:

Environmental

We grew 190% in financing of electric vehicles

We recorded a 190% increase in financing for electric vehicles in 2023 compared to 2022. This growth reinforces our commitment to promoting a low-carbon economy, contributing to the reduction of greenhouse gas emissions in Brazil.

New partnership with Rappi and Watts to facilitate access to electric motorcycles for delivery people

In 2023 we signed a new partnership with Rappi and Watts to facilitate the acquisition of electric motorcycles for independent couriers who operate through the platform. In the partnership, BV offers special conditions for delivery drivers to purchase electric motorcycles produced by Brazilian automaker Watts.

We launched a line to finance electric vehicle chargers in Brazil

The new line is intended for the purchase of electric vehicle chargers, both for residential use and for commercial establishments. The idea is to make electric vehicles increasingly accessible to consumers in general in Brazil.

Awards

We are in a prominent position in research that evaluates the quality of ESG practices

We were recognized in the "Best for Brazil" survey conducted by Humanizados, a renowned ESG assessment company. In the research, BV surpassed the market average in all indicators. This research is an important indicator of the quality of our institution's practices and can be used by various audiences, such as investors, investment funds, employees, governance and management, commercial partners, clients, consumers and society in general.

Social

BV Sports platform completed 5 years

In 2023, our BV Sports platform completed 5 years since its launching. During this journey, we helped bring the dream of great Brazilian athletes to life, creating or accelerating the formation of social institutes that use sport as a tool for social transformation. There are already 10 social institutes in 6 different states supported by BV, directly and indirectly impacting more than 12 thousand people, with results ranging from increased self-esteem to improved academic performance of the young people served.

Portfolio of Incentivized Projects

In December 2023, we allocated R$ 9.0 million to 34 cultural and sporting projects, supporting children and adolescence, elderly and health through tax Incentive laws. The projects will begin in 2024. Among the supported projects are the Baccarelli Institute, OSESP, MASP, CCBB, Mozarteum, Hospital Beneficência Portuguesa, among others.

Black Woman Cultural Selection

For the third year in a row, we selected projects that promote cultural productions created by and for black women throughout Brazil. The initiative selected 5 projects that together received R$ 831 thousand, distributed in three categories: training and protagonism of black women; creation and fulfillment by black women and memory and empowerment.

We are part of the Business Coalition to End Violence against Women

We became signatories of the Business Coalition to End Violence against Women. The movement is a union of efforts and resources from the private sector, spontaneous and collaborative, to generate social impact through awareness and mobilization in favor of ending violence against women.

Strategy

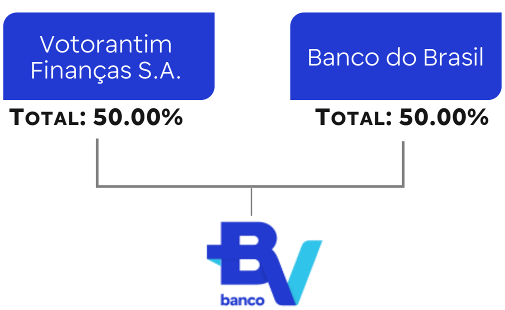
Client Centricity | *Diversification & Profitability* | *Innovation & Technology* | ***People, Culture & ESG***

Corporate Governance

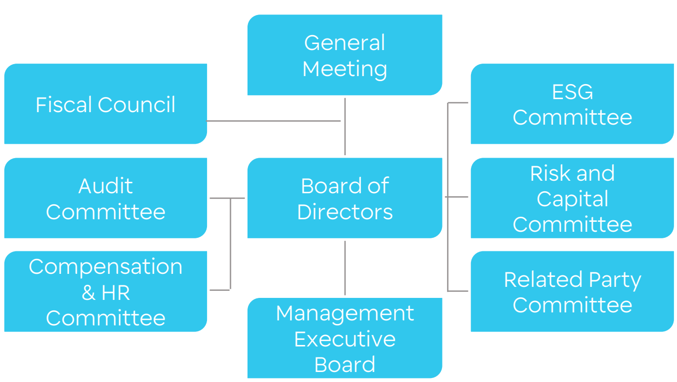
Banco BV has an organizational structure that complies with the legislation and regulations in force in Brazil and is aligned with the best corporate governance practices on the market, maintaining our commitment to the principles of transparency, equity, accountability and corporate responsibility, as well as we adopt good practice standards in line with Anti-Corruption and Social, Environmental and Climate Responsibility Laws.

Control of Banco BV is shared between shareholders Votorantim Finance S.A., the financial holding company of the Votorantim Group, and Banco do Brasil S.A., one of the largest financial institutions in the country, who have equal participation in the Board of Directors and its governing bodies. advisory services, as well as the Fiscal Council. In addition to these bodies, the General Shareholders' Meeting, the Board of Directors and the Executive Committee are also part of the bank's corporate governance.

Shareholding Structure



Governance Bodies



Awards

We are Top 5 in the Award that assesses the best companies in Corporate Governance

Among the 1,500 companies from different sectors, we were highlighted for our corporate governance practices in the notorious Estadão Empresas Mais Award, considered the most comprehensive and important business ranking in Brazil. In this award, the category evaluates the structures, practices and relationships that underpin the way companies are managed, aiming to achieve their objectives and create value for shareholders and other parties involved. The criteria assessed cover topics such as ownership, board of directors, directors, conduct, among others.

The Board of Directors is made up of 07 (seven) members, 03 (three) members being appointed by each of the controlling shareholders and 01 (one) independent member. The decisions of the Board of Directors are taken by an absolute majority, with no casting vote.

At the General Meeting held in April 2023, the members nominated by the shareholders were elected and, in August of the same year, the independent member of the Board of Directors was elected, all with a mandate until the Ordinary General Meeting of 2025.

Results

Accounting versus Managerial Reconciliation

In order to better understand and analyze the Bank's financial performance, the explanations of this report are based on the Managerial Income Statement, which considers some managerial reallocations carried out in the audited Financial Statement. These reallocations refer to:

- Expenses related to provisions (civil, labor and tax) reallocated from "(Provision) / reversal for contingent liabilities" and from "Personnel Expenses" to "Other Income (Expenses)";
- Operational costs of subsidiary Promotiva S.A. reallocated from "Other income (Expenses)" to "Income from rendered Services". As of 2023, this adjustment ceased to exist due to the sale of all Promotiva shares carried out in Dec/2022;
- Discounts granted reallocated from "Gross Financial Margin" to "Cost of Risk"
- Costs directly related to business generation reallocated from "Administrative Expenses" to "Other Income (Expenses)"

In addition to the managerial adjustments described above, the numbers presented in this section of the Report follow the view of Managerial Recurring Results. For a detailed analysis of the figures presented in this section, we recommend reading this document together with the 4Q23 Earnings Release, available on our Investor Relations website (https://ri.bv.com.br/).

Income Statement (R$ mln)	2023 Accounting	Non-recurring events	Managerial Adjustments	2023 Managerial
Revenues – Total (i + ii)	**9,352**	**0**	**1,267**	**10,619**
Gross financial margin (i)	7,148	0	1,267	8,415
Income from services and brokerage fees (ii)	2,205	0	(1)	2,204
Cost of risk	**(3,052)**	**0**	**(1,293)**	**(4,345)**
Operating expenses	**(5,248)**	**4**	**26**	**(5,218)**
Personnel and administrative expenses	(3,863)	0	674	(3,189)
Tax expenses	(612)	0	0	(612)
Other expenses (income)	(774)	4	(648)	(1,417)
Result before taxes and contributions	**1,052**	**4**	**0**	**1,056**
Income tax and social contribution	234	(1)	0	232
Minority Interest	(135)	0	0	(135)
Recurring Net Income	**1,151**	**3**	**0**	**1,154**

Results

Main Indicators

Managerial Income Statement *(R$ mln)*	2022	2023	Δ%
Total Revenue (Gross Financial margin + Income from Services and Brokerage Fees)	9,917	10,619	7.1%
Gross Financial Margin	7,968	8,415	5.6%
Income from Services and Brokerage Fees	1,950	2,204	13.0%
Cost of Risk	(3,026)	(4,345)	43.6%
Personnel and Administrative Expenses	(3,153)	(3,189)	1.2%
Personnel and Administrative Expenses ex. Depreciation and Amortization	(2,899)	(2,854)	-1.5%
Recurring Net Income	1,465	1,154	-21.2%
Accounting Net Income	1,461	1,151	-21.3%

Balance Sheet *(R$ mln)*	2022	2023	Δ%
Total assets	123,820	142,657	15.2%
Expanded loan portfolio	82,874	87,559	5.7%
Wholesale segment	27,602	26,565	-3.8%
Retail segment	55,273	60,994	10.4%
Funding sources	84,956	92,714	9.1%
Shareholders' equity	14,790	13,980	-5.5%
Basel ratio (%)	14.3%	15.6%	1.3 p.p.
Tier I Capital Ratio (%)	13.1%	14.4%	1.3 p.p.
Common Equity Tier I (%)	12.5%	13.0%	0.5 p.p.

Managerial Indicators *(%)*	2022	2023	Δ%
Return on Average Equity[1] (ROAE)	12.2%	9.1%	-3.1 p.p.
Return on Average Assets[2] (ROAA)	1.2%	0.9%	-0.3 p.p.
Net Interest Margin[3] (NIM) - Clients	10.2%	9.8%	-0.4 p.p.
Net Interest Margin[4] (NIM) - Clients + Market	7.3%	7.1%	-0.2 p.p.
Efficiency Ratio (ER) - accumulated of 12 months[5]	38.5%	36.8%	-1.8 p.p.
NPL 90-days	4.9%	5.2%	0.3 p.p.
Coverage Ratio (NPL 90-days)	166%	156%	-9.3 p.p.

Additional Information	2022	2023	Δ%
Employees[6] (quantity)	4,463	4,280	-4.1%

1. Ratio between net income and average equity for the period, annualized. It excludes other comprehensive income recorded in shareholders' equity; 2. Ratio between net income and average total assets for the period. Annualized; 3. Ratio between gross financial margin with clients and average assets sensitive to spreads in the period. Annualized; 4. Ratio between gross financial margin and average profitable assets for the period. Annualized; 5. ER = personnel (excluding labor claims) and administrative expenses / (gross financial margin + income from rendered services and banking fees + other operational income + other operational expenses – tax expenses – income from the real state activity); 6. It does not consider interns and statutory employees

Results

2023 Results

Recurring Net Income and Recurring ROE

Recurring net income reached R$ 1,154 million in 2023, representing a drop of 21.2% compared to 2022. This result is equivalent to an annualized return on equity (recurring ROE) of 9.1% p.a., comparable to R$ 1,465 million and ROE of 12.2% p.a. in 2022. The drop in profitability observed in 2023 reflects the increase in the cost of risk due to greater provisioning in the retail portfolio, a segment that was impacted by adverse macroeconomic conditions, with a high commitment to family income that reached an all-time high in 2023, according to data from Brazilian Central Bank. It is worth highlighting the improvement in the quality of the most recent harvests, following reviews and adjustments in credit policy to face the more challenging scenario.

Total Revenue

Total revenue (which is equivalent to the sum of gross financial margin plus revenue from services and insurance) reached R$ 10.6 billion in 2023, 7.1% higher than 2022, when it totaled R$ 9.9 billion. The gross financial margin grew 5.6% compared to the same period of the previous year and revenues from insurance services and brokerage grew 13.0%, reflecting the improvement in origination in the vehicle financing market, with impacts on revenues from Fees from registration and asset appraisal, in addition to increased revenue from insurance brokerage.

Gross Financial Margin

The gross financial margin grew 5.6% compared to 2022, to R$ 8.4 billion. The financial margin with clients reached R$ 7.7 billion, 5.6% above the margin recorded in 2022, mainly explained by the growth in the credit portfolio, which registered an increase of 5.7% in the period. NIM[1] Clients recorded a drop of 0.4 p.p. in relation to 2022, ending the year at 9.8%, compared to 10.2% in the previous year, mainly reflecting the mix effect influenced by greater conservatism in credit policy and greater selectivity in granting with a greater focus on guaranteed products. The financial margin with the market grew 6.1% against 2022, to R$750 million, explained by the result of structural hedge positions, as well as the investment of equity. The performance of the market margin in the period reflects the adoption of conservative management focused on protecting the bank's balance sheet in scenarios of greater volatility.

Cost of Risk

The cost of risk grew 43.6% compared to 2022, from R$ 3.0 billion to R$ 4.3 billion. The cost of risk per expanded credit portfolio increased from 3.9% in 2022 to 5.1% in 2023. The increase observed in 2023 reflects: (i) higher expenses on provisions for doubtful debts in the Retail business , a segment impacted during the year by adverse macroeconomic conditions, especially due to the high loss of family income and; (ii) the growth of the credit portfolio, especially the retail portfolio, with expansion into new segments, which strengthen the bank's growth and diversification strategy.

Personnel and Administrative Expenses

Personnel and administrative expenses, excluding depreciation and amortization, fell 1.5% year-on-year, to R$ 2.85 billion. In the last 12 months, official inflation (IPCA) accumulated an increase of 4.62%. In the period, there was a 5.1% drop in personnel expenses explained by: (i) reduction in the number of employees due to our efficiency program, in addition to the adjustments made to face the more challenging macro environment, and; (ii) lower expenses with variable remuneration due to the deterioration of the macro scenario, with impacts on the bank's results. Administrative expenses (excluding depreciation and amortization), in turn, grew 3.4% in 2023, mainly reflecting the increase in expenses with specialized technical services.

Efficiency Ratio

The Efficiency Ratio ended the year at 36.8%, a drop of 1.8 p.p. compared to 2022. The observed drop mainly reflects the bank's efficiency program, including structuring investments, especially in technology and data. Higher service revenues also contributed to the improvement in the indicator, mainly from the insurance business, which recorded strong growth in 2023.

1 - Net Interest Margin: Quotient between Financial Margin with Clients and Spread-sensitive Average Assets.

Results

2023 Results

Credit Portfolio

The expanded credit portfolio ended 2023 at R$ 87.6 billion, growth of 5.7% over 2022, with an expansion of 10.4% in Retail and a decline of 3.8% in Wholesale.

Retail

The retail portfolio grew 10.4% in 2023, to R$ 61.0 billion, with emphasis on the 14.9% expansion in the auto financing portfolio. BV once again ended the year leading the used light vehicle segment. Another highlight within Retail was the 56.4% growth in Car Equity Loan, with the portfolio reaching R$ 3.3 billion at the end of the year. The solar panel financing portfolio fell by 2.9% in the year, mainly due to the anticipation of demand that occurred at the end of 2022 due to the change in the regulatory framework for Distributed Generation. Finally, the credit card portfolio ended the year with a drop of 12.6% due to our strategy focusing on BV's core customer, in addition to greater conservatism in portfolio management in the face of the more challenging credit cycle.

Wholesale

In Wholesale, we also made important advances in the strategy of greater diversification and dispersion of portfolio risk and increased portfolio profitability. Despite the good performance, the expanded portfolio fell 3.8% compared to 2022, to R$ 26.6 billion, reflecting higher maturities in the last quarter of 2023, even though production remained stable. The Corporate segment recorded growth of 2.7% in the year, while the Large Corporate + Financial Institutions portfolio showed a drop of 7.7% in the period. Finally, the SME portfolio showed greater volume in the 4th quarter of 2023, although it ended the year with a drop of 12.7% compared to 2022. The SME strategy prioritizes products with a guarantee (receivables discount) and has an operations with shorter deadlines.

NPL 90-days

The portfolio's main default indicator, nonperforming loans over 90 days, ended the year at 5.2%, an increase of 0.3 p.p. over 2022. The increase in the period reflects the 0.2 p.p. increase in the Retail portfolio indicator (6.4% in 2023 vs 6.2% in 2022), a segment pressured during 2023 by the macro environment, especially due to the high commitment of family income, and an increase of 0.2 p.p. in the Wholesale portfolio (0.4% in 2023 vs 0.2% in 2022). It is worth highlighting the reviews and adjustments to the credit policy implemented in 2022 to face the adverse economic scenario, which reflected in the quality of the most recent harvests and have already shown an improvement in the default indicators in the 4th quarter compared to the 3rd quarter of 2023 , which fell from 5.5% to 5.2%. Despite the increase observed in the Wholesale indicator, default rates in this portfolio remain at historic lows.

Funding and Liquidity

Total funding reached R$ 92.7 billion at the end of 2023, with stable funding instruments representing 56.1% of total funding. Banco BV has maintained its liquidity at very conservative levels. The LCR (Liquidity Coverage Ratio) liquidity indicator, whose objective is to measure short-term liquidity in a stress scenario, ended the period at 174% (178% in 2022), with the regulatory minimum required by the Brazilian Central Bank being 100% for this indicator.

Capital

The Basel Ratio ended the year at 15.6%, compared to 14.3% at the end of 2022. The observed increase is explained by the generation of profit in the year, new issuances of complementary capital, which partially offset the declaration of Interest on Capital, greater prudential adjustments and an increase in risk-weighted assets. Tier I Capital totaled 14.4% with 13.0% Principal Capital and 1.4% Complementary Capital. Tier II Capital ended the year at 1.2%.

Acknowledgment

We thank customers, partners, investors and shareholders for their trust and our employees for their continued commitment and dedication.

Board of Directors

Member	Position
João Schmidt	Presidente
Tarciana Medeiros	Vice-Chairwoman
Felipe Prince	Director
Francisco Lassalvia	Director
Jairo Sampaio Saddi	Director
Mauro Ribeiro Neto	Director
Odilon Almeida	Independent Member

Audit Committee

Member	Position
Patrícia Siqueira	Coordinator
Rudinei dos Santos	Member
Rodrigo Nogueira	Member

Fiscal Council

Member	Position
Daniel Alves Maria	Chairman
Alexandre Ibrahim	Member
Sérgio Malacrida	Member

Accountant

Rodrigo Morais	CRC SP: 1SP220814/o-6

Board of Executive Officers

Member	Position
Gabriel Ferreira	Chief Executive Officer
Alberto Campos	Executive Officer
Ana Paula Tarcia	Executive Officer
Carlos Bonetti	Executive Officer
Flávio Suchek	Executive Officer
Ricardo Sanfelice	Executive Officer
Roberto Jábali	Executive Officer
Rogerio Monori	Executive Officer
Ronaldo Helpe	Chief Financial Officer
Alexandre Zimath	Officer
Claudia Furini	Officer
Marcella Coimbra	Officer
Marcelo Kenji	Officer
Walter Batlouni Jr.	Officer
Daniel Monteiro[1]	Officer

1 - Officers of companies controlled by Banco BV.

Summary of the Audit Committee Report of Banco Votorantim S.A.

Second Half of 2023

I. Introduction

This report refers to the second half of 2023 and includes the events considered relevant to the purposes of the Audit Committee of Banco Votorantim S.A. ("Bank") occurred to date.

The Audit Committee ("Committee" or "COAUD") is a statutory body that is governed by Resolution 4,910/2021 of the National Monetary Council ("CMN"), Resolution BCB 130/21, by the Bylaws and by its Internal Regulations.

Over the second half of 2023, the Committee operated with three members, of whom one was appointed by the shareholder Banco do Brasil S.A. (Rodrigo Santos Nogueira), one was appointed by the shareholder Votorantim Finanças S.A. (Patricia Siqueira Varela) and one was appointed in common agreement among the shareholders (Rudinei dos Santos).

As permitted by Article 9, paragraph 4°, I of CMN Resolution 4,910/2021, Banco opted to establish a single Audit Committee for Banco and its subsidiaries (Banco BV S.A., BV Corretora de Seguros S.A., BV Empreendimentos e Participações S.A. and BVIA – BV Investimentos Alternativos e Gestão de Recursos S.A.), jointly referred to as "Conglomerate". Therefore, the activities reported here, the recommendations and the opinions issued by the Committee cover the scope of the Conglomerate.

The Committee's conclusions, contained in this report, considering its attributions and the limitations refer to the scope of its activities, were based on the activities carried out by the body in the period, as well as on the work carried out by external supervision and control bodies, Internal and Independent Audits and other units that constitute the Bank's control layers.

In accordance with the Bylaws of Banco BV and its Internal Regulations, the Audit Committee's primary duties are to assess the effectiveness of the internal control system, to examine the financial statements prior to their publication, to evaluate the effectiveness of internal and independent audits, to exercise its duties and responsibilities with the Bank's subsidiaries that have joined the single Audit Committee.

The management of the Banco and its subsidiaries is responsible for preparing and ensuring the integrity of financial statements, managing risks, maintaining an effective internal control system, and ensuring compliance with legal and regulatory standards.

The mission of the Internal Audit is to provide shareholders, the Board of Directors, and the Executive Board with independent, impartial, and prompt assessments of the effectiveness of risk management, the appropriateness of controls and compliance with the rules and regulations related to the Conglomerate's operations.

PricewaterhouseCoopers Auditores Independentes ("PWC") is entrusted with providing the auditing services for the financial statements and is responsible for expressing its opinion on the suitability, with regards to the financial and equity position, in accordance with the accounting practices adopted in Brazil, as well as for evaluating the quality and appropriateness of the internal control system, including electronic data processing and risk management systems, and the compliance with legal and regulatory requirements.

II. Activities carried out during the period

In an effort to perform its duties and in compliance with the provisions of its Annual Work Plan – approved by the Board of Directors on 12/12/2022, the Audit Committee held 42 meetings, with a range of departments and areas, including the Board of Directors, Fiscal Council, Risk and Capital Committeee, Executive Committee and CEO, representatives from senior management, internal and independent audits, and with the key heads of the business and control areas.

At these meetings, there was particular attention paid to matters related to internal controls, technology, operations, accounting reconciliation, fraud prevention, strategic planning, retail, wholesale unresolved audit points and recommendations for internal and independent auditing, and external inspection entities.

Meetings with the internal audit focused on the work performed during the period, key findings, and recommendations. A copy of the reports on the work performed was received and the results were examined. Through the independent audit, the work from the period was tracked and verified, in particular the review of the financial statements of second half of 2023.

The financial statements related to the Corporate Consolidation were examined, as well as the Bank's individual financial statement, the main assets, liabilities, shareholder equity, earnings and explanatory notes in the BRGAAP standard, the consolidate financial statements according to IFRS standards, the accounting practices adopted and the content of the independent auditors' report. The Technical Study of consumption of the Tax Credit referring to the second half of 2023.

In situations where the need for refinements was pointed out, improvements were recommended.

III. Conclusions

Based on the activities performed during the period and bearing in mind the duties and limitations inherent in the scope of its activities, the Audit Committee concludes that:

a) The Conglomerate's Internal Control System is effective and is appropriate for its size, type of operations, and risk appetite approved by the Board of Directors;

b) The Internal Auditor carried out its activities in a satisfactory, professional, and independent manner;

c) The Independent Auditor acted effectively and allocated the proper number of qualified professionals to examine the financial statements for the period; and

d) The Financial Statements from December 31, 2023, related to the Bank's Corporate Consolidation (BRGAAP and IFRS), as well as the individual one (BRGAAP), were prepared in accordance with legal norms and practices adopted in Brazil and reflect, in material respects, the financial position of the companies mentioned in that period.

São Paulo-SP, February 06th of 2024.

Patrícia Siqueira Varela

Coordinator

Rodrigo Santos Nogueira

Member

Rudinei dos Santos

Member

Independent auditor's report

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

Opinion

We have audited the accompanying parent company financial statements of Banco Votorantim S.A. ("Bank"), which comprise the statement of financial position as at December 31, 2023 and the income statement, statement of other comprehensive income and statement of changes in shareholders' equity for the six-month period and year then ended and statement of cash flows for the year then ended, as well as the accompanying consolidated financial statements of Banco Votorantim S.A. and its subsidiaries ("Consolidated"), which comprise the consolidated statement of financial position as at December 31, 2023 and the consolidated income statement, statement of other comprehensive income and statement of changes in shareholders' equity for the six-month period and year then ended and statement of cash flows for the year then ended, and the notes, including a summary of significant accounting policies and other elucidative information.

In our opinion, the financial statements referred to above 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 December 31, 2023, and the financial performance for the six-month period and year then ended and cash flows for the year then ended, as well as the consolidated financial performance for the six-month period and year then ended and consolidated cash flows, for year then ended, in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Brazilian Central Bank.

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Parent Company and Consolidated Financial Statements" section of our report. We are independent of the Bank and its subsidiaries in accordance with the ethical requirements stablished in the Accountant's Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, and we have fulfilled other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

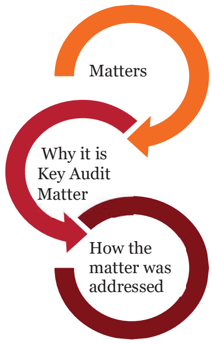
PricewaterhouseCoopers Auditores Independentes Ltda., Avenida Brigadeiro Faria Lima, 3732, 16º andar, partes 1 a 6, Edifício Adalmiro Dellape Baptista B32, Itaim Bibi, São Paulo - SP, CEP 04538-132 T: (11) 3674-2000, www.pwc.com/br

pwc

Banco Votorantim S.A.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current six-months period and year. These matters were addressed in the context of our audit of the parent company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Why it is a Key Audit Matter	How the matter was addressed in the audit
Allowance for losses associated with credit risk (Notes 4 (h), 5 (a) and 12 (e) and (f))	
The measurement of the amount of the allowance for losses associated with credit risk requires the determination of assumptions and judgment by management, which considers the default of payment, the current economic environment, economic situation, past experience and the risks specifically related to the respective operations, the counterparties, guarantees and the economic groups, in accordance with the rules of the National Monetary Council – CMN and Central Bank of Brazil – BACEN. Considering the relevance of the loan portfolio, the high degree of judgment related to the measurement of the allowance for losses associated with credit risk, we continue to determine this as a focus area in our audit.	We updated our understanding of the internal control environment and evaluated the relevant controls related to the measurement of the allowance for losses associated with credit risk. We performed tests, on a sample basis, on the assumptions and parameters adopted in the classification by risk levels, as well as the overdue position used as a basis for measuring the provision. We performed totalization tests on the data used for the calculation of the provision, in accordance with the criteria established by the CMN and BACEN regulations. We considered that the criteria and assumptions adopted by Management for the measurement of the allowance for losses associated with credit risk are consistent with the information analyzed in our audit.

Why it is a Key Audit Matter	How the matter was addressed in the audit
Measurement of the fair value of securities and financial instruments with low liquidity and/or without active market (Notes 4 (f) and (g), 5 (b) and (d), 9 (a), 10 (a) and 30 (b))	
The fair value measurement of securities and financial instruments with low liquidity and/or without an active market is an area that includes subjectivity, as it depends on valuation techniques based on internal models that involve management's assumptions for its measurement. This is an area of focus in our audit, since the use of different valuation techniques and assumptions could result in fair value estimates significantly different.	We updated our understanding of the design of internal controls related to internal models for measuring the fair value of securities and financial instruments with low liquidity and/or no active market. We performed tests on the effectiveness of relevant controls that measure the fair value of these assets, as well as management approval of the models adopted and required disclosures. With the support of our financial instrument pricing specialists, we analyze the main valuation methodologies used for these securities and financial instruments, as well as the most significant assumptions adopted by management by comparing them with market methodologies. We carried out independent calculations, on a sample basis, of the valuation of certain operations. We considered that the criteria and assumptions adopted by management in measuring the fair value of these financial instruments are consistent with the information analyzed in our audit.
Deferred tax assets – tax credit (Notes 4 (q), 5 (c) and 26 (a.2))	
The deferred tax assets, composed by tax credits based on temporary differences, income tax losses and negative basis of social contribution, and their registration in the financial statements is supported by the study of realization of future taxable profits. This referred study is based on projections arising from strategic planning, which considers assumptions of business plans, corporate strategies, macroeconomic scenario, historical performance, among others, which are approved by the governance bodies, as required by the CMN and BACEN regulations.	We updated our understanding of the processes established by management to determine the assumptions used in preparing the tax credit realization study, as well as its registration and disclosures in accordance with CMN and BACEN standards. We compared the critical assumptions used to project future results with information of macroeconomic projections available in the market, when applicable. Additionally, we compared the study data with the approved budgets and the compliance with CMN and BACEN rules.

Why it is a Key Audit Matter	How the matter was addressed in the audit
The projection of future taxable profits contains several assumptions, which are subjective in nature, established by management. In this way, we maintained this area as focus of our audit, as the amounts involved are relevant and the use of different assumptions in the projection of taxable profits could significantly change the amounts and periods for the realization of the tax credits.	With the support of our tax specialists, we carried out tests on the nature and amounts of temporary differences, tax losses and negative basis of social contribution on income, which can be deducted from future tax bases. The assumptions adopted by management in the calculation and registration of tax credits are consistently applied and are in line with the information approved by the governance bodies.
Provisions and contingent liabilities (Notes 4 (r), 5 (e) and 29)	
The Bank registers provisions and contingent liabilities arising mainly from legal and administrative proceedings, inherent to the normal course of its business, issued by third parties, former employees and public bodies; in civil, labor and tax and social security natures. These processes are usually closed after a long period of time and involve not only discussions on the merits, but also complex procedural aspects, in accordance with current legislation. Management, based on its judgment and through the opinion of its legal advisors, estimates the provisions and contingent liabilities that are likely to be lost. 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 advisors (individualized method) and for civil cases considered similar and usual, and whose value is not considered relevant, the calculation of the provision is determined using a statistical model based on the loss observed in the history of closed suits of the same characteristics (mass method).	We updated our understanding of the main controls for evaluation, classification, monitoring, measurement, recording and disclosure of provisions and contingent liabilities. We carried out confirmation procedures with the external legal advisors responsible for the processes and confronted with the management's analytical controls. We carried out tests on the risks and values of causes used in the measurement methodologies of the amounts provisioned. For civil and labor lawsuits of the same nature, we compared, on a sample basis, the amounts paid in closed cases with the amounts provisioned. For tax lawsuits we carried out test over risk assessment on an individual basis and with the support of our tax specialists. We considered that our audit procedures provided adequate and sufficient evidence regarding the criteria and assumptions adopted by management for the determination, constitution and disclosure of the provision for contingent liabilities.

Why it is a Key Audit Matter	How the matter was addressed in the audit
Due to the relevance of the amounts and the uncertainties and judgments involved, as described above, for the determination and constitution of the provision and required disclosures for contingent liabilities, we considered this an area of focus for the audit.	
Information technology environment (Note 30 (d))	
The Bank has a highly technology-dependent business environment, requiring a complex infrastructure to support the high volume of transactions. Information technology represents a fundamental aspect in the evolution of the Bank's business. The risks involving information technology, associated with any eventual deficiencies in processes and controls that support the processing of technology systems, may eventually lead to incorrect processing of critical information, including those used in the preparation of the financial statements, as well as causing risks related to information security. Therefore, this was considered an area of focus in our audit.	As part of our audit procedures, with the assistance of our specialists we updated the assessment of the information technology environment, including the automated controls of the relevant application systems for the preparation of the financial statements. The procedures performed involved the combination of tests on the main controls, as well as the execution of tests related to information security, including management of access, segregation of functions and monitoring of the technology infrastructure's operational capacity. The audit procedures applied resulted in appropriate evidence that was considered in determining the nature, timing and extent of the audit procedures.

Other matters

Statements of added value

The parent company and consolidated statements of added value for the year ended on December 31, 2023, prepared under the responsibility of the Bank's management and presented as supplementary information for purposes of the Brazilian Central Bank, were submitted to audit procedures performed in conjunction with the audit of the financial statements of the Bank and the Bank and its subsidiaries. For the purposes of forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09, "Statement of Added Value". In our opinion, these statements of added value have been properly prepared, in all material respects, in accordance with the criteria established in the Technical Pronouncement and are consistent with the parent company and consolidated financial statements taken as a whole.

Banco Votorantim S.A.

Other information accompanying the parent company and consolidated financial statements and the auditor's report

The Bank's management is responsible for the other information which comprise the Management Report.

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

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

Responsibilities of management and those charged with governance for the parent company and consolidated financial statements

Management is responsible for the preparation and fair presentation of the parent company and consolidated financial statements in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Brazilian Central Bank, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company and consolidated financial statements, Management is responsible for assessing the Bank and its subsidiaries ability to continue as going concerns, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Bank and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance in the Bank and its subsidiaries are responsible for overseeing the financial reporting process.

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Bank and its subsidiaries.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank and its subsidiaries ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank and its subsidiaries to cease to continue as going concern.

- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the related entities or business activities to express an opinion on the parent company and consolidated financial statements. We are responsible for the direction, supervision and performance of the audit considering these investments and, consequently, for the audit opinion of the Bank.

We communicate with those charged with governance regarding, among other matters, the scope and timing of planned audit engagements and significant audit findings, including significant deficiencies in internal controls that may have been identified during our audit.

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

São Paulo, February 6 2024

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

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

STATEMENT OF FINANCIAL POSITION

as of December 31, 2023 and 2022

(In thousands of Reais, unless otherwise stated)

	Note	Parent Company		Consolidated	
		12.31.2023	12.31.2022	12.31.2023	12.31.2022
Cash and cash equivalents	7	**661,150**	**631,403**	**679,916**	**681,091**
Cash and due from banks		68,070	242,163	86,836	291,851
Interbank funds applied		593,080	389,240	593,080	389,240
Financial assets		**126,393,505**	**110,553,665**	**129,994,207**	**112,686,453**
Interbank investments	8a	**6,726,892**	**3,619,800**	**4,784,163**	**1,349,913**
Securities	9a	**49,527,648**	**41,945,367**	**49,928,689**	**40,539,347**
Securities portfolio		50,416,056	42,899,828	50,817,097	41,495,561
(Provision for impairment of securities)		(888,408)	(954,461)	(888,408)	(956,214)
Derivative financial instruments	10a	**1,375,629**	**1,307,169**	**1,375,629**	**1,307,169**
Interbank accounts	11a	**3,003,736**	**1,924,717**	**3,231,489**	**1,961,377**
Loan portfolio	12a	**63,812,264**	**59,498,647**	**68,296,415**	**64,720,795**
Loans		64,364,027	59,352,481	66,917,298	62,008,362
Other receivables with loan characteristics		4,226,901	4,769,158	7,321,851	8,272,176
Lease portfolio		-	-	32,609	37,263
(Provision for loans losses)		(4,778,664)	(4,622,992)	(5,975,343)	(5,597,006)
Other financial assets	13a	**1,947,336**	**2,257,965**	**2,377,822**	**2,807,852**
Non-financial assets held for sale	14	**185,808**	**127,190**	**250,511**	**207,569**
Tax assets		**6,944,362**	**6,591,272**	**8,885,647**	**8,012,419**
Current tax assets	26a.1	616,220	493,837	727,483	559,544
Deferred tax assets	26a.2	6,328,142	6,097,435	8,158,164	7,452,875
Investments		**2,726,253**	**2,475,546**	**243,450**	**188,824**
Investments in subsidiaries, associates and joint ventures	15a	2,726,253	2,475,546	243,450	188,824
Property, plant and equipments, net of depreciation	16	**66,836**	**86,847**	**67,510**	**86,931**
Other property, plant and equipment		429,409	423,510	434,369	432,579
(Accumulated depreciation)		(362,573)	(336,663)	(366,859)	(345,648)
Intangible assets, net of depreciation		**1,108,702**	**982,606**	**1,507,826**	**1,074,484**
Intangible assets	17a	2,226,518	1,883,075	2,471,149	2,025,228
Goodwill		-	-	204,050	-
(Accumulated amortization)	17a	(946,396)	(732,142)	(995,953)	(772,588)
(Accumulated impairment)	17a	(171,420)	(168,327)	(171,420)	(178,156)
Other assets	13a	**1,148,365**	**1,230,836**	**1,028,014**	**881,864**
TOTAL ASSETS		139,234,981	122,679,365	142,657,081	123,819,635

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

STATEMENT OF FINANCIAL POSITION

as of December 31, 2023 and 2022

(In thousands of Reais, unless otherwise stated)

	Note	Parent Company		Consolidated	
		12.31.2023	12.31.2022	12.31.2023	12.31.2022
Financial liabilities		**123,271,197**	**107,210,667**	**125,513,812**	**105,997,032**
Deposits	18a	27,186,909	24,253,851	27,363,464	23,425,325
Money market repurchase commitments	18c	28,642,963	18,876,810	28,367,903	18,277,811
Securities issued	20	43,235,960	39,957,617	43,235,960	39,957,617
Interbank accounts	11a	41	40,217	3,034,465	3,472,198
Borrowings and domestic onlendings	19a	5,614,330	6,641,007	5,614,330	6,641,007
Derivative financial instruments	10a	2,639,621	1,805,600	2,639,621	1,805,600
Subordinated debts and debt instruments eligible as capital	21a	2,651,753	2,667,634	2,651,753	2,667,634
Other financial liabilities	22a	13,299,620	12,967,931	12,606,316	9,749,840
Tax liabilities		**350,896**	**271,903**	**517,144**	**392,784**
Current tax liabilities	26b.1	144,609	156,793	286,692	277,075
Deferred tax liabilities	26b.2	206,287	115,110	230,452	115,709
Provision for tax, civil and labor lawsuits	**29a**	**554,737**	**559,089**	**576,571**	**595,192**
Other liabilities	**22a**	**1,794,913**	**1,779,900**	**2,069,801**	**2,044,880**
Shareholder's equity		**13,263,238**	**12,857,806**	**13,979,753**	**14,789,747**
Controlling shareholder's equity		**13,263,238**	**12,857,806**	**13,431,403**	**12,887,772**
Capital	25a	8,480,372	8,480,372	8,480,372	8,480,372
Capital reserves	25b	372,120	372,120	372,120	372,120
Profit reserves		4,532,983	3,948,867	4,308,869	3,908,308
Other comprehensive income	25g	(122,237)	56,447	270,042	126,972
Non-controlling interests	**25h**	**-**	**-**	**548,350**	**1,901,975**
TOTAL LIABILITIES AND EQUITY		**139,234,981**	**122,679,365**	**142,657,081**	**123,819,635**

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

FINANCIAL STATEMENTS

Years ending on December 31, 2023 and 2022 and semesters ending on December 31, 2023 and 2022

(amounts in thousands of Reais, unless otherwise indicated)

	Note	Parent Company			
		2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
FINANCIAL INTERMEDIATION INCOME		**9,738,843**	**8,388,295**	**18,004,860**	**15,442,747**
Loans and lease	12b	5,625,273	5,038,229	10,607,133	9,597,570
Income from securities	9c	2,817,152	2,082,369	5,661,405	4,249,038
Income from derivative financial instruments	10h	9,429	382,668	(669,911)	188,574
Income from exchange foreign operations	13c	21,993	104,259	(100,251)	(15,041)
Income from compulsory deposits	11b	144,724	104,393	278,249	180,953
Sale or transfer transactions of financial assets	12h	1,120,272	676,377	2,228,235	1,241,653
FINANCIAL INTERMEDIATION EXPENSES		**(6,143,992)**	**(5,804,270)**	**(11,619,429)**	**(9,837,817)**
Funding operations in the market	18d	(5,116,974)	(4,932,302)	(9,860,448)	(8,673,114)
Borrowings and onlendings	19d	(262,989)	(146,797)	102,906	534
Sale or transfer operations of financial assets	12h	(764,029)	(725,171)	(1,861,887)	(1,165,237)
INCOME (LOSS) FROM FINANCIAL INTERMEDIATION		**3,594,851**	**2,584,025**	**6,385,431**	**5,604,930**
RESULT OF PROVISION FOR LOSSES		**(1,006,502)**	**(496,028)**	**(1,798,598)**	**(986,771)**
(Provision) / reversal of provision for loan losses	12f.1	(1,048,919)	(525,243)	(1,863,961)	(1,053,802)
Other (provision) / reversal of provision associated with credit risk	12f.1	41,951	24,716	(690)	33,488
(Provision) / reversal of provision for securities impairment	9d	466	4,499	66,053	33,543
OPERATING INCOME/EXPENSES		**(1,640,652)**	**(1,445,389)**	**(3,143,460)**	**(2,785,363)**
Service income	23a	150,931	174,639	272,088	337,640
Income from banking fees	23b	465,305	316,677	809,464	562,137
Personnel expenses	23c	(665,190)	(765,080)	(1,279,293)	(1,387,915)
Other administrative expenses	23d	(817,726)	(803,782)	(1,557,770)	(1,488,849)
Tax expenses	26c	(244,088)	(225,167)	(437,678)	(403,246)
Share of profit (loss) in subsidiaries, associates and jointly controlled subsidiaries	15a	(14,001)	70,818	(35,690)	163,354
(Provision) / reversal of provision for contingent liabilities	29a.4	(12,556)	108,909	4,352	120,470
Other operating income	23e	114,569	142,165	152,737	186,820
Other operating expenses	23f	(617,896)	(464,568)	(1,071,670)	(875,774)
OPERATING INCOME		**947,697**	**642,608**	**1,443,373**	**1,832,796**
OTHER NON-OPERATING INCOME AND EXPENSES	**24**	**(30,351)**	**89,084**	**142,788**	**98,713**
INCOME BEFORE TAXES AND CONTRIBUTIONS AND PROFIT SHARING		**917,346**	**731,692**	**1,586,161**	**1,931,509**
INCOME TAX AND SOCIAL CONTRIBUTION	**26d.1**	**(59,398)**	**14,143**	**(78,194)**	**(253,791)**
PROFIT SHARING		**(87,160)**	**(85,273)**	**(173,851)**	**(184,483)**
NET PROFIT		**770,788**	**660,562**	**1,334,116**	**1,493,235**
EARNINGS PER SHARE	25e				
Earnings per share - R$		227.02	194.56	392.94	439.81
Number of shares (thousand lot)		3,395,210	3,395,210	3,395,210	3,395,210

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

FINANCIAL STATEMENTS

Years ending on December 31, 2023 and 2022 and semesters ending on December 31, 2023 and 2022

(amounts in thousands of Reais, unless otherwise indicated)

	Note	Consolidated			
		2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
FINANCIAL INTERMEDIATION INCOME		**9,941,018**	**9,174,233**	**18,815,173**	**16,847,896**
Loans and lease	12b	6,357,393	6,055,229	12,266,350	11,378,057
Income from securities	9c	2,261,496	1,847,903	4,780,270	3,736,540
Income from derivative financial instruments	10h	9,429	382,668	(669,911)	322,330
Income from exchange foreign operations	13c	21,993	104,259	(100,251)	(15,041)
Income from compulsory deposits	11b	153,213	107,797	293,258	184,357
Sale or transfer transactions of financial assets	12h	1,137,494	676,377	2,245,457	1,241,653
FINANCIAL INTERMEDIATION EXPENSES		**(6,187,117)**	**(5,917,898)**	**(11,667,274)**	**(9,991,602)**
Funding operations in the market	18d	(5,101,483)	(4,849,251)	(9,790,028)	(8,477,354)
Borrowings and onlendings	19d	(262,989)	(146,797)	102,906	534
Sale or transfer operations of financial assets	12h	(822,645)	(921,850)	(1,980,152)	(1,514,782)
INCOME (LOSS) FROM FINANCIAL INTERMEDIATION		**3,753,901**	**3,256,335**	**7,147,899**	**6,856,294**
RESULT OF PROVISION FOR LOSSES		**(1,596,753)**	**(999,475)**	**(3,052,219)**	**(1,824,043)**
(Provision) / reversal of provision for loan losses	12f.1	(1,637,676)	(1,028,690)	(3,116,088)	(1,891,074)
Other (provision) / reversal of provision associated with credit risk	12f.1	40,457	24,716	(2,184)	33,488
(Provision) / reversal of provision for securities impairment	9d	466	4,499	66,053	33,543
OPERATING INCOME/EXPENSES		**(1,532,083)**	**(1,506,285)**	**(2,960,201)**	**(2,975,958)**
Service income	23a	723,118	866,044	1,316,365	1,597,668
Income from banking fees	23b	509,190	378,673	898,434	689,172
Personnel expenses	23c	(797,633)	(911,675)	(1,559,062)	(1,690,532)
Other administrative expenses	23d	(1,133,587)	(1,041,655)	(2,080,795)	(1,962,090)
Tax expenses	26c	(336,106)	(320,744)	(611,761)	(581,443)
Share of profit (loss) in subsidiaries, associates and jointly controlled subsidiaries	15a	(16,383)	(14,350)	(18,620)	(20,194)
(Provision) / reversal of provision for contingent liabilities	29a.4	(8,693)	113,587	9,125	136,833
Other operating income	23e	206,846	100,152	271,933	169,279
Other operating expenses	23f	(678,835)	(676,317)	(1,185,820)	(1,314,651)
OPERATING INCOME		**625,065**	**750,575**	**1,135,479**	**2,056,293**
OTHER NON-OPERATING INCOME AND EXPENSES	**24**	**(38,600)**	**101,576**	**139,403**	**114,067**
INCOME BEFORE TAXES AND CONTRIBUTIONS AND PROFIT SHARING		**586,465**	**852,151**	**1,274,882**	**2,170,360**
INCOME TAX AND SOCIAL CONTRIBUTION	**26d.1**	**148,806**	**57,083**	**233,571**	**(203,598)**
PROFIT SHARING		**(107,700)**	**(103,413)**	**(222,989)**	**(231,942)**
NON-CONTROLLING SHARING	**25h**	(41,759)	(143,867)	(134,903)	(273,353)
NET PROFIT		**585,812**	**661,954**	**1,150,561**	**1,461,467**
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS		**627,571**	**805,821**	**1,285,464**	**1,734,820**
Controlling Shareholding		585,812	661,954	1,150,561	1,461,467
Non-controlling shares	25h	41,759	143,867	134,903	273,353

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

STATEMENT OF OTHER COMPREHENSIVE INCOME

Years ending on December 31, 2023 and 2022 and semesters ending on December 31, 2023 and 2022

(In thousands of Reais, unless otherwise stated)

	Note	Parent Company			
		2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Net profit for the period		**770,788**	**660,562**	**1,334,116**	**1,493,235**
Other comprehensive income that can be subsequently reclassified to profit or loss:					
Net variation in the fair value of financial assets available for sale	**25g**	**(58,888)**	**(82,856)**	**(15,418)**	**(136,888)**
Adjustment to fair value with effects in shareholder's equity		273,058	(152,326)	293,574	(175,940)
Adjustment to fair value transferred to income		(380,086)	1,526	(321,572)	(73,195)
Tax effect		48,140	67,944	12,580	112,247
Cash flow hedge	**25g**	**46,138**	**(61,425)**	**(163,266)**	**(271,231)**
Adjustment to fair value with effects in shareholder's equity		87,140	(124,096)	(239,425)	(507,166)
Adjustment to fair value transferred to income		(3,253)	12,413	(57,423)	14,018
Tax effect		(37,749)	50,258	133,582	221,917
Other comprehensive income attributable to controlling shareholders in the period		**(12,750)**	**(144,281)**	**(178,684)**	**(408,119)**
Total of other comprehensive income for the period		**(12,750)**	**(144,281)**	**(178,684)**	**(408,119)**
Total comprehensive income		**758,038**	**516,281**	**1,155,432**	**1,085,116**
Comprehensive income attributable to controlling shareholders		758,038	516,281	1,155,432	1,085,116

	Note	Consolidated			
		2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Net profit for the period		**585,812**	**661,954**	**1,150,561**	**1,461,467**
Net profit attributable to non-controlling shareholders		41,759	143,867	134,903	273,353
Net profit attributable to controlling and non-controlling shareholders		**627,571**	**805,821**	**1,285,464**	**1,734,820**
Other comprehensive income that can be subsequently reclassified to profit or loss:					
Net variation in the fair value of financial assets available for sale	**25g**	**265,233**	**(85,177)**	**306,336**	**(81,015)**
Adjustment to fair value with effects in shareholder's equity		275,425	(154,647)	293,574	(180,467)
Adjustment to fair value transferred to income [(1)]		(58,332)	1,526	182	(12,795)
Tax effect		48,140	67,944	12,580	112,247
Cash flow hedge	**25g**	**46,138**	**(61,425)**	**(163,266)**	**(271,231)**
Adjustment to fair value with effects in shareholder's equity		87,140	(124,096)	(239,425)	(507,166)
Adjustment to fair value transferred to income		(3,253)	12,413	(57,423)	14,018
Tax effect		(37,749)	50,258	133,582	221,917
Other comprehensive income attributable to controlling shareholders in the period		**311,371**	**(146,602)**	**143,070**	**(352,246)**
Other comprehensive income attributable to non-controlling shareholders in the period		**508**	**(5,400)**	**74**	**(4,593)**
Total of other comprehensive income for the period		**311,879**	**(152,002)**	**143,144**	**(356,839)**
Total comprehensive income		**939,450**	**653,819**	**1,428,608**	**1,377,981**
Comprehensive income attributable to controlling shareholders		897,183	515,352	1,293,631	1,109,221
Comprehensive income attributable to non-controlling shareholders		42,267	138,467	134,977	268,760

[(1)] It includes the unrealized result arising from transactions among related parties.

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

(In thousands of Reais, unless otherwise stated)

Parent Company / Events	Note	Capital: Paid-up capital	Capital reserves	Profit reserves: Legal	Profit reserves: Other reserves	Other comprehensive income	Retained earnings	Total
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	-	-	-	-	(408,119)	-	(408,119)
Increase in capital	25a	350,000	-	-	-	-	-	350,000
Net profit for the period		-	-	-	-	-	1,493,235	1,493,235
Destinations:								
Legal reserve	25c	-	-	74,662	-	-	(74,662)	-
Interest on equity	25d	-	-	-	-	-	(500,000)	(500,000)
Statutory reserve for expansion	25c		-	-	918,573	-	(918,573)	-
Balance in 12.31.2022		**8,480,372**	**372,120**	**409,770**	**3,539,097**	**56,447**	**-**	**12,857,806**
Changes in the period		**350,000**	**-**	**74,662**	**918,573**	**(408,119)**	**-**	**935,116**
Balance in 06.30.2023		**8,480,372**	**372,120**	**437,936**	**3,455,352**	**(109,487)**	**238,907**	**12,875,200**
Adjustments to fair value, net of taxes	25g	-	-	-	-	(12,750)	-	(12,750)
Net profit for the period		-	-	-	-	-	770,788	770,788
Destinations:								
Legal reserve	25c	-	-	38,539	-	-	(38,539)	-
Interest on equity	25d	-	-	-	-	-	(370,000)	(370,000)
Statutory reserve for expansion	25c	-	-	-	601,156	-	(601,156)	-
Balance in 12.31.2023		**8,480,372**	**372,120**	**476,475**	**4,056,508**	**(122,237)**	**-**	**13,263,238**
Changes in the period		**-**	**-**	**38,539**	**601,156**	**(12,750)**	**(238,907)**	**388,038**
Balance in 12.31.2022		**8,480,372**	**372,120**	**409,770**	**3,539,097**	**56,447**	**-**	**12,857,806**
Adjustments to fair value, net of taxes	25g	-	-	-	-	(178,684)	-	(178,684)
Interest on equity [(1)]	25d	-	-	-	(83,745)	-	-	(83,745)
Net profit for the period		-	-	-	-	-	1,334,116	1,334,116
Destinations:								
Legal reserve	25c	-	-	66,705	-	-	(66,705)	-
Interest on equity [(1)]	25d	-	-	-	-	-	(666,255)	(666,255)
Statutory reserve for expansion	25c	-	-	-	601,156	-	(601,156)	-
Balance in 12.31.2023		**8,480,372**	**372,120**	**476,475**	**4,056,508**	**(122,237)**	**-**	**13,263,238**
Changes in the period		**-**	**-**	**66,705**	**517,411**	**(178,684)**	**-**	**405,432**

[(1)] Interest on shareholder's equity computed based on retained earnings and profit reserves.
Earnings per share are disclosed in the Income Statement.
The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

Years ending on December 31, 2023 and 2022 and semesters ending on December 31, 2023 and 2022
(In thousands of Reais, unless otherwise stated)

Consolidated		Capital		Profit reserves					
Events	Note	Paid-up capital	Capital reserves	Legal	Other reserves	Other comprehensive income	Retained earnings	Non-controlling interests [1]	Total
Balances 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	-	-	-	-	(352,246)	-	(4,593)	(356,839)
Increase in capital	25a	350,000	-	-	-	-	-	-	350,000
Non-controlling interests	25h	-	-	-	-	-	-	1,633,215	1,633,215
Net profit for the period		-	-	-	-	-	1,461,467	273,353	1,734,820
Destinations:									
Legal reserve	25c	-	-	74,662	-	-	(74,662)	-	-
Interest on equity	25d	-	-	-	-	-	(500,000)	-	(500,000)
Statutory reserve for expansion	25c	-	-	-	886,805	-	(886,805)		-
Balance in 12.31.2022		**8,480,372**	**372,120**	**409,770**	**3,498,538**	**126,972**	**-**	**1,901,975**	**14,789,747**
Changes in the period		**350,000**	**-**	**74,662**	**886,805**	**(352,246)**	**-**	**1,901,975**	**2,861,196**
Balance in 06.30.2023		**8,480,372**	**372,120**	**437,936**	**3,414,793**	**(41,329)**	**240,328**	**868,797**	**13,773,017**
Adjustments to fair value, net of taxes	25g	-	-	-	-	311,371	-	508	311,879
Non-controlling interests	25h	-	-	-	-	-	-	(362,714)	(362,714)
Net profit for the period		-	-	-	-	-	585,812	41,759	627,571
Destinations:									
Legal reserve	25c	-	-	38,539	-	-	(38,539)	-	-
Interest on equity	25d	-	-	-	-	-	(370,000)	-	(370,000)
Statutory reserve for expansion	25c	-	-	-	417,601	-	(417,601)	-	-
Balance in 12.31.2023		**8,480,372**	**372,120**	**476,475**	**3,832,394**	**270,042**	**-**	**548,350**	**13,979,753**
Changes in the period		**-**	**-**	**38,539**	**417,601**	**311,371**	**(240,328)**	**(320,447)**	**206,736**
Balance in 12.31.2022		**8,480,372**	**372,120**	**409,770**	**3,498,538**	**126,972**	**-**	**1,901,975**	**14,789,747**
Adjustments to fair value, net of taxes	25g	-	-	-	-	143,070	-	74	143,144
Non-controlling interests	25h	-	-	-	-	-	-	(1,488,602)	(1,488,602)
Interest on equity [1]	25d	-	-	-	(83,745)	-	-	-	(83,745)
Net profit for the period		-	-	-	-	-	1,150,561	134,903	1,285,464
Destinations:									
Legal reserve	25c	-	-	66,705	-	-	(66,705)	-	-
Interest on equity [1]	25d	-	-	-	-	-	(666,255)	-	(666,255)
Statutory reserve for expansion	25c	-	-	-	417,601	-	(417,601)	-	-
Balance in 12.31.2023		**8,480,372**	**372,120**	**476,475**	**3,832,394**	**270,042**	**-**	**548,350**	**13,979,753**
Changes in the period		**-**	**-**	**66,705**	**333,856**	**143,070**	**-**	**(1,353,625)**	**(809,994)**

[1] Interest on shareholder's equity computed based on retained earnings and profit reserves.
Earnings per share are disclosed in the Income Statement.
The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

as of December 31, 2023 and 2022

(In thousands of Reais, unless otherwise stated)

	Note	Parent Company		Consolidated	
		2023	2022	2023	2022
Cash flows from operating activities					
Income (loss) before income and social contribution taxes		**1,586,161**	**1,931,509**	**1,274,882**	**2,170,360**
Adjustments to income (loss) before income and social contribution taxes		**2,338,083**	**734,427**	**3,722,751**	**1,821,607**
Provision / (reversal of provision) for loan losses	12f.1	2,492,465	1,702,385	3,799,890	2,593,542
Provision / (reversal of provision) for securities impairment	9.d	(66,053)	(33,543)	(66,053)	(33,543)
Other provision / (reversal of provision) associated with credit risk	12f.1	690	(33,488)	2,184	(33,488)
Depreciation and amortization (1)	23d	246,280	200,148	345,654	260,849
Provision / (reversal of provision) for investment losses due to tax incentives	24	(5,780)	(5,230)	(9,266)	(8,853)
Income from investments in subsidiaries, associates and joint ventures	15a	35,690	(163,354)	18,620	20,194
Exchange variation of investments abroad	10h	128,988	114,514	128,988	114,514
Exchange variation of subordinated debts and debt instruments eligible for capital	32e	-	(100,230)	-	(100,230)
(Profit) / loss on disposal of non-financial assets held for sale	24	26,019	7,589	24,563	7,357
Provision / (reversal of provision) for devaluation of non-financial assets held for sale	24	4,674	(18,841)	18,472	(23,912)
Provision for impairment of intangible assets	24	3,093	-	3,093	-
Expenses / (Reversal of expenses) with civil, labor and tax provisions	29a.4	(4,352)	(120,470)	(9,125)	(136,833)
Effect of changes in foreign exchange rates on cash and cash equivalents		15,408	28,061	15,408	28,061
Interest expense on subordinated debt obligations and debt instruments eligible for capital	32e	388,804	423,989	388,804	423,989
Interest income from securities held to maturity		(959,117)	(1,238,768)	(959,117)	(1,238,768)
Expenses / (reversal of expenses) with goodwill and impairment of subsidiaries	24	-	-	(4,111)	(6,293)
Expenses / (income) of updating security deposits	23e/23f	7,832	(28,585)	4,898	(31,933)
Other operating income and expenses		23,442	250	19,849	(13,046)
Equity variations		**(8,201,951)**	**476,189**	**(8,576,833)**	**(1,287,434)**
(Increase) / decrease in interbank investments		(3,107,092)	1,431,087	(3,434,250)	2,073,330
(Increase) / decrease in trading securities and derivative financial instruments		(11,644,312)	(446,040)	(13,347,616)	376,553
(Increase) / decrease in interbank accounts		(1,119,195)	(411,370)	(1,707,845)	162,808
(Increase) / decrease in loans and leases		(6,817,764)	(5,566,467)	(7,549,399)	(7,025,627)
(Increase) / decrease in other assets		(181,304)	186,348	452,440	(397,742)
(Increase) / decrease in tax assets		(75,674)	(77,076)	(77,205)	(76,949)
(Increase) / decrease of non-financial assets held for sale		(89,311)	(7,169)	(85,977)	9,626
(Decrease) / increase in deposits		2,933,058	(748,905)	3,938,139	(621,395)
(Decrease) / increase in money market repurchase commitments		9,766,153	865,824	10,090,092	1,457,218
(Decrease) / increase in securities issued		3,278,343	1,684,336	3,278,343	1,684,336
(Decrease) / increase in liabilities from borrowings and onlendings		(1,026,677)	1,538,452	(1,026,677)	1,538,452
(Decrease) / increase in other obligations (2)		(81,430)	2,347,714	908,203	(149,918)
(Decrease) / increase in tax liabilities		(36,746)	(320,545)	(15,081)	(318,126)
Income tax and social contribution paid		**(93,709)**	**(72,164)**	**(276,849)**	**(425,261)**
CASH GENERATED (USED) BY OPERATING ACTIVITIES		**(4,371,416)**	**3,069,961**	**(3,856,049)**	**2,279,272**
Cash flows from investing activities					
(Acquisition / increase) of securities available for sale		(5,379,087)	(7,721,788)	(202,121)	(6,180,747)
(Acquisition / increase) of securities held to maturity		(25,954)	(3,888,867)	(25,954)	(3,888,867)
(Acquisition) of property for use		(7,251)	(34,067)	(7,885)	(34,067)
(Acquisition / activation) of intangible		(509,397)	(600,591)	(844,730)	(632,265)
(Acquisition / increase) of subsidiaries, associates and jointly controlled subsidiaries (2)		(1,310,516)	-	(198,123)	(107,400)
Disposal / decrease of securities available for sale		5,159,794	4,876,532	200,825	5,645,024
Maturity/interest received on held to maturity securities		5,773,163	1,839,308	5,773,163	1,839,308
Disposal / decrease of subsidiaries, associates and jointly controlled subsidiaries (2)		895,131	891,978	-	146,647
Disposal / decrease of fixed assets		131	-	136	-
Disposal / decrease of intangible assets (2) (3)		66,417	-	76,356	-
Dividends / interest on equity received (4)		655,525	627,833	-	-
NET CASH GENERATED (USED) BY INVESTING ACTIVITIES		**5,317,956**	**(4,009,662)**	**4,771,667**	**(3,212,367)**
Cash flows from financing activities					
Increase in share capital		-	350,000	-	350,000
Dividends / interest on equity (4)	32e	(496,700)	(398,300)	(496,700)	(398,300)
Settlement of subordinated debts and debt instruments eligible for capital	32e	(1,003,785)	(1,966,617)	(1,003,785)	(1,966,617)
Funding of subordinated debt and capital-eligible debt instruments	32e	599,100	700,200	599,100	700,200
Other changes in subordinated debts and debt instruments eligible to capital	32e	-	21,845	-	21,845
CASH GENERATED (USED) BY FINANCING ACTIVITIES		**(901,385)**	**(1,292,872)**	**(901,385)**	**(1,292,872)**
Net variation in cash and cash equivalents		**45,155**	**(2,232,573)**	**14,233**	**(2,225,967)**
Beginning of the period		631,403	2,892,037	681,091	2,935,119
Effect of changes in foreign exchange rates on cash and cash equivalents		(15,408)	(28,061)	(15,408)	(28,061)
End of the period	7	661,150	631,403	679,916	681,091
Net increase (decrease) in cash and cash equivalents		**45,155**	**(2,232,573)**	**14,233**	**(2,225,967)**

(1) Includes offsetting carbon credits and green bonds.

(2) Includes impacts related to BV DTVM, as it ceased to be controlled and became an affiliate as of February 2023 (Note 2a).

(3) Includes reclassification of sustainable assets that are now presented in Other assets (Note 17b).

(4) Values net of taxes.

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

STATEMENT OF ADDED VALUE

as of December 31, 2023 and 2022

(In thousands of Reais, unless otherwise stated)

	Note	Parent Company				Consolidated			
		2023		2022		2023		2022	
Income / Expenses		**17,264,400**		**15,514,979**		**18,038,931**		**17,448,065**	
Financial intermediation income		18,004,860		15,442,747		18,815,173		16,847,896	
Service income and banking fees	23a / 23b	1,081,552		899,777		2,214,799		2,286,840	
Allowance for loan losses	9d / 12f.1	(1,798,598)		(986,771)		(3,052,219)		(1,824,043)	
(Provision) / reversal of provision for contingent liabilities	29a.4	4,352		120,470		9,125		136,833	
Other income / (expenses)		(27,766)		38,756		52,053		539	
Financial Intermediation expenses		**(11,619,429)**		**(9,837,817)**		**(11,667,274)**		**(9,991,602)**	
Inputs acquired from third parties		**(2,032,333)**		**(1,889,926)**		**(2,521,692)**		**(2,695,604)**	
Materials, water, electricity and gas	23d	(2,907)		(7,150)		(4,049)		(8,494)	
Outsourced services	23d	(8,289)		(11,867)		(15,469)		(14,529)	
Communications	23d	(21,244)		(22,807)		(29,563)		(29,903)	
Data processing	23d	(281,243)		(278,424)		(481,436)		(460,060)	
Transportation	23d	(9,632)		(6,052)		(10,403)		(6,399)	
Surveillance and security services	23d	(2,476)		(973)		(3,836)		(1,285)	
Specialized technical services	23d	(529,978)		(506,738)		(670,418)		(636,991)	
Financial system services	23d	(97,701)		(70,431)		(113,258)		(78,069)	
Advertising and publicity	23d	(104,069)		(125,492)		(115,240)		(176,861)	
Judicial and notary public fees	23d	(99,541)		(77,583)		(100,816)		(78,670)	
Costs associated with production - Business partners	23f	(738,683)		(628,997)		(753,817)		(989,391)	
Costs associated with production - Other expenses	23f	-		-		(63,024)		(42,453)	
Other	23d	(136,570)		(153,412)		(160,363)		(172,499)	
Gross value added		**3,612,638**		**3,787,236**		**3,849,965**		**4,760,859**	
Amortization / depreciation / utilization expenses		**(246,280)**		**(200,148)**		**(345,654)**		**(260,849)**	
Amortization / depreciation expenses	23d	(236,584)		(193,684)		(335,958)		(254,385)	
Amortization / utilization expenses - Carbon credits and green bonds (1) (2)		(9,696)		(6,464)		(9,696)		(6,464)	
Net value added produced by the entity		**3,366,358**		**3,587,088**		**3,504,311**		**4,500,010**	
Value added received as transfer		**(35,690)**		**163,354**		**(18,620)**		**(20,194)**	
Income from investments in subsidiaries, associates and jointly controlled subsidiaries	15a	(35,690)		163,354		(18,620)		(20,194)	
Value added payable		**3,330,668**	**100.00%**	**3,750,442**	**100.00%**	**3,485,691**	**100.00%**	**4,479,816**	**100.00%**
Distributed value added		**3,330,668**	**100.00%**	**3,750,442**	**100.00%**	**3,485,691**	**100.00%**	**4,479,816**	**100.00%**
Philanthropic Contributions (1)	**23d**	**1,890**	**0.06%**	**3,277**	**0.09%**	**10,002**	**0.29%**	**8,791**	**0.20%**
Personnel		**1,279,382**	**38.41%**	**1,407,253**	**37.51%**	**1,564,346**	**44.88%**	**1,714,866**	**38.28%**
Salaries, fees and labor demands		874,818		987,460		1,057,516		1,192,533	
Profit sharing - Employees and Management		173,851		184,483		222,989		231,942	
Benefits, training programs and other	23c	168,090		171,768		206,007		211,645	
FGTS		60,996		63,368		76,207		78,572	
Other charges		1,627		174		1,627		174	
Taxes, rates and contributions		**689,633**	**20.70%**	**822,182**	**21.94%**	**595,895**	**17.09%**	**992,649**	**22.16%**
Federal		632,276		774,689		514,248		914,392	
State		62		57		62		57	
Municipal		57,295		47,436		81,585		78,200	
Third-party capital remuneration		**25,647**	**0.77%**	**24,495**	**0.65%**	**29,984**	**0.86%**	**28,690**	**0.64%**
Rental	23d	25,647		24,495		29,984		28,690	
Remuneration of own capital		**1,334,116**	**40.06%**	**1,493,235**	**39.81%**	**1,285,464**	**36.88%**	**1,734,820**	**38.72%**
Interest on equity		666,255		500,000		666,255		500,000	
Controllers shares in retained earnings		667,861		993,235		484,306		961,467	
Non-controlling interests in retained earnings		-		-		134,903		273,353	

(1) It is part of the expenses arising from ESG practices. Additional information is described in explanatory note 31.

(2) With the effectiveness of BCB Normative Instruction No. 325, as of 2023, sustainable assets, previously presented in intangible assets, are now presented in other assets, as well as the use of carbon credits.

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

Notes to the Parent Company and Consolidated Financial Statements

1. THE CONGLOMERATE AND ITS OPERATIONS

Banco Votorantim S.A. ("banco BV", "Bank", "Institution", "Company", "Conglomerate" or "Consolidated") is a private company with its headquarters 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 fintechs and startups 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, payment institution, lease, 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.

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) Strategic partnership for the formation of an independent investment manager

In August 2022, banco BV, once controlling BV Distribuidora de Títulos e Valores Mobiliários (BV DTVM), entered into a strategic partnership with Banco Bradesco to form an independent investment management company. In the transaction, Banco Bradesco, through one of its subsidiaries, acquired 51% of the BV DTVM's capital. The operation was approved by the Central Bank of Brazil (Bacen) on February 15, 2023 and settled on February 28, 2023 (closing). As of this date, BV DTVM is no longer controlled by the Bank, becoming an associate and, as a result, no longer consolidated, therefore the revenues and expenses of its operations are presented in the various lines of the consolidated result until January 2023.

According to a relevant fact published on June 22, 2023, the new investment manager had its corporate name changed from BV DISTRIBUIDORA DE TÍTULOS E VALORES MOBILIÁRIOS S.A. to TIVIO CAPITAL DISTRIBUIDORA DE TÍTULOS E VALORES MOBILIÁRIOS S.A. (Tivio Capital).

b) Sale of Promotiva SA

In December 2022, Banco BV, once controlling shareholder of Promotiva SA, sold all the shares of the respective subsidiary to Wiz Soluções de Corretagem de Seguros SA. The amounts received and receivable follow established contractual conditions and the respective operation was approved by the competent authorities. As of December 2022, Promotiva ceased to be consolidated, therefore the revenues and expenses of its operations are presented in the different lines of the consolidated result until November 2022.

c) Opening of the branch in Luxembourg

In May 2022, banco BV obtained authorization from Bacen to open a branch in Luxembourg and made an initial capital contribution of R$ 5,294 (USD 1,000) in November 2022. This Social Capital increased in September 2023 in the amount of R$ 5,008 (USD 1,000) and in January 2024, in the amount of R$ 37,794 (USD 7,600), totaling a Share Capital of R$ 47,256 (USD 9,600). On January 30, 2024, the Commission de Surveillance du Secteur Financier approved the branch's application to obtain a banking license under the regime of a non-European credit institution, subject to meeting certain conditions for commencing operations.

d) Bankly Acquisition

On June 2, 2023, banco BV signed the definitive Investment Agreement for the acquisition of 100% of the shares of Acesso Soluções de Pagamentos S.A. (Bankly) and the controlling interest in Acessopar Investimentos e Participações S.A. (Acessopar, Bankly's holding company), through its subsidiary, Banco BV S.A. The operation was approved by the Central Bank of Brazil (Bacen) on October 20, 2023 and settled on November 27, 2023 (closing), after compliance with the conditions precedent.

3. PRESENTATION OF PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

a) Basis of preparation

The Consolidated Financial Statements cover the operations carried out by the financial and non-financial companies that make up the Conglomerate and were prepared based on the accounting guidelines issued by the Brazilian Corporation Law in compliance with the rules and instructions of the National Monetary Council (CMN), the Bank Central do Brasil (Bacen) and the Securities and Exchange Commission (CVM), when applicable.

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 statement 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 statement

In the preparation of the consolidated Financial Statement, 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.

Non-controlling interests in funds qualified as structured entities are presented in shareholder's equity, in accordance with BCB Normative Instruction No. 272/2022 and in compliance with the provisions of CMN Resolution No. 4,950/2021.

lease 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 lease operations, less residual values received in advance.

d) Conversion of transactions in foreign currency

The accounting balances of Banco BV's 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.

CMN Resolution No. 4,924/2021 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 ("reference rate") different from the informed by Bacen (PTAX) for the conversion of transactions and statements in foreign currency into national currency, subject to certain conditions. The Conglomerate did not adopt this option for both 2022 and 2023.

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:

(Amounts in thousand of Reais, unless otherwise indicated)

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

Subject matter	CMN Resolution	CPC
Provisions, contingent liabilities and contingent assets	3,823/2009	CPC 25
Share-based payment	3,989/2011	CPC 10 (R1)
Employee benefits	4,877/2020	CPC 33 (R1)
Parent Company and consolidated financial statements; Statement of cash flows; Disclosure about related parties; Subsequent events; Earnings per share.	4,818/2020	CPC 03 (R2) CPC 05 (R1) CPC 24 CPC 41
Accounting recognition, measurement, bookkeeping and disclosure	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 matter	CMN Resolution	CPC
Effects of changes in exchange rates and translation 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 held for sale	4,747/2019	CPC 31
Investment in Affiliate, Subsidiary and Jointly Controlled Venture Business Combination	4,817/2019	CPC 18 (R2) 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 1, 2022.

(2) CMN Resolution No. 4,966/2021 establishes the power of financial institutions to prepare and disclose Consolidated Financial Statement 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 Statement 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 Statement:

- CMN Resolution No. 4,975/2021 - effective on January 1, 2025, approves the adoption of CPC 06 (R2) which provides for the recognition, measurement, presentation and disclosure of lease operations by a financial institution, either in the condition lessor and lessee.
- CMN Resolution No. 4,966/2021 - effective on January 1, 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. For requirements related to hedge accounting, the effective date defined by the Central Bank is January 1, 2027.

CMN Resolution No. 4,966/2021 brings substantial changes to financial institutions and the Conglomerate will continue the work to adapt to the new rule throughout the years 2023 and 2024, making its application viable from January 1, 2025.

(Amounts in thousand of Reais, unless otherwise indicated)

Implementation plan:

During the 2022 financial year, the Conglomerate carried out: (i) the mapping of regulatory changes, impacted areas and systems, (ii) the definition of focal points, roles and responsibilities for each work front, (iii) the installation of governance and reporting of planned actions and (iv) budget approval for initiatives aimed at adhering to the new requirements.

The Conglomerate plans to adhere to the new criteria through the execution of an internal project that aims, in addition to adapting to the technical requirements, to train and acculturate the professionals involved in the various areas through training, policies and internal procedures, in addition to mapping, monitoring and enabling the adequacy of the technology environment throughout the entire accounting, managerial and business track.

Among the main themes of the standard that require adaptation to which the Conglomerate considers significant changes

Theme	Current rule	CMN Resolution 4,966/2021
Stop accrual	Interruption of the recognition of interest on operations overdue for more than 59 days.	90 days past due or sooner if the asset is considered a 'distressed asset' (stage 3).
Allowance for losses	9 ratings and overdue rollover based on CMN Resolution No. 2,682/1999.	Expected losses in 3 stages with minimum floors defined by the Central Bank. Minimum floors qualify as an incurred loss. Provision amounts above the minimum floors are qualified as expected losses.
Write-off for loss	After 180 days in H rating (360 days late in total)	When the entity has no expectation of recovery.
Effective interest rate	Origination income and expenses are recognized immediately.	They should be deferred and controlled as part of the effective interest rate.

With the issuance of BCB Resolution No. 352/2023, the Central Bank established accounting procedures on the definition of cash flows from financial assets as payment of principal and interest only; the application of the methodology for determining the effective interest rate of financial instruments; the creation of a provision for losses associated with credit risk; and the disclosure of information relating to financial instruments in the accompanying notes.

The impacts of these procedures are being reflected in the implementation plan and are the subject of wide discussion in the financial market, especially for clarifying normative points and submitting suggestions to the respective regulator, via entities representing the banks.

- CMN Resolution No. 5,100/2023 - changes provisions of CMN Resolution No. 4,966/2021 by establishing, for example, new accounting criteria for renegotiated contracts, optionality to recognize transaction costs and amounts received in the acquisition or origination of the instrument considered immaterial in profit or loss, postponement of requirements applicable to hedge accounting, among others.

e.4) CPC regulations, fully or partially incorporated by the CMN and/or for future adoption that may generate relevant impacts on the Financial Statement 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 shareholder's 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 existing differences between Central Bank regulations and international accounting standards relating to financial instruments, were addressed by the Central Bank with the issuance of CMN Resolution No. 4,966/2021, effective on January 1, 2025. The accounting adjustments arising from the initial adoption will be recorded against retained earnings or losses, in shareholder's equity.

(Amounts in thousand of Reais, unless otherwise indicated)

CPC 47 - Customer contract revenue:

Remuneration to correspondents in the country relating 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 expenses related to incremental costs for obtaining contracts are made deferred over the term of the operation. 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 said Resolution comes into force, on January 1, 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 1, 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 1, 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.

CPC 06 (R2) – Leases:

The risks and benefits of operating leases inherent to the ownership of the asset remain with the lessor, while the lessee only recognizes the lease expenses throughout the contract. This procedure differs from the provisions of CPC 06 (R2), which establishes for the lessee (a) exemption from the recognition of leases with a term of less than 12 months and of intangible values; (b) initial recording of the lease in assets (right to use the asset) and in liabilities at present value (liabilities representing lease obligations relating to rights of use); and (c) appropriation of the expenses for amortizing the rights of use of the asset and the interest on the financial liability representing the lease obligations relating to the right of use, for the period of use of the asset. The aforementioned provisions were addressed by the Central Bank with the issuance of CMN Resolution No. 4,975/2021, amended by CMN Resolution No. 5,101/2023, effective January 1, 2025.

The issuance of these Financial Statements was authorized by Management on February 6, 2024.

(Amounts in thousand of Reais, unless otherwise indicated)

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

	Activity	% of Participation	
		12.31.2023	12.31.2022
Financial institutions - domestic			
Banco BV S.A.	Multiple Bank	100.00%	100.00%
BV Distribuidora de Títulos e Valores Mobiliários S.A. (BV DTVM) (1)	Third party resource management	49.00%	100.00%
Insurance market institutions			
BV Corretora de Seguros S.A. (BV Corretora)	Broker	100.00%	100.00%
Non-financial institutions (2)			
BV Investimentos Alternativos Negócios e Participações S.A. (BVIA) (3)	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			
Votorantim Expertise Multimercado Fundo de Investimento (Expertise)	Fund	100.00%	100.00%
Crédito Universitário III Fundo de Investimento em Direitos Creditórios (FIDC Universitário) (5)	Fund	-	88.61%
Fundo de Investimento em Direitos Creditórios BV - Crédito de Veículos (FIDC BV) (6)	Fund	42.49%	42.49%
Fundo de Investimento em Direitos Creditórios TM II (FIDC TM)	Fund	100.00%	100.00%
Votorantim Securities Master Fundo de Investimento Imobiliário (Master)	Fund	88.43%	88.43%
Fundo de Investimento Imobiliário Votorantim Patrimonial (Patrimonial)	Fund	99.62%	99.62%
Banco BV SA Subsidiaries (7)			
Acesso Soluções de Pagamento S.A. (Bankly)	Payment Institution	100.00%	-
Acessopar Investimentos e Participações S.A. (Acessopar)	Holding	99.99%	-
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) In August 2022, Banco BV signed a strategic partnership with Banco Bradesco, which, through one of its subsidiaries, acquired 51% of the capital of BV DTVM. In February 2023, the Company ceased to be a subsidiary, becoming an associate and, as a result, ceased to be consolidated (note 2a).

(2) In December 2022, Banco BV, which controls Promotiva SA, sold all the shares in the respective subsidiary (Note 2b).

(3) In November 2023, the company changed its corporate purpose, encompassing specialized services in addition to participations and as a consequence of this movement, the company's corporate name was no longer "BVIA - BV Investimentos Alternativos e Gestão de Recursos SA" to "Bvia Negócios e Participações ".

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

(5) In March 2023, Banco BV sold all of its stake in the subordinated quotas of the FIDC Universitário, excluding the substantial retention of risks and benefits, therefore it ceased to be consolidated as of this base date.

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

(7) In November 2023, Banco BV, through its subsidiary Banco BV SA, acquired 100% of Bankly's shares and controlling interest in Acessopar (Note 2d).

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by banco BV were consistently applied to all periods presented in these Parent Company and Consolidated Financial Statement 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 Statement 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

Bonds and securities acquired to form a proprietary portfolio are recorded at the amount actually paid less the provision for loss, when deemed necessary, and classified according to Management's intention into three different categories, in accordance with current regulations:

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 shareholder's 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, in addition to possible adjustments in the prices of low liquidity securities, all duly in line with the prices practiced in the period. The determination of fair value takes unto 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 (or any other form of income distribution), 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 or expenses accounts for the period.

For hedged items that were discontinued from the fair value hedge relationship and remain recorded in the balance sheet, 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 shareholder's 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 balance sheetition, the accumulated reserve in shareholder's equity is recognized in the income statement remaining term of the operations.

The Bank 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 Bank itself, as established in the contract.

h) Loan portfolio - Loans, leases, other receivables with loan characteristics and provision for loans losses

The loan portfolio, comprising credit, lease and other credits with credit granting characteristics, is classified according to Management's judgment regarding the level of risk, taking into account the economic situation, past experience and 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 with a delay of more than 14 days as operations in abnormal progress and the criterion for classifying problematic assets. For operations contracted with clients whose total liability is worth more than R$ 50,000.00, an assessment is carried out per 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 classified as level H remain in this classification for 180 days, when 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.

Problematic assets are financial assets overdue for more than ninety days or when there are indications that the asset will not be realized without resorting 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 significant deterioration in the debtor's credit quality in the accounts, (iii) if the operation is subject to renegotiation that implies granting advantages to the debtor as a result of the deterioration of its credit quality or its mitigators (debt restructuring), (iv) if the Conglomerate files for bankruptcy or takes another similar measure in relation to 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.

Loans classified as problematic assets may be reverted to the condition of assets in normal course provided there is evidence that the debtor has regained its ability to honor its obligations under the agreed conditions. Management assesses whether the debtor (i) does not have any overdue items for more than ninety days, (ii) whether the asset no longer meets the criteria for characterizing problematic assets, (iii) whether 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 in such a way that realization of the asset is probable.

The provision for loans losses, 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 valuations are recorded in loans, also considering the classification percentage of provision for loans losses 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, the assets remain recognized in the Conglomerate's Balance Sheet. Income and expenses arising from these operations are separately recognized in income or expenses for the period for the remaining term of these operations; and
- When substantially all the risks and benefits related to the assets transferred to an entity are transferred, the assets are written off from the Conglomerate's balance sheet.

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; and
- The Conglomerate periodically evaluates if there is any indication that these assets may have undergone devaluation. If there is any indication, the entity estimates its recoverable value. If the recoverable value is less than its book value, the asset is reduced to its recoverable value through a provision for loss by parity, which is recognized in the Income Statement in "Other non-operating expenses".

j) Investments

Investments in subsidiaries with significant influence or interest of 20% or more in the voting capital are accounted for by the equity method based on the shareholder's equity in the subsidiary.

In the financial statements, goodwill for expected future profitability (goodwill) paid on the acquisition of investments, corresponding to disbursed amounts that exceed the fair value of identifiable assets less the fair value of liabilities assumed ("fair value"), are amortized based on the term and projected results contained in the report (technical study) that justified its origin.

The balances corresponding to the difference between the fair value and the book value of the investee's net equity (“additional value”) are amortized depending on the term for realizing the assets and the liability of the liabilities that gave rise to them. The positive difference between the acquisition value and the fair value that has no economic basis in future benefits is recognized in the income statement for the period as Other non-operating income and expenses. To analyze the impairment of goodwill on investees, banco BV defined the Cash Generating Units (CGU) considering the lowest level at which the goodwill is monitored for internal administration purposes.

The balances corresponding to goodwill due to expected future profitability recorded in subsidiaries are reclassified to the intangibles group for the purposes of the consolidated financial statements.

k) Property, plant and equipment

Property, plant and equipment is 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 amount (corresponding to the acquisition cost minus the residual value, if any):

- Vehicles – 20%;
- Data processing systems – 10% to 20%;
- Facilities, furniture and equipment in use - 10%;
- Improvements to third-party property – for the term of the rental contract.

The software acquired as an integral part of the functionality of an item of equipment is capitalized as part of that equipment.

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 assets

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.

In the Consolidated Statements, intangibles include goodwill paid on the acquisition of investments, as described in note 4j, which are amortized according to the terms projected in technical reports.

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 carries out impairment tests, at least annually, for software in development and for completed software.

Assets not for use: 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 BINDU - 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 asset's 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 CO_2 missions by vehicles financed by banco BV, 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: Once 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) Employee 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 (PLR), 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 ".

(Amounts in thousand of Reais, unless otherwise indicated)

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 the subject of market risk hedges is valued at its fair value, using consistent and verifiable criteria. Valuation adjustments to fair value of these operations are recorded in the same line that contains the financial instrument, as a contra entry to "Results from derivative financial instruments".

q) Taxes

The bank taxes, including revenues taxes, are calculated based on rates shown in the chart below:

	Current rates
Income Taxes	
Income Tax (15% + 10% surcharge)	25%
Social Contribution on Net Profit (CSLL) - Banco Votorantim S.A. and Banco BV S.A.[(1)]	20%
Social Contribution on Net Profit (CSLL) - Other financial and non-financial institutions [(1)]	from 9% to 15%
Other taxes	
PIS / PASEP [(2)]	from 0,65% to 1,65%
Contribution to Social Security Financing – COFINS [(2)]	from 3% to 7,6%
Tax on Services of Any Nature - ISSQN [(3)]	from 2% to 5%

(1) Law No. 14,446, of September 2, 2022, raised the CSLL rate for banks from 20% to 21% and from 15% to 16% for other entities in the financial sector from August 1, 2022 to December 31 2022, returning to the previous rates as of January 1, 2023, being 20% for banks and 15% for other financial sector entities.

(2) 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%.

(3) 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 lease 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 in the accompanying 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 CO_2 emission by vehicles financed by banco BV - The Institution's commitment to offset CO_2 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 off-balance sheet 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 closing 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 4512/2016, provisions for losses on financial guarantees provided are presented in "Other liabilities" (explanatory note 22.a and 30.1.a.ii).

t) Other assets and liabilities

Carbon credits and green bonds

Other assets also include carbon credits and green bonds that were acquired with the purpose of offsetting CO_2 emissions from vehicles financed by the banco BV. CO_2 is one of the gases that cause the greenhouse effect. The CO_2 emissions compensation mechanism that was 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 compensation, such as trading them on the market. For this reason, as there was no exposure of the institution to the fair value of the acquired credits, these were recognized at the price paid and form a stock of tons of CO_2, controlled by the average cost, consumed based on the monthly volume of CO_2 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 CO_2 emission of vehicles financed from 2021 and financing prior to 2021 whose customers have opted to adhere to the compensation program, constitutes a present obligation of the Institution, following provisions described in explanatory note 4r.

Prepaid expenses

Prepaid expenses are accounted for, including transaction costs incurred in obtaining contracts with customers, whose benefits or provision of services will occur in future periods. 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) Subsequent events

Between the end of the fiscal year and the date of authorization for the issuance of the financial statements, there may be events that, under certain conditions, require or not adjustments to the financial statements.

Events that show conditions that already existed at the end of the period to which the financial statements refer require adjustments in these statements, while events that are indicators of conditions that arose subsequently to the accounting period to which the financial statements refer, do not require adjustments.

When the subsequent event requires adjustments to the financial statements for the year ended, for example, loss due to impairment of credit in the event of bankruptcy or other relevant facts of credit deterioration evaluated on a case-by-case basis, Management updates its accounting disclosures by recognizing impacts on the balance sheet and income, whichever is applicable. For events that do not give rise to adjustments, Management discloses the nature of the event and the estimated financial effect for each significant category, when applicable, in the explanatory note to subsequent events.

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 Statement 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 Statement, 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) provision for loans losses of loans, leases e other credits with loan characteristics

In addition to observing the requirements for setting up a provision due to the delay in the payment of a portion of the principal or charges for operations, the provision is calculated based on management's judgment of the level of risk, considering the economic situation, the specific risks in relation to operation, debtors and guarantors, delay periods 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 judgments to identify and provision operations that have losses in their recoverable value, including the classification and measurement of problematic 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 Statement.

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

d) Fair value of financial instruments

Specific fair value assessment techniques are used for financial instruments that are not traded in active markets and for which market prices and parameters are not available (levels 2 and 3 of the fair value hierarchy). This calculation incorporates assumptions under Management's judgment, which takes into account the evaluation of information and market

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 value, which also involves assumptions and a considerable degree of judgment in estimating future cash flows and the discount rates used to calculate the present value of these flows.

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.

(Amounts in thousand of Reais, unless otherwise indicated)

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.

6. RECURRING AND NON-RECURRING INCOME

To classify non-recurring results, Banco BV considers income and expenses arising from unusual administrative acts and facts or those that have a low probability of occurring in consecutive years, in line with the criteria established in BCB Resolution No. 2/2020.

	Parent Company e Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Non-recurring result - BCB Resolution No. 2/2020	**(11,830)**	**39,038**	**84,542**	**39,038**
Income on disposal of investments, net of taxes [1] [2]	-	39,038	96,372	39,038
Others [3]	(11,830)	-	(11,830)	-

(1) In the year ended December 31, 2023, it refers to the profit on the partial sale of one of its subsidiaries (the gross value is R$ 175,222), as detailed in note 2a.

(2) In the year ended December 31, 2022, it refers to the profit on the sale of one of its subsidiaries (the gross amount is R$ 73,904), as detailed in note 2b.

(3) It mainly includes impairment of non-financial assets.

7. CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Cash and due from banks	**68,070**	**242,163**	**86,836**	**291,851**
Cash and due from banks in national currency	13,384	791	28,013	45,551
Cash and due from banks in foreign currency	54,686	241,372	58,823	246,300
Interbank funds applied [1]	**593,080**	**389,240**	**593,080**	**389,240**
Interbank accounts or relations	229,143	267,727	229,143	267,727
Investments in foreign currency [2]	363,937	121,513	363,937	121,513
Total	**661,150**	**631,403**	**679,916**	**681,091**

(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	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Reverse repurchase agreements [1]	**3,826,322**	**1,016,925**	**3,826,322**	**1,017,454**
Reverse repurchase agreements - Held	**304,460**	**50,589**	**304,460**	**301,330**
National Treasury Bill - LTN	4,739	-	4,739	529
National Treasury Notes - NTN	6,880	41,718	6,880	291,930
Securities of Brazilian Foreign Debt	292,841	8,871	292,841	8,871
Reverse repurchase agreements - Repledged	**938,374**	**461,087**	**938,374**	**210,875**
National Treasury Bill - LTN	619,004	-	619,004	-
National Treasury Notes - NTN	319,370	461,087	319,370	210,875
Reverse repurchase agreements - Short position	**2,583,488**	**505,249**	**2,583,488**	**505,249**
National Treasury Bill - LTN	2,444,209	-	2,444,209	-
National Treasury Notes - NTN	139,279	403,233	139,279	403,233
Securities of Brazilian Foreign Debt	-	102,016	-	102,016
Interbank deposit investments [2]	**2,900,570**	**2,602,875**	**957,841**	**332,459**
Total	**6,726,892**	**3,619,800**	**4,784,163**	**1,349,913**
Current assets	6,226,445	3,353,709	4,283,716	1,083,822
Non-current assets	500,447	266,091	500,447	266,091

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

(2) They refer to operations with an original term exceeding 90 days, which do not qualify as cash and cash equivalents.

(Amounts in thousand of Reais, unless otherwise indicated)

b) Income from interbank investments

	Parent Company			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Income from securities purchased under resale agreements	**176,987**	**126,318**	**259,260**	**438,229**
Own portfolio	99,065	23,484	126,668	102,224
Financed operations	24,388	75,739	47,017	281,146
Short position	53,534	27,095	85,575	54,859
Income from investments in interbank deposits [(1)]	**159,293**	**167,776**	**344,057**	**270,615**
Total [(2)]	**336,280**	**294,094**	**603,317**	**708,844**

	Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Income from securities purchased under resale agreements	**176,828**	**126,345**	**259,101**	**427,609**
Own portfolio	98,906	31,243	126,509	105,498
Financed operations	24,388	68,007	47,017	267,252
Short position	53,534	27,095	85,575	54,859
Income from investments in interbank deposits [(1)]	**70,570**	**25,213**	**125,058**	**41,458**
Total [(2)]	**247,398**	**151,558**	**384,159**	**469,067**

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

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

(Amounts in thousand of Reais, unless otherwise indicated)

9. SECURITIES

a) Portfolio summary by category

By category	12.31.2023				12.31.2022			
	Current	Not Current	Total	% Portfolio	Current	Not Current	Total	% Portfolio
Parent Company								
1 – Trading title [(1)]	19,360,947	-	19,360,947	39%	7,247,922	-	7,247,922	17%
2 – Securities available for sale	3,682,746	14,187,614	17,870,360	36%	3,735,306	13,877,706	17,613,012	42%
3 - Securities held to maturity	6,374,702	5,921,639	12,296,341	25%	5,428,230	11,656,203	17,084,433	41%
Book value of the portfolio	**29,418,395**	**20,109,253**	**49,527,648**	**100%**	**16,411,458**	**25,533,909**	**41,945,367**	**100%**
Category three mark-to-market (Note 30.1.b.vi)	16,435	(129,694)	(113,259)		(12,303)	(678,779)	(691,082)	
Fair value of the portfolio	**29,434,830**	**19,979,559**	**49,414,389**		**16,399,155**	**24,855,130**	**41,254,285**	
Consolidated								
1 – Trading title [(1)]	19,505,851	-	19,505,851	39%	7,375,779	-	7,375,779	18%
2 – Securities available for sale	3,574,958	14,551,539	18,126,497	36%	4,269,754	11,809,381	16,079,135	40%
3 - Securities held to maturity	6,374,702	5,921,639	12,296,341	25%	5,428,230	11,656,203	17,084,433	42%
Book value of the portfolio	**29,455,511**	**20,473,178**	**49,928,689**	**100%**	**17,073,763**	**23,465,584**	**40,539,347**	**100%**
Category three mark-to-market (Note 30.1.b.vi)	16,435	(129,694)	(113,259)		(12,303)	(678,779)	(691,082)	
Fair value of the portfolio	**29,471,946**	**20,343,484**	**49,815,430**		**17,061,460**	**22,786,805**	**39,848,265**	

(1) Bonds and securities classified in the “trading securities” category are presented as current assets, regardless of the maturity dates, pursuant to Bacen Circular nº 3068/2001.

In compliance with the provisions of article 8 of Circular No. 3,068/2001, of the Central Bank of Brazil, banco BV declares that it has the financial capacity and intention to hold until maturity the securities classified in the category “securities held to maturity” in the amount of R$ 12,296,342 in the Bank and Consolidated (R$ 17,084,433 in the Bank and Consolidated on December 31, 2022), representing 25% in the Bank and Consolidated of the total securities (41% in the Bank and 42% in Consolidated on December 31, 2022).

(Amounts in thousand of Reais, unless otherwise indicated)

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

Parent company	12.31.2023								12.31.2022		
	Fair value					Total			Total		
Maturity in days	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	**159,276**	**4,275,065**	**92,835**	**12,398,792**	**2,434,979**	**19,264,999**	**19,360,947**	**95,948**	**7,234,670**	**7,247,922**	**13,252**
Government bonds	**-**	**4,275,065**	**92,835**	**12,398,792**	**2,434,979**	**19,154,928**	**19,201,671**	**46,743**	**6,748,501**	**6,771,780**	**23,279**
Financial Treasury Bills	-	6,236	1,527	1,982,405	2,068,949	4,059,380	4,059,117	(263)	768,829	768,533	(296)
National Treasury Bills	-	4,268,829	5,348	9,836,252	-	14,065,223	14,110,429	45,206	3,721,806	3,749,249	27,443
National Treasury Notes	-	-	85,960	580,135	366,030	1,030,325	1,032,125	1,800	2,168,521	2,164,614	(3,907)
Government notes from other countries	-	-	-	-	-	-	-	-	89,345	89,384	39
Private securities	**159,276**	**-**	**-**	**-**	**-**	**110,071**	**159,276**	**49,205**	**486,169**	**476,142**	**(10,027)**
Shares	159,276	-	-	-	-	110,071	159,276	49,205	-	-	-
Certificate of Agribusiness Receivables	-	-	-	-	-	-	-	-	486,169	476,142	(10,027)
2 – Securities available for sale	**648,515**	**407,551**	**2,626,680**	**10,237,881**	**3,949,733**	**17,953,673**	**17,870,360**	**(83,313)**	**17,647,541**	**17,613,012**	**(34,529)**
Government bonds	**-**	**-**	**1,614,103**	**3,972,046**	**2,916,483**	**8,454,344**	**8,502,632**	**48,288**	**9,068,851**	**8,839,050**	**(229,801)**
Financial Treasury Bills	-	-	-	11,350	520,522	532,029	531,872	(157)	975,743	974,952	(791)
National Treasury Bills	-	-	-	966,543	-	953,780	966,543	12,763	1,065,504	1,029,842	(35,662)
National Treasury Notes	-	-	1,097,197	587,686	1,249,671	2,915,317	2,934,554	19,237	2,722,755	2,610,888	(111,867)
Brazilian Foreign Debt Securities	-	-	-	1,387,219	1,146,290	2,536,029	2,533,509	(2,520)	2,289,315	2,221,105	(68,210)
Government notes from other countries	-	-	516,906	1,019,248	-	1,517,189	1,536,154	18,965	2,015,534	2,002,263	(13,271)
Private securities	**648,515**	**407,551**	**1,012,577**	**6,265,835**	**1,033,250**	**9,499,329**	**9,367,728**	**(131,601)**	**8,578,690**	**8,773,962**	**195,272**
Debentures [1]	-	177,677	472,234	3,253,776	180,615	4,075,663	4,084,302	8,639	2,170,045	2,170,472	427
Promissory Notes [2]	-	-	5,650	-	-	5,656	5,650	(6)	16,295	16,290	(5)
Shares [3]	9,668	-	-	-	-	9,668	9,668	-	10,070	10,070	-
Quotas of investment funds [4]	638,847	37,173	53,130	838,319	770,848	2,328,239	2,338,317	10,078	3,616,571	3,946,039	329,468
Rural Product Notes -Commodities [5]	-	128,682	189,118	620,264	-	948,136	938,064	(10,072)	399,269	397,652	(1,617)
Eurobonds	-	-	-	1	-	26	1	(25)	26	1	(25)
Floating Rate Notes	-	7,463	110,553	178,571	-	299,524	296,587	(2,937)	696,774	682,465	(14,309)
Financial Letters	-	-	-	25,420	-	25,739	25,420	(319)	-	-	-
Certificated of Real Estate Receivables [6]	-	-	626	325,037	81,787	530,990	407,450	(123,540)	843,686	723,295	(120,391)
Agribusiness Receivables Certificate	-	-	11,623	221,891	-	236,824	233,514	(3,310)	177,134	177,555	421
Commercial notes [7]	-	56,556	169,643	802,556	-	1,038,864	1,028,755	(10,109)	648,820	650,123	1,303
3 – Securities held to maturity [8]	**-**	**2,444,573**	**3,930,129**	**5,708,217**	**213,422**	**12,296,341**	**12,296,341**	**-**	**17,084,433**	**17,084,433**	**-**
Government bonds	**-**	**2,444,573**	**3,930,129**	**5,708,217**	**213,422**	**12,296,341**	**12,296,341**	**-**	**17,084,433**	**17,084,433**	**-**
National Treasury Bills	-	2,444,573	2,413,682	1,565,438	-	6,423,693	6,423,693	-	6,891,257	6,891,257	-
National Treasury Notes	-	-	1,516,447	4,142,779	213,422	5,872,648	5,872,648	-	10,193,176	10,193,176	-
Total (1 + 2 + 3)	**807,791**	**7,127,189**	**6,649,644**	**28,344,890**	**6,598,134**	**49,515,013**	**49,527,648**	**12,635**	**41,966,644**	**41,945,367**	**(21,277)**

(Amounts in thousand of Reais, unless otherwise indicated)

Consolidated	12.31.2023								12.31.2022		
	Fair value					Total			Total		
Maturity in days	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	**159,276**	**4,275,065**	**92,835**	**12,407,393**	**2,571,282**	**19,406,585**	**19,505,851**	**99,266**	**7,362,527**	**7,375,779**	**13,252**
Government bonds	**-**	**4,275,065**	**92,835**	**12,407,393**	**2,434,979**	**19,163,526**	**19,210,272**	**46,746**	**6,868,358**	**6,891,637**	**23,279**
Financial Treasury Bills	-	6,236	1,527	1,991,006	2,068,949	4,067,978	4,067,718	(260)	888,686	888,390	(296)
National Treasury Bills	-	4,268,829	5,348	9,836,252	-	14,065,223	14,110,429	45,206	3,721,806	3,749,249	27,443
National Treasury Notes	-	-	85,960	580,135	366,030	1,030,325	1,032,125	1,800	2,168,521	2,164,614	(3,907)
Government notes from other countries	-	-	-	-	-	-	-	-	89,345	89,384	39
Private securities	**159,276**	**-**	**-**	**-**	**136,303**	**243,059**	**295,579**	**52,520**	**494,169**	**484,142**	**(10,027)**
Debentures	-	-	-	-	136,303	132,988	136,303	3,315	8,000	8,000	-
Shares	159,276	-	-	-	-	110,071	159,276	49,205	-	-	-
Certificate of Agribusiness Receivables	-	-	-	-	-	-	-	-	486,169	476,142	(10,027)
2 – Securities available for sale	**264,252**	**491,753**	**2,818,953**	**10,541,001**	**4,010,538**	**18,202,653**	**18,126,497**	**(76,156)**	**16,125,281**	**16,079,135**	**(46,146)**
Government bonds	**-**	**72,907**	**1,806,129**	**4,236,640**	**2,922,257**	**8,989,518**	**9,037,933**	**48,415**	**9,502,212**	**9,260,792**	**(241,420)**
Financial Treasury Bills	-	72,907	192,026	17,307	526,296	808,729	808,536	(193)	1,149,568	1,148,939	(629)
National Treasury Bills	-	-	-	966,543	-	953,780	966,543	12,763	1,065,504	1,029,842	(35,662)
National Treasury Notes	-	-	1,097,197	846,323	1,249,671	3,173,791	3,193,191	19,400	2,982,291	2,858,643	(123,648)
Brazilian Foreign Debt Securities	-	-	-	1,387,219	1,146,290	2,536,029	2,533,509	(2,520)	2,289,315	2,221,105	(68,210)
Government notes from other countries	-	-	516,906	1,019,248	-	1,517,189	1,536,154	18,965	2,015,534	2,002,263	(13,271)
Private securities	**264,252**	**418,846**	**1,012,824**	**6,304,361**	**1,088,281**	**9,213,135**	**9,088,564**	**(124,571)**	**6,623,069**	**6,818,343**	**195,274**
Debentures [1]	-	177,677	472,234	3,253,776	180,615	4,075,663	4,084,302	8,639	2,170,045	2,170,472	427
Promissory Notes [2]	-	-	5,650	-	-	5,656	5,650	(6)	16,295	16,290	(5)
Shares [3]	9,668	-	-	-	-	9,668	9,668	-	10,070	10,070	-
Quotas of investment funds [4]	254,584	48,468	53,130	838,319	795,843	1,967,914	1,990,344	22,430	1,581,457	1,922,622	341,165
Rural Product Notes -Commodities [5]	-	128,682	189,118	620,264	-	948,136	938,064	(10,072)	399,269	397,652	(1,617)
Eurobonds	-	-	-	1	-	26	1	(25)	26	1	(25)
Floating Rate Notes	-	7,463	110,553	178,571	-	299,524	296,587	(2,937)	696,774	682,465	(14,309)
Financial Letters	-	-	-	25,420	-	25,739	25,420	(319)	-	-	-
Certificated of Real Estate Receivables [6]	-	-	873	363,563	111,823	605,121	476,259	(128,862)	923,179	791,093	(132,086)
Agribusiness Receivables Certificate	-	-	11,623	221,891	-	236,824	233,514	(3,310)	177,134	177,555	421
Commercial notes [7]	-	56,556	169,643	802,556	-	1,038,864	1,028,755	(10,109)	648,820	650,123	1,303
3 – Securities held to maturity [8]	**-**	**2,444,573**	**3,930,129**	**5,708,217**	**213,422**	**12,296,341**	**12,296,341**	**-**	**17,084,433**	**17,084,433**	**-**
Government bonds	**-**	**2,444,573**	**3,930,129**	**5,708,217**	**213,422**	**12,296,341**	**12,296,341**	**-**	**17,084,433**	**17,084,433**	**-**
National Treasury Bills	-	2,444,573	2,413,682	1,565,438	-	6,423,693	6,423,693	-	6,891,257	6,891,257	-
National Treasury Notes	-	-	1,516,447	4,142,779	213,422	5,872,648	5,872,648	-	10,193,176	10,193,176	-
Total (1 + 2 + 3)	**423,528**	**7,211,391**	**6,841,917**	**28,656,611**	**6,795,242**	**49,905,579**	**49,928,689**	**23,110**	**40,572,241**	**40,539,347**	**(32,894)**

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.

(1) The cost value of the Debentures includes provision for impairment in the amount of R$ 744,925 (R$ 818,374 as of December 31, 2022) as a counterpart to (Provision) / reversal of provision for impairment of bonds and securities.

(2) The cost value of the Promissory Notes includes provision for impairment in the amount of R$ 26,126 (R$ 26,126 as of December 31, 2022) as a counterpart to (Provision) / reversal of provision for impairment of securities and securities furniture.

(3) The cost value of the Shares includes provision for impairment in the amount of R$ 3,160 in the Bank and Consolidated (R$ 3,171 in the Bank and R$ 4,924 in the Consolidated as of December 31, 2022) as a corresponding entry to (Provision) / reversal of provision for impairment of bonds and securities.

(4) The cost value of Investment Fund Shares also considers the provision for impairment in the amount of R$ 34,148 (R$ 81,869 as of December 31, 2022) as a counterpart to (Provision) / reversal of provision for impairment recoverable from bonds and securities. Includes effect of adjustment to fair value of participation funds (FIP) and real estate investment funds (FII) that are not consolidated.

(5) The cost value of Rural Product Notes also considers the provision for impairment in the amount of R$ 24,160 (R$ 24,160 on December 31, 2022) as a counterpart to (Provision) / reversal of provision for impairment of securities.

(6) The cost value of Real Estate Receivables Certificates also considers the provision for impairment in the amount of R$ 761 (R$ 761 as of December 31, 2022) as a counterpart to (Provision) / reversal of provision for impairment of securities.

(7) The cost value of Commercial Notes also considers the provision for impairment in the amount of R$ 55,128 as a counterpart to (Provision) / reversal of provision for impairment of bonds and securities (as of December 31, 2022, no a provision was made for these titles).

(8) Securities classified in the “Securities held to maturity” category are accounted for in accordance with Bacen Circular No. 3,068/2001 at cost value. As of December 31, 2023, the fair value of securities held to maturity is R$ 12,183,083 in the Bank and Consolidated (R$ 16,393,351 as of December 31, 2022 in the Bank and Consolidated).

(amounts in thousands of Reais, unless otherwise indicated)

c) Income from securities

	Parent Company			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Interbank investments (note 8b)	336,280	294,094	603,317	708,844
Fixed income securities [1]	1,757,077	1,439,174	3,868,226	2,838,892
Securities abroad [1]	170,366	144,007	264,626	268,007
Variable income securities	(1,364)	(1,224)	51,168	1,209
Investments in investment funds [1] [2]	549,821	203,856	865,587	411,629
Investments in foreign currency [1]	4,972	2,462	8,481	20,457
Total	**2,817,152**	**2,082,369**	**5,661,405**	**4,249,038**

	Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Interbank investments (note 8b)	247,398	151,558	384,159	469,067
Fixed income securities [1]	1,798,116	1,479,029	3,945,618	2,797,026
Securities abroad [1]	170,366	144,007	264,626	268,007
Variable income securities	(1,364)	(418)	51,168	1,750
Investments in investment funds [1] [2]	42,008	71,377	126,218	180,346
Investments in foreign currency [1]	4,972	2,350	8,481	20,344
Total	**2,261,496**	**1,847,903**	**4,780,270**	**3,736,540**

(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 through the amortization of shares in equity investment funds (FIPs).

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

	Parent Company and Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Shares	(3)	25	11	54
Debentures	(5,500)	945	73,449	28,746
Quotas of investment funds	57,887	3,529	47,721	3,589
Rural Product Bills	-	-	-	1,154
Commercial Notes	(51,918)	-	(55,128)	-
Total	**466**	**4,499**	**66,053**	**33,543**

e) Reclassifications of securities

There was no reclassification of securities between categories on December 31, 2023 and 2022.

10. DERIVATIVE FINANCIAL INSTRUMENTS

The Conglomerate uses derivative financial instruments to manage its positions on a consolidated basis and to fulfill the needs of it's 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. Subsidiarie's 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 subsidiarie's 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.

(amounts in thousands of Reais, unless otherwise indicated)

a) Breakdown of derivative financial instruments portfolio by index

	Parent Company and Consolidated					
	12.31.2023			12.31.2022		
By index	Reference	Cost	Fair value	Reference value	Cost	Fair value
1 - Futures contracts						
Purchase commitments	**9,754,730**	**-**	**-**	**11,034,309**	**-**	**-**
Interbank deposits	2,673,122	-	-	5,742,911	-	-
Currencies	833,078	-	-	1,627,701	-	-
Index	449,375	-	-	362,480	-	-
Foreign currency coupon	5,799,155	-	-	3,301,217	-	-
Other	-	-	-	-	-	-
Sales commitments	**63,147,228**	**-**	**-**	**39,750,285**	**-**	**-**
DI	57,602,039	-	-	32,755,324	-	-
Currencies	810,243	-	-	59,951	-	-
Index	791,657	-	-	637,881	-	-
Libor	-	-	-	422,631	-	-
Foreign currency coupon	3,539,169	-	-	4,693,467	-	-
Other	404,120	-	-	1,181,031	-	-
2 - Term operations						
Asset position	**387,817**	**387,817**	**388,084**	**271,783**	**271,783**	**272,734**
Currency term	205,860	205,860	206,127	271,783	271,783	272,734
Government bonds term	181,957	181,957	181,957	-	-	-
Liability position	**387,817**	**(387,817)**	**(389,794)**	**271,783**	**(271,783)**	**(278,476)**
Currency term	205,860	(205,860)	(207,812)	271,783	(271,783)	(278,476)
Government bonds term	181,957	(181,957)	(181,982)	-	-	-
3 - Option contracts [(1)]						
Call option - Long position	**1,379,872**	**26,285**	**9,308**	**2,772,253**	**117,650**	**49,095**
Foreign currency	-	-	-	106,500	1,519	1,067
Flexible options	1,379,872	26,285	9,308	2,640,940	114,679	46,525
Other	-	-	-	24,813	1,452	1,503
Put option - Long position	**400,100**	**15,650**	**24,412**	**934,000**	**33,712**	**46,253**
Foreign currency	387,500	15,479	24,392	934,000	33,712	46,253
DI Index	12,600	171	20	-	-	-
Call option - Short position	**620,907**	**(16,361)**	**(89)**	**1,416,898**	**(40,949)**	**(19,273)**
Foreign currency	617,500	(15,182)	-	1,387,500	(36,099)	(15,245)
Flexible options	3,407	(1,179)	(89)	6,971	(2,193)	(700)
Other	-	-	-	22,427	(2,657)	(3,328)

(amounts in thousands of Reais, unless otherwise indicated)

By index	Parent Company and Consolidated					
	12.31.2023			12.31.2022		
	Reference	Cost	Fair value	Reference value	Cost	Fair value
Put option - Short position	**1,264,290**	**(26,383)**	**(71,313)**	**2,321,967**	**(114,679)**	**(131,094)**
Flexible options	1,240,290	(26,285)	(71,302)	2,321,967	(114,679)	(131,094)
Shares	24,000	(98)	(11)	-	-	-
4 - Swap contracts [1] [2]						
Asset position	**14,855,584**	**613,931**	**864,204**	**12,852,219**	**950,171**	**881,182**
DI	6,503,751	387,237	427,517	8,992,751	337,681	558,613
Foreign currency	170,603	17,340	17,306	1,680,185	403,376	93,948
Fixed rate	8,137,730	193,837	404,411	2,039,969	158,079	181,743
IPCA	3,000	95	3	51,560	8,597	7,991
IGP-M	40,500	15,422	14,967	78,000	41,512	37,680
Libor	-	-	-	9,754	926	1,207
Liability position	**12,354,160**	**(1,850,686)**	**(2,031,831)**	**13,233,879**	**(1,439,398)**	**(1,191,138)**
DI	4,181,377	(308,678)	(309,493)	4,836,847	(104,405)	(264,694)
Foreign currency	29,303	(720)	(524)	1,566,089	(415,563)	(82,411)
Prefixed	7,497,016	(1,406,838)	(1,592,420)	6,351,483	(831,240)	(776,589)
IPCA	489,464	(90,853)	(85,524)	365,833	(65,765)	(47,340)
IGP-M	49,648	(3,883)	(4,766)	96,719	(20,768)	(19,125)
Libor	-	-	-	16,908	(1,657)	(979)
Other	107,352	(39,714)	(39,104)	-	-	-
5 - Other derivative financial instruments						
Asset position	**15,001,915**	**93,154**	**89,621**	**13,405,437**	**59,943**	**57,905**
Non Deliverable Forward - Foreign currency [1]	15,001,915	93,154	89,621	13,384,566	58,554	56,533
Credit derivatives	-	-	-	20,871	1,389	1,372
Liability position	**3,499,609**	**(216,853)**	**(146,594)**	**2,320,604**	**(407,528)**	**(185,619)**
Non Deliverable Forward - Foreign currency [1]	3,305,957	(215,425)	(145,034)	2,164,073	(405,379)	(183,729)
Credit derivatives	193,652	(1,428)	(1,560)	156,531	(2,149)	(1,890)
Total assets (1 + 2 + 3 + 4 + 5)	**41,780,018**	**1,136,837**	**1,375,629**	**41,270,001**	**1,433,259**	**1,307,169**
Total liabilities (1 + 2 + 3 + 4 + 5)	**80,886,194**	**(2,498,100)**	**(2,639,621)**	**59,043,633**	**(2,274,337)**	**(1,805,600)**

[1] The fair value for swaps, options and non deliverable forwards considers the credit risk of the counterparty (credit valuation adjustment).
[2] The presentation of credit derivatives by position (asset or liability) takes into account the respective fair value of each contract

(amounts in thousands of Reais, unless otherwise indicated)

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

	Parent Company and Consolidated					
Maturity in days	0 to 30	31 to 180	181 to 360	Over 360	12.31.2023	12.31.2022
Futures contracts	14,738,885	10,035,963	9,790,597	38,336,513	72,901,958	50,784,594
Forward contracts	205,860	-	-	181,957	387,817	271,783
Option contracts	1,451,583	832,479	1,020,297	360,810	3,665,169	7,445,118
Swap contracts	932,036	3,912,910	6,149,024	16,215,774	27,209,744	26,086,098
Non Deliverable Forward - Foreign Currency	1,636,272	15,631,052	906,672	133,876	18,307,872	15,548,639
Credit derivatives	-	-	193,652	-	193,652	177,402
Total	**18,964,636**	**30,412,404**	**18,060,242**	**55,228,930**	**122,666,212**	**100,313,634**

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

	12.31.2023							12.31.2022
Parent Company and Consolidated	Future	Term	Options	Swaps	Non Deliverable Forward	Credit derivatives	Total	
Stock exchange market	**72,901,958**	**-**	**1,041,600**	**-**	**-**	**-**	**73,943,558**	**53,212,594**
Over-the-counter market	**-**	**387,817**	**2,623,569**	**27,209,744**	**18,307,872**	**193,652**	**48,722,654**	**47,101,040**
Financial institutions	-	387,817	3,407	21,597,333	10,982,057	193,652	33,164,266	30,206,230
Client	-	-	2,620,162	5,612,411	7,325,815	-	15,558,388	16,894,810

d) Breakdown of the credit derivatives portfolio

	12.31.2023			12.31.2022		
Parent Company and Consolidated	Reference value	Cost value	Fair value	Reference value	Cost value	Fair value
Credit swap						
Transferred risk	193,652	(1,428)	(1,560)	177,402	(760)	(518)
By indexer						
Active position – Pre-fixed	-	-	-	20,871	1,389	1,372
Liabilities Position – Prefixed	193,652	(1,428)	(1,560)	156,531	(2,149)	(1,890)

For the sale of protection, a credit limit is approved, both for the "risk customer" and for the counterparty, in accordance with the authority and forums of the credit committees. A credit limit is allocated to the "risk customer" at the reference value (notional) of the derivative, considering the amounts deposited as collateral.

To purchase protection, you operate in a trading portfolio with a sovereign risk client. In this case, the potential future exposure is considered to allocate the counterparty limit. The credit derivatives portfolio generated impacts on the Portion Referring to Exposures Weighted by Risk Factor (PRMR), for calculating the Basel Index in the amount of R$ 620 on December 31, 2023 (R$ 819 on December 31, 2022).

(Amounts in thousands of Reais, unless otherwise indicated)

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	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Financial Treasury Bills - LFT	223,578	716,997	232,176	717,628
National Treasury Bills - LTN	1,810,942	909,215	1,810,942	909,215
Shares of the investment fund liquidity of board B3	46,732	41,274	46,732	58,561
Others	24,191	56,329	24,191	56,329
Total	**2,105,443**	**1,723,815**	**2,114,041**	**1,741,733**

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

	Parent Company and Consolidated					
	12.31.2023			12.31.2022		
	Current	Non-current	Total	Current	Non-current	Total
Assets						
Term operations	206,127	181,957	388,084	258,805	13,929	272,734
Options market	29,975	3,745	33,720	65,719	29,629	95,348
Swap contracts	223,620	640,584	864,204	828,494	52,688	881,182
Non Deliverable Forward - Foreign currency	88,518	1,103	89,621	52,778	3,755	56,533
Credit derivatives	-	-	-	-	1,372	1,372
Total	**548,240**	**827,389**	**1,375,629**	**1,205,796**	**101,373**	**1,307,169**
Liabilities						
Term operations	(207,812)	(181,982)	(389,794)	(263,940)	(14,536)	(278,476)
Options market	(61,330)	(10,072)	(71,402)	(16,500)	(133,867)	(150,367)
Swap contracts	(1,049,750)	(982,081)	(2,031,831)	(670,967)	(520,171)	(1,191,138)
Non Deliverable Forward - Foreign currency	(139,103)	(5,931)	(145,034)	(177,046)	(6,683)	(183,729)
Credit derivatives	(1,560)	-	(1,560)	-	(1,890)	(1,890)
Total	**(1,459,555)**	**(1,180,066)**	**(2,639,621)**	**(1,128,453)**	**(677,147)**	**(1,805,600)**

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.

(Amounts in thousands of Reais, unless otherwise indicated)

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 credit operations with risk in pre-fixed rate/exchange rate are protected with DI futures contracts.

Hedged items		12.31.2023				
		Fair value of hedged items		Fair value adjustment of hedged items		Base value for calculating hedge ineffectiveness [1]
Parent Company and Consolidated	Balance sheet line item	Assets	Liabilities	Assets	Liabilities	
Interest rate risk						
Hedge of loan contracts	Loans and leases	26,492,303	-	424,947	-	3,155,972
Hedge of perpetual subordinated financial bills - Equity-eligible debt instruments	Equity-eligible debt instruments	-	331,862	-	11,525	(32,309)
Total		**26,492,303**	**331,862**	**424,947**	**11,525**	**3,123,664**
		12.31.2022				
Interest rate risk						
Hedge of loan contracts	Loans and leases	16,936,827	-	(447,760)	-	1,786,143
Total		**16,936,827**	**-**	**(447,760)**	**-**	**1,786,143**

(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 strategies of purchase and sale commitment and loans and leases, the Conglomerate reestablishes the hedging relationship since both the hedged item and the instruments are re-evaluated throughout 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	12.31.2023			
	Reference value		Base amount to calculate the ineffectiveness of hedge [1]	Hedge ineffectiveness recorded in income [2]
Parent Company and Consolidated	Assets	Liabilities		
Interest rate risk				
Future DI	452,158	26,656,531	(3,133,162)	(9,498)
Total	**452,158**	**26,656,531**	**(3,133,162)**	**(9,498)**
Parent Company and Consolidated	12.31.2022			
Interest rate risk				
Future DI	-	19,915,037	(1,817,175)	(31,032)
Total	**-**	**19,915,037**	**(1,817,175)**	**(31,032)**

(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 so that it is possible to compare with changes in the fair value of the instrument and the hedged object.

In the years ended December 31, 2023 and 2022, there were no dismantling operations and no effect on results 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 future cash flows of sovereign bonds issued by the Federative Republic of Brazil abroad and other bonds issued abroad against exposure to exchange rate risk (USD and EUR), the Conglomerate negotiated swap contracts in the over-the-counter market, registered at B3.

(Amounts in thousands of Reais, unless otherwise indicated)

Hedged items Parent Company and Consolidated	Statement of Financial Position line item	Book/reference amount Assets	Book/reference amount Liabilities	Base amount for calculating hedge ineffectiveness [1]	Cash flow hedge reserve
	12.31.2023				
Interest rate risk					
Hedge of Financial Bills	Securities issued	-	3,289,443	(17,430)	(3,929)
Exchange rate risk					
Hedge of Brazilian external debt securities	Marketable securities	1,146,290	-	(81,530)	46,437
Hedge of bonds with TVM abroad	Features of acceptance and issuance of bonds	-	5,181,633	926,996	(153,608)
Hedge of obligations for loans abroad	Obligations for loans and onlendings	-	492,103	60,289	(17,795)
Total		**1,146,290**	**8,963,179**	**888,325**	**(128,895)**
Parent Company and Consolidated	12.31.2022				
Interest rate risk					
Hedge of Financial Bills	Securities issued	-	4,447,448	(69,994)	24,048
Hedge of subordinated financial bills - Debt instruments eligible for capital	Debt instruments eligible for capital	-	78,354	(4,346)	35
Exchange rate risk					
Hedge of Brazilian external debt securities	Marketable securities	445,028	-	(19,018)	29,140
Hedge of bonds with TVM abroad	Features of acceptance and issuance of bonds	-	5,587,770	257,241	91,721
Hedge of obligations for loans abroad	Obligations for loans and onlendings	-	1,014,704	(25,869)	23,009
Total		**445,028**	**11,128,276**	**138,014**	**167,953**

(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 Parent Company and Consolidated	Book/reference amount Assets	Book/reference amount Liabilities	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]
	12.31.2023				
Interest rate risk					
Future DI	3,150,794	-	17,299	(28,011)	-
Exchange rate risk					
Swap [3] [4] [5]	5,584,248	1,236,421	(898,526)	(268,837)	(105)
Total	**8,735,042**	**1,236,421**	**(881,227)**	**(296,848)**	**(105)**
Parent Company and Consolidated	12.31.2022				
Interest rate risk					
Future DI	4,385,438	-	76,004	(222,686)	979
Exchange rate risk					
Swap [3] [4] [5]	6,664,911	495,479	(208,511)	(270,462)	3,008
Total	**11,050,349**	**495,479**	**(132,507)**	**(493,148)**	**3,987**

(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 accumulated basis so that it is possible to confront changes in the fair value of the instrument and the hedged item.
(3) The reference value of swap contracts for hedging obligations with securities abroad is R$ 5,711,855 on December 31, 2023 and 2022.
(4) The reference value of swap contracts for hedging Brazilian external debt securities is R$ 1,324,011 on December 31, 2023 (R$ 561,334 on December 31, 2022).
(5) The reference value of swap contracts for hedging foreign loan obligations is R$ 517,000 as of December 31, 2023 (R$ 974,371 as of December 31, 2022).

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

In the year ended December 31, 2023, the adjustment to the fair value of the effective portion, in the amount of R$ (296,848) (R$ (493,148) in the year ended December 31, 2022), was recognized in equity and the ineffective portion, in the amount of R$ (4,092) (R$ 1,923 in the year ended December 31, 2022) was recognized in profit or loss under “Results from derivative financial instruments”.

The net losses from tax effects related to the cash flow hedge that the Conglomerate expects to recognize in the result in the next 12 months total R$ (79,380) (net gains of R$ 33,327 in the year ended December 31, 2022).

In the year ended December 31, 2023, some operations were no longer qualified as cash flow hedges, which generated a result of R$ 58,208 in the period, net of tax effects, presented under the heading "Results from derivative financial instruments" (R$ 6,653 in the year ended December 31, 2022).

(Amounts in thousands of Reais, unless otherwise indicated)

h) Income from derivative financial instruments

	Parent Company			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Swap contracts	(61,885)	110,120	(212,438)	667,592
Term operations	4,562	(8,457)	9,264	5,763
Options market	(7,438)	(28,535)	(117,578)	13,633
Futures contracts	(235,543)	(13,841)	(748,419)	(400,007)
Credit derivatives	(113)	(594)	7,410	(594)
Fair value adjustments of hedged financial instruments	239,375	392,871	974,323	355,739
Non Deliverable Forward - Foreign currency	62,648	(62,212)	(453,485)	(339,038)
Income from exchange variation on investments abroad	7,823	(6,684)	(128,988)	(114,514)
Total	**9,429**	**382,668**	**(669,911)**	**188,574**

	Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Swap contracts	(61,885)	110,120	(212,438)	801,767
Term operations	4,562	(8,457)	9,264	5,763
Options market	(7,438)	(28,535)	(117,578)	(100,957)
Futures contracts	(235,543)	(13,841)	(748,419)	(400,007)
Credit derivatives	(113)	(594)	7,410	(594)
Fair value adjustments of hedged financial instruments	239,375	392,871	974,323	355,739
Non Deliverable Forward - Foreign currency	62,648	(62,212)	(453,485)	(224,867)
Income from exchange variation on investments abroad	7,823	(6,684)	(128,988)	(114,514)
Total	**9,429**	**382,668**	**(669,911)**	**322,330**

11. INTERBANK ACCOUNTS

a) Breakdown

	Parent Company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Assets				
Compulsory deposits at the Central Bank of Brazil	**3,003,736**	**1,924,717**	**3,231,489**	**1,961,377**
Demand deposits	2,793,195	1,619,271	2,793,195	1,619,271
Microfinance transactions	16,761	41,216	19,165	42,598
Instant payments	193,780	264,230	346,171	299,508
Electronic currency deposits	-	-	72,958	-
Liabilities				
Payments and receipts to be settled - Payment transactions	**41**	**40,217**	**3,034,465**	**3,472,198**
Credit cards	41	40,217	3,034,465	3,472,198
Current assets	3,003,736	1,924,717	3,231,489	1,961,377
Current liabilities	41	40,217	3,034,465	3,472,198

b) Income from compulsory deposits

	Parent Company			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Credits linked to Central Bank of Brazil	**144,724**	**104,393**	**278,249**	**180,953**
Requirement on time deposits	133,738	97,076	256,371	173,636
Instant payments	10,986	7,317	21,878	7,317
Total	**144,724**	**104,393**	**278,249**	**180,953**

	Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Credits linked to Central Bank of Brazil	**153,213**	**107,797**	**293,258**	**184,357**
Requirement on time deposits	133,738	97,076	256,371	173,636
Instant payments	19,475	10,721	36,887	10,721
Total	**153,213**	**107,797**	**293,258**	**184,357**

(Amounts in thousands of Reais, unless otherwise indicated)

12. CREDIT AND LOANS PORTFOLIO

a) Portfolio by modality

	Parent company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Loans	**64,364,027**	**59,352,481**	**66,917,298**	**62,008,362**
Loans and discounted notes	6,821,827	7,136,422	9,375,099	9,764,690
Financings	45,206,065	40,855,702	46,021,470	44,266,896
Rural and agribusiness financing	2,256,917	1,353,722	2,256,917	1,353,722
Real estate financing agreements	55,148	96,579	55,148	96,579
Loans linked to assignments (Note 12h.1) (1)	10,024,070	9,910,056	9,208,664	6,526,475
Other receivables with loan characteristics	**4,226,901**	**4,769,158**	**7,321,851**	**8,272,176**
Credit card operations	-	-	3,109,783	3,503,018
Advance on exchange contract e Others related credits	784,386	731,983	784,386	731,983
Other credits linked to payment transactions (2)	547,897	322,730	533,064	322,730
Securities and receivables	2,894,618	3,714,445	2,894,618	3,714,445
lease portfolio	**-**	**-**	**32,609**	**37,263**
Total Credit and loan portfolio	**68,590,928**	**64,121,639**	**74,271,758**	**70,317,801**
Provision for loans losses	**(4,778,664)**	**(4,622,992)**	**(5,975,343)**	**(5,597,006)**
(Allowance for loan losses)	(4,147,095)	(3,940,497)	(5,290,538)	(4,850,968)
(Allowance for other credits with credit grant characteristics) (3)	(631,569)	(682,495)	(684,606)	(745,880)
(Allowance for lease losses)	-	-	(199)	(158)
Total credit and loan portfolio net of provisions	**63,812,264**	**59,498,647**	**68,296,415**	**64,720,795**
Current Assets	29,895,735	28,254,214	33,948,855	32,877,128
Non-current assets	33,916,529	31,244,433	34,347,560	31,843,667

(1) Loans 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			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Income from Loans	**5,625,273**	**5,038,229**	**10,607,133**	**9,597,570**
Loans and discounted notes	984,104	889,913	2,008,793	1,659,311
Financing	4,498,663	4,105,937	8,417,352	7,832,791
Rural and agribusiness financing	76,750	12,412	91,642	31,061
Real estate financing agreements	1,748	4,666	7,643	7,259
Financing in foreign currency	9,302	8,736	16,483	8,898
Other	54,706	16,565	65,220	58,250
Total (1)	**5,625,273**	**5,038,229**	**10,607,133**	**9,597,570**

	Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Income from Loans	**6,355,499**	**6,058,132**	**12,260,169**	**11,378,462**
Loans and discounted notes	1,523,599	1,595,478	3,186,218	2,963,043
Financing	4,683,339	4,419,525	8,885,902	8,308,067
Rural and agribusiness financing	76,750	12,412	91,642	31,061
Real estate financing agreements	1,748	4,666	7,643	7,259
Financing in foreign currency	9,302	8,736	16,483	8,898
Other	60,761	17,315	72,281	60,134
Income from Leases	**1,894**	**(2,903)**	**6,181**	**(405)**
Total (1)	**6,357,393**	**6,055,229**	**12,266,350**	**11,378,057**

(1) In the year ended December 31, 2023, revenues from assignments without co-obligation of credits previously written off as losses totaled R$ 33,259 in the Bank and R$ 37,205 in the Consolidated (R$ 57,604 in the Bank and R$ 72,886 in the Consolidated in the year ended in December 31, 2022), which were recognized in the income statement for the period in "Income from credit operations".

(Amounts in thousands of Reais, unless otherwise indicated)

c) Loan portfolio by sector of economic activity

Parent Company	12.31.2023	%	12.31.2022	%
Private sector	**68,590,928**	**100.00%**	**64,121,639**	**100.00%**
Individual	**56,129,520**	**81.83%**	**49,767,288**	**77.61%**
Legal entities	**12,461,408**	**18.17%**	**14,354,351**	**22.39%**
Sugar and alcohol	1,543,468	2.25%	1,331,567	2.08%
Agribusiness	1,391,317	2.03%	1,389,314	2.17%
Specific construction activities	724,724	1.06%	751,632	1.17%
Automotive	301,207	0.43%	450,900	0.70%
Wholesale commerce and sundry industries	2,143,640	3.13%	2,652,246	4.14%
Retail business	686,254	1.00%	1,360,597	2.12%
Heavy construction	64,280	0.09%	83,460	0.13%
Cooperatives	946,601	1.38%	1,110,323	1.73%
Electric power	360,028	0.52%	278,512	0.43%
Financial institutions and services	588,755	0.86%	492,426	0.77%
Wood and furniture	12,656	0.02%	6,651	0.01%
Mining and Metallurgy	59,857	0.09%	84,296	0.13%
Paper and pulp	120,650	0.18%	27,395	0.04%
Small and medium enterprises (1)	558,422	0.81%	1,044,433	1.63%
Chemical	539,494	0.79%	784,221	1.22%
Services	1,674,560	2.44%	1,770,926	2.76%
Telecommunications	54,404	0.08%	55,132	0.09%
Textile and apparel	148,782	0.22%	159,618	0.25%
Transportation	467,572	0.68%	434,020	0.68%
Other activities	74,737	0.11%	86,682	0.14%
Total loan portfolio (2)	**68,590,928**	**100.00%**	**64,121,639**	**100.00%**

Consolidated	12.31.2023	%	12.31.2022	%
Private sector	**74,271,758**	**100.00%**	**70,317,801**	**100.00%**
Individual	**61,217,050**	**82.42%**	**55,587,553**	**79.05%**
Legal entities	**13,054,708**	**17.58%**	**14,730,248**	**20.95%**
Sugar and alcohol	1,543,468	2.08%	1,331,567	1.89%
Agribusiness	1,428,823	1.92%	1,293,270	1.84%
Specific construction activities	724,724	0.98%	758,203	1.08%
Automotive	303,969	0.41%	455,739	0.65%
Wholesale commerce and sundry industries	2,669,921	3.58%	3,037,664	4.32%
Retail business	692,976	0.93%	1,420,453	2.02%
Heavy construction	65,252	0.09%	83,460	0.12%
Cooperatives	946,601	1.27%	1,110,323	1.58%
Electric power	360,028	0.48%	278,512	0.40%
Financial institutions and services	588,755	0.83%	492,426	0.70%
Wood and furniture	12,656	0.02%	6,651	0.01%
Mining and Metallurgy	61,506	0.08%	88,570	0.12%
Paper and pulp	120,650	0.16%	27,395	0.04%
Small and medium enterprises (1)	558,422	0.75%	1,044,433	1.49%
Chemical	539,847	0.73%	784,522	1.12%
Services	1,688,145	2.27%	1,775,646	2.53%
Telecommunications	54,404	0.07%	55,132	0.08%
Textile and apparel	148,782	0.20%	159,618	0.23%
Transportation	471,042	0.63%	439,982	0.63%
Other activities	74,737	0.10%	86,682	0.10%
Total loan portfolio (2)	**74,271,758**	**100.00%**	**70,317,801**	**100.00%**

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

(2) Includes adjustment to the fair value of credit transactions that are subject to market risk hedge in the amount of R$ 424,947 as of December 31, 2023 (R$ (447,760) as of December 31, 2022).

(Amounts in thousands of Reais, unless otherwise indicated)

d) Credit and Loan portfolio by risk level and maturity

Parent Company	AA	A	B	C	D	E	F	G	H	12.31.2023	12.31.2022
Performing loans											
Falling due installments	**3,028,995**	**32,089,098**	**15,505,255**	**6,960,362**	**1,097,158**	**270,106**	**173,083**	**697,507**	**282,221**	**60,103,785**	**57,350,452**
From 01 to 30	298,148	2,332,182	427,976	134,026	48,872	13,207	12,877	32,961	80,459	3,380,708	4,385,570
From 31 to 60	357,495	1,704,569	651,700	269,921	46,588	11,130	6,099	5,218	9,998	3,062,718	2,939,887
From 61 to 90	321,012	2,539,275	614,537	285,850	47,087	11,548	5,688	5,736	10,800	3,841,533	2,917,583
From 91 to 180	604,629	4,778,831	1,669,196	786,920	125,318	30,334	16,520	15,535	30,899	8,058,182	6,928,610
From 181 to 360	619,359	6,253,985	2,842,528	1,216,272	205,041	50,421	30,368	27,959	54,495	11,300,428	10,179,493
Over 360	828,352	14,480,256	9,299,318	4,267,373	624,252	153,466	101,531	610,098	95,570	30,460,216	29,999,309
Installments overdue	**-**	**99,739**	**51,736**	**42,136**	**12,084**	**3,280**	**1,333**	**2,046**	**2,525**	**214,879**	**172,346**
Up to 14 days	-	99,739	51,736	42,136	12,084	3,280	1,333	2,046	2,525	214,879	172,346
Subtotal	**3,028,995**	**32,188,837**	**15,556,991**	**7,002,498**	**1,109,242**	**273,386**	**174,416**	**699,553**	**284,746**	**60,318,664**	**57,522,798**
Non-performing loans [1]											
Falling due installments	**-**	**-**	**1,046,210**	**1,381,828**	**1,205,128**	**657,456**	**597,930**	**516,818**	**1,188,477**	**6,593,847**	**5,886,760**
From 01 to 30	-	-	51,264	66,568	55,507	30,126	27,228	22,439	55,794	308,926	274,768
From 31 to 60	-	-	54,323	65,938	54,865	29,883	26,208	22,558	55,015	308,790	277,192
From 61 to 90	-	-	48,124	60,377	50,379	27,195	23,620	20,104	50,523	280,322	257,559
From 91 to 180	-	-	137,050	170,046	142,853	77,339	68,994	57,758	141,476	795,516	704,653
From 181 to 360	-	-	232,010	290,995	247,613	133,556	125,180	99,621	241,598	1,370,573	1,199,626
Over 360 days	-	-	523,439	727,904	653,911	359,357	326,700	294,338	644,071	3,529,720	3,172,962
Installments overdue [2]	**-**	**-**	**58,512**	**124,603**	**140,208**	**105,903**	**115,901**	**128,903**	**579,440**	**1,253,470**	**1,159,841**
From 01 to 14	-	-	3,043	26,632	24,446	13,738	11,762	9,303	24,897	113,821	98,060
From 15 to 30	-	-	55,469	41,209	31,555	17,194	13,982	12,797	31,730	203,936	187,182
From 31 to 60	-	-	-	56,762	48,806	30,129	27,008	22,341	64,272	249,318	223,557
From 61 to 90	-	-	-	-	35,401	23,006	23,335	32,070	59,023	172,835	146,768
From 91 to 180	-	-	-	-	-	21,836	39,814	52,392	180,408	294,450	256,898
From 181 to 360	-	-	-	-	-	-	-	-	219,110	219,110	247,376
Subtotal	**-**	**-**	**1,104,722**	**1,506,431**	**1,345,336**	**763,359**	**713,831**	**645,721**	**1,767,917**	**7,847,317**	**7,046,601**
Total	**3,028,995**	**32,188,837**	**16,661,713**	**8,508,929**	**2,454,578**	**1,036,745**	**888,247**	**1,345,274**	**2,052,663**	**68,165,981**	**64,569,399**
(+/-) Adjustment to fair value [3]										**424,947**	**(447,760)**
Total of loan portfolio adjusted to fair value										**68,590,928**	**64,121,639**

(Amounts in thousands of Reais, unless otherwise indicated)

Consolidated	AA	A	B	C	D	E	F	G	H	12.31.2023	12.31.2022
					Performing loans						
Falling due installments	**3,092,617**	**35,207,867**	**15,774,497**	**7,351,394**	**1,312,417**	**350,529**	**210,783**	**745,985**	**336,756**	**64,382,846**	**61,952,709**
From 01 to 30	298,232	3,365,329	511,156	254,151	88,112	29,631	20,358	41,570	93,731	4,702,270	6,040,921
From 31 to 60	357,580	2,185,881	695,030	331,696	66,632	19,380	9,667	9,688	17,539	3,693,093	3,581,886
From 61 to 90	321,097	2,881,145	646,226	331,851	62,839	18,419	8,745	9,490	16,377	4,296,189	3,387,380
From 91 to 180	604,883	5,349,849	1,726,017	869,916	157,259	44,669	23,089	24,135	41,973	8,841,790	7,760,237
From 181 to 360	619,805	6,573,356	2,877,853	1,271,702	237,531	67,128	38,542	38,897	65,804	11,790,618	10,692,482
Over 360	891,020	14,852,307	9,318,215	4,292,078	700,044	171,302	110,382	622,205	101,332	31,058,886	30,489,803
Installments overdue	**-**	**143,045**	**54,812**	**47,063**	**17,592**	**7,024**	**2,937**	**4,370**	**4,825**	**281,668**	**322,204**
Up to 14 days	-	143,045	54,812	47,063	17,592	7,024	2,937	4,370	4,825	281,668	322,204
Subtotal	**3,092,617**	**35,350,912**	**15,829,309**	**7,398,457**	**1,330,009**	**357,553**	**213,720**	**750,355**	**341,581**	**64,664,514**	**62,274,913**
					Non-performing loans [1]						
Falling due installments	**-**	**-**	**1,076,999**	**1,433,280**	**1,230,141**	**666,028**	**604,053**	**526,456**	**1,220,489**	**6,757,446**	**6,084,511**
From 01 to 30	-	-	53,023	70,732	56,189	30,630	27,476	22,803	56,170	317,023	326,131
From 31 to 60	-	-	54,323	65,938	54,969	29,950	26,254	22,586	55,222	309,242	302,791
From 61 to 90	-	-	48,124	60,377	50,464	27,250	23,656	20,128	50,666	280,665	277,484
From 91 to 180	-	-	137,050	170,046	143,055	77,453	69,079	57,813	141,760	796,256	744,022
From 181 to 360	-	-	232,010	290,995	247,833	133,674	125,275	99,687	241,832	1,371,306	1,231,267
Over 360 days	-	-	552,469	775,192	677,631	367,071	332,313	303,439	674,839	3,682,954	3,202,816
Installments overdue [2]	**-**	**-**	**78,675**	**175,313**	**193,330**	**159,464**	**167,724**	**238,469**	**1,411,876**	**2,424,851**	**2,406,137**
From 01 to 14	-	-	3,043	26,850	24,580	13,821	11,836	9,418	24,938	114,486	123,806
From 15 to 30	-	-	75,632	43,640	35,294	19,834	15,182	14,617	33,908	238,107	247,255
From 31 to 60	-	-	-	104,823	57,360	37,016	30,637	27,081	69,756	326,673	337,756
From 61 to 90	-	-	-	-	76,096	26,846	25,879	47,558	99,363	275,742	293,201
From 91 to 180	-	-	-	-	-	61,947	84,190	139,795	316,564	602,496	684,372
From 181 to 360	-	-	-	-	-	-	-	-	867,347	867,347	719,747
Subtotal	**-**	**-**	**1,155,674**	**1,608,593**	**1,423,471**	**825,492**	**771,777**	**764,925**	**2,632,365**	**9,182,297**	**8,490,648**
Total	**3,092,617**	**35,350,912**	**16,984,983**	**9,007,050**	**2,753,480**	**1,183,045**	**985,497**	**1,515,280**	**2,973,946**	**73,846,811**	**70,765,561**
(+/-) Adjustment to fair value [3]										**424,947**	**(447,760)**
Total of loan portfolio adjusted to fair value										**74,271,758**	**70,317,801**

(1) Includes only operations with at least one installment overdue for more than 14 days.

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

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

(Amounts in thousands of Reais, unless otherwise indicated)

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

Risk Level	% Provision	12.31.2023 Transaction value	12.31.2023 Minimum provision required	12.31.2023 Additional provision [(1)]	12.31.2023 Existing provision	12.31.2022 Transaction value	12.31.2022 Minimum provision required	12.31.2022 Additional provision [(1)]	12.31.2022 Existing provision
Parent Company									
AA	0.00%	3,028,995	-	-	-	3,734,190	-	-	-
A	0.50%	32,188,837	(160,944)	-	(160,944)	33,043,739	(165,219)	-	(165,219)
B	1.00%	16,661,713	(166,617)	-	(166,617)	13,142,368	(131,424)	-	(131,424)
C	3.00%	8,508,929	(255,268)	(320)	(255,588)	7,000,085	(210,003)	-	(210,003)
D	10.00%	2,454,578	(245,458)	(2,000)	(247,458)	2,057,099	(205,710)	-	(205,710)
E	30.00%	1,036,745	(311,024)	(29,000)	(340,024)	1,569,075	(470,723)	-	(470,723)
F	50.00%	888,247	(444,124)	(10,784)	(454,908)	386,625	(193,313)	-	(193,313)
G	70.00%	1,345,274	(941,691)	(158,771)	(1,100,462)	1,758,899	(1,231,229)	(138,052)	(1,369,281)
H	100.00%	2,052,663	(2,052,663)	-	(2,052,663)	1,877,319	(1,877,319)	-	(1,877,319)
Total		**68,165,981**	**(4,577,789)**	**(200,875)**	**(4,778,664)**	**64,569,399**	**(4,484,940)**	**(138,052)**	**(4,622,992)**
(+/-) Adjustment to fair value [(2)]		**424,947**				**(447,760)**			
Total of loan portfolio adjusted to fair value		**68,590,928**				**64,121,639**			
Consolidated									
AA	0.00%	3,092,617	-	-	-	3,739,453	-	-	-
A	0.50%	35,350,912	(176,755)	-	(176,755)	36,700,870	(183,504)	-	(183,504)
B	1.00%	16,984,983	(169,850)	-	(169,850)	13,545,763	(135,458)	-	(135,458)
C	3.00%	9,007,050	(270,212)	(320)	(270,532)	7,559,119	(226,774)	-	(226,774)
D	10.00%	2,753,480	(275,348)	(2,000)	(277,348)	2,406,561	(240,656)	-	(240,656)
E	30.00%	1,183,045	(354,913)	(29,000)	(383,913)	1,794,164	(538,250)	-	(538,250)
F	50.00%	985,497	(492,748)	(10,784)	(503,532)	554,362	(277,181)	-	(277,181)
G	70.00%	1,515,280	(1,060,696)	(158,771)	(1,219,467)	2,027,128	(1,418,990)	(138,052)	(1,557,042)
H	100.00%	2,973,946	(2,973,946)	-	(2,973,946)	2,438,141	(2,438,141)	-	(2,438,141)
Total		**73,846,811**	**(5,774,468)**	**(200,875)**	**(5,975,343)**	**70,765,561**	**(5,458,954)**	**(138,052)**	**(5,597,006)**
(+/-) Adjustment to fair value [(2)]		**424,947**				**(447,760)**			
Total of loan portfolio adjusted to fair value		**74,271,758**				**70,317,801**			

(1) Supplementary provisions are constituted when management believes that the level of provision is not sufficient to cover probable losses in the realization of credits.
(2) Refers to fair value adjustment of loan operations that are the object of market risk hedge.

(Amounts in thousands of Reais, unless otherwise indicated)

f) Provision for loans losses

f.1) Income (loss) from provision for loans losses

	Parent Company			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
(Provision) / reversal of provision for losses associated with the loan portfolio (Note 12f.2)	**(1,398,636)**	**(772,171)**	**(2,492,465)**	**(1,702,385)**
Loans	(1,382,747)	(1,143,013)	(2,504,147)	(2,141,441)
Other receivables with loan characteristics	(15,889)	370,842	11,682	439,056
Income from recovery of loans previously written off as losses	**349,717**	**246,928**	**628,504**	**648,583**
Loans	349,717	244,885	613,004	645,421
Other receivables with loan characteristics	-	2,043	15,500	3,162
Total (provision) / reversal of provision for losses associated with the loan portfolio	**(1,048,919)**	**(525,243)**	**(1,863,961)**	**(1,053,802)**
Other (provisions) / reversals of provisions for losses associated with credit risk [(1)]	**41,951**	**24,716**	**(690)**	**33,488**
Financial guarantees provided	(13,803)	19,462	4,795	25,190
Other risks	55,754	5,254	(5,485)	8,298
Total other (provisions) / reversals of provisions associated with credit risk	**41,951**	**24,716**	**(690)**	**33,488**
Total	**(1,006,968)**	**(500,527)**	**(1,864,651)**	**(1,020,314)**

	Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
(Provision) / reversal of provision for losses associated with the loan portfolio (Note 12f.2)	**(2,021,768)**	**(1,298,700)**	**(3,799,890)**	**(2,593,542)**
Loans	(2,144,763)	(1,675,950)	(3,973,737)	(3,050,405)
Other receivables with loan characteristics	122,959	377,207	173,888	456,802
lease operations	36	43	(41)	61
Income from recovery of loans previously written off as losses	**384,092**	**270,010**	**683,802**	**702,468**
Loans	384,058	267,863	668,219	698,875
Other receivables with loan characteristics	-	2,043	15,500	3,162
lease operations	34	104	83	431
Total (provision) / reversal of provision for losses associated with the loan portfolio	**(1,637,676)**	**(1,028,690)**	**(3,116,088)**	**(1,891,074)**
Other (provisions) / reversals of provisions for losses associated with credit risk [(1)]	**40,457**	**24,716**	**(2,184)**	**33,488**
Financial guarantees provided	(13,803)	19,462	4,795	25,190
Other risks	54,260	5,254	(6,979)	8,298
Total other (provisions) / reversals of provisions associated with credit risk	**40,457**	**24,716**	**(2,184)**	**33,488**
Total	**(1,597,219)**	**(1,003,974)**	**(3,118,272)**	**(1,857,586)**

(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	
	2023	2022	2023	2022
Opening balance	**4,622,992**	**4,933,006**	**5,597,006**	**5,545,020**
Reinforcement / (reversal) [(1)]	**2,492,465**	**1,702,385**	**3,799,890**	**2,593,542**
Minimum allowance for loan losses required	2,429,642	1,772,952	3,737,067	2,664,109
Incremental allowance for loan losses	62,823	(70,567)	62,823	(70,567)
Write-offs to losses	**(2,336,793)**	**(2,012,399)**	**(3,421,553)**	**(2,541,556)**
Closing balance	**4,778,664**	**4,622,992**	**5,975,343**	**5,597,006**

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

g) Concentration of Loans

	12.31.2023	% of portfolio	12.31.2022	% of portfolio
Parent Company				
Largest debtor	554,780	0.81%	552,209	0.86%
10 largest debtors	2,388,056	3.50%	2,501,897	3.87%
20 largest debtors	3,624,550	5.32%	3,763,032	5.83%
50 largest debtors	5,983,136	8.78%	6,193,472	9.59%
100 largest debtors	8,220,601	12.06%	8,621,172	13.35%
Consolidated				
Largest debtor	554,780	0.75%	552,209	0.78%
10 largest debtors	2,388,056	3.23%	2,501,897	3.54%
20 largest debtors	3,626,001	4.91%	3,763,032	5.32%
50 largest debtors	5,984,587	8.10%	6,196,700	8.76%
100 largest debtors	8,223,677	11.14%	8,624,400	12.19%

(Amounts in thousands of Reais, unless otherwise indicated)

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.

	12.31.2023		12.31.2022	
	Financial assets subject to sale	Liability related to recourse assumed [(1)]	Financial assets subject to sale	Liability related to recourse assumed [(1)]
Parent Company	**10,024,070**	**11,354,682**	**9,910,056**	**10,794,946**
With co-obligation	**9,208,664**	**10,539,276**	**6,526,475**	**7,411,365**
Financial institutions - related parties	9,208,664	10,539,276	6,526,475	7,411,365
Without co-obligation	**815,406**	**815,406**	**3,383,581**	**3,383,581**
Credit Rights Investment Fund - Subsidiary	815,406	815,406	3,383,581	3,383,581
Consolidated	**9,208,664**	**10,539,276**	**6,526,475**	**7,411,365**
With co-obligation	**9,208,664**	**10,539,276**	**6,526,475**	**7,411,365**
Financial institutions - related parties	9,208,664	10,539,276	6,526,475	7,411,365

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

h.2) Result from the sale or transfer of financial assets

	Parent Company			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Income from the sale or transfer of financial assets	**1,120,272**	**676,377**	**2,228,235**	**1,241,653**
Income with assignment with substantial retention of risks and benefits	1,037,683	674,190	2,142,046	1,239,466
Income with assignment without substantial retention of risks and benefits [(1)]	82,589	2,187	86,189	2,187
Expenses for the sale or transfer of financial assets	**(764,029)**	**(725,171)**	**(1,861,887)**	**(1,165,237)**
Expenses with assignment with substantial retention of risks and benefits	(746,344)	(513,962)	(1,566,851)	(884,282)
Expenses with assignment without substantial retention of risks and benefits [(1)]	(17,685)	(211,209)	(295,036)	(280,955)
Total	**356,243**	**(48,794)**	**366,348**	**76,416**

	Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Income from the sale or transfer of financial assets	**1,137,494**	**676,377**	**2,245,457**	**1,241,653**
Income with assignment with substantial retention of risks and benefits	1,037,683	674,190	2,142,046	1,239,466
Income with assignment without substantial retention of risks and benefits [(1)]	99,811	2,187	103,411	2,187
Expenses for the sale or transfer of financial assets	**(822,645)**	**(921,850)**	**(1,980,152)**	**(1,514,782)**
Expenses with assignment with substantial retention of risks and benefits	(746,343)	(513,962)	(1,566,850)	(884,281)
Expenses with assignment without substantial retention of risks and benefits [(1)]	(76,302)	(407,888)	(413,302)	(630,501)
Total	**314,849**	**(245,473)**	**265,305**	**(273,129)**

(1) Before the loss was recognized, the respective provisions for losses associated with the credit risk existing for the operations transferred 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$ 422,358 in the Bank and R$ 484,050 in the Consolidated (R$ 485,654 in the Bank and R$ 857,891 in the Consolidated in the year ended December 31, 2022).

i) Changes in renegotiated credit

	Parent Company			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Amount of renegotiated credits in the period [(1)]	**2,541,183**	**2,367,005**	**4,481,219**	**5,660,217**
Renegotiated for past due contracts [(2)]	328,320	265,393	657,889	503,866
Renewed contracts [(3)]	2,212,863	2,101,612	3,823,330	5,156,351
Changes in portfolio of renegotiated past due contracts				
Opening balance	**682,657**	**754,583**	**747,490**	**839,584**
Signings	328,320	265,393	657,889	503,866
(Receipt) and appropriation of interest	(222,662)	(201,070)	(573,517)	(368,966)
Written off as losses	(39,253)	(71,416)	(82,800)	(226,994)
Closing balance	**749,062**	**747,490**	**749,062**	**747,490**
Allowance for losses of the portfolio of renegotiated past due	324,775	331,324	324,775	331,324
(%) Allowance for losses on the portfolio of renegotiated past due contracts	43.36%	44.32%	43.36%	44.32%
90-day delinquency of portfolio of renegotiated past due contracts	403,339	354,071	403,339	354,071
(%) Delinquency on the portfolio of renegotiated past due	53.85%	47.37%	53.85%	47.37%

(Amounts in thousands of Reais, unless otherwise indicated)

	Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Amount of renegotiated credits in the period [1]	**2,890,008**	**2,699,569**	**5,184,786**	**6,212,796**
Renegotiated for past due contracts [2]	383,532	302,909	761,556	574,697
Renewed contracts [3]	2,506,476	2,396,660	4,423,230	5,638,099
Changes in portfolio of renegotiated past due contracts				
Opening balance	**729,268**	**775,803**	**775,786**	**876,493**
Signings	383,532	302,909	761,556	574,697
(Receipt) and appropriation of interest	(231,307)	(222,459)	(593,844)	(419,309)
Written off as losses	(71,288)	(80,467)	(133,293)	(256,095)
Closing balance	**810,205**	**775,786**	**810,205**	**775,786**
Allowance for losses of the portfolio of renegotiated past due	374,985	352,854	374,985	352,854
(%) Allowance for losses on the portfolio of renegotiated past due contracts	46.28%	45.48%	46.28%	45.48%
90-day delinquency of portfolio of renegotiated past due contracts	462,832	380,719	462,832	380,719
(%) Delinquency on the portfolio of renegotiated past due	57.13%	49.08%	57.13%	49.08%

(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	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Contracted credits to be released	636,944	701,562	6,452,615	7,716,077
Financial Guarantees Provided (Note 30.1.a.ii)	6,244,009	7,630,198	6,244,009	7,630,198

13. OTHER ASSETS

a) Breakdown

	Parent Company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Other financial assets	**1,947,336**	**2,257,965**	**2,377,822**	**2,807,852**
Relations with correspondents	6,376	33,117	9,338	34,406
Other credits and receivables	34,340	42,223	240,415	163,961
Credit card transactions	-	-	185,056	192,467
Receivables from securities settlements abroad	22,444	15,234	22,444	15,234
Other credits for trading and intermediation of securities	81,487	59,106	81,487	62,533
Foreign exchange portfolio (Note 13b)	1,800,702	2,106,484	1,800,702	2,106,484
Other	1,987	1,801	38,380	232,767
Other assets	**1,148,365**	**1,230,836**	**1,028,014**	**881,864**
Prepaid expenses [1]	237,667	119,868	245,460	124,292
Sundry domestic debtors	131,446	144,540	196,023	170,583
Salary advances and prepayments	5,547	6,000	6,031	6,331
Advances to suppliers	11,201	418	15,555	756
Deposits in guarantee - Contingencies (Note 29g)	405,771	468,605	449,609	518,401
Deposits in guarantee - Other	813	581	813	581
Amounts to be received by related parties	119,047	142,107	-	-
Dividends receivable / Interest on equity receivable [2]	122,709	304,552	234	151
Sustainability assets [3] [4]	63,148	-	63,148	-
Other	51,016	44,165	51,141	60,769
Total	**3,095,701**	**3,488,801**	**3,405,836**	**3,689,716**
Current assets	2,516,372	2,824,352	2,750,090	2,989,584
Non-current assets	579,329	664,449	655,746	700,132

(1) In the year ended December 31, 2023, it includes origination costs for credit operations that are deferred during the life of the respective operation.

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

(3) These refer to carbon credits and green bonds that, with the effectiveness of BCB Normative Instruction No. 325, as of 2023, are now presented in Other assets (until 2022 they were presented in Intangible assets).

(4) It includes the net value, considering the compensation of carbon credits and green bonds.

(Amounts in thousands of Reais, unless otherwise indicated)

b) Foreign exchange portfolio

Parent Company and Consolidated	12.31.2023	12.31.2022
Assets - Other receivables [(1)]		
Purchased foreign exchange contracts to be settled	1,348,730	1,216,812
Rights on foreign exchange sales	451,972	889,672
Total	**1,800,702**	**2,106,484**
Current assets	1,800,702	2,106,484
Liabilities - Other liabilities [(2)]		
Sold foreign exchange to be settled	(468,365)	(902,714)
Liabilities for foreign exchange purchases	(1,384,727)	(1,204,779)
Total	**(1,853,092)**	**(2,107,493)**
Current liabilities	(1,853,092)	(2,107,493)
Off-balance accounts		
Credits opened for imports	76,095	52,785

(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			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Foreign exchange income	1,543,550	1,598,934	2,881,351	2,764,752
Foreign exchange expenses	(1,521,557)	(1,494,675)	(2,981,602)	(2,779,793)
Income from foreign exchange transactions	**21,993**	**104,259**	**(100,251)**	**(15,041)**

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 trading; and (iii) interests in real estate projects held for sale.

	Parent Company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Real state	77,907	32,513	187,892	144,390
Vehicles and alike	143,378	125,480	143,796	125,884
Impairment	(35,477)	(30,803)	(81,177)	(62,705)
Total	**185,808**	**127,190**	**250,511**	**207,569**
Current assets	146,238	127,190	155,364	138,002
Non-current assets	39,570	-	95,147	69,567

(Amounts in thousands of Reais, unless otherwise indicated)

15. INVESTMENTS

a) Changes in associates, subsidiaries and joint ventures

	12.31.2022	Changes 2023		12.31.2023	2022
	Investment value	Dividends/ Other events [7]	Share of profit (loss)	Investment value	Share of profit (loss)
Domestic - Parent Company Ventures	**2,399,302**	**340,156**	**(26,076)**	**2,713,382**	**171,022**
Banco BV S.A. [1]	1,267,191	1,235,286	(465,342)	2,037,135	(242,760)
BV DTVM [2]	281,449	(283,933)	2,484	-	(26,280)
BV Corretora de Seguros	1,198	(279,934)	390,966	112,230	295,809
BVIA [3]	210,783	(111,219)	29,251	128,815	36,800
Promotiva [4]	-	-	-	-	39,924
Atenas	60,864	-	2,016	62,880	13,765
BVEP [5]	577,817	(220,044)	14,549	372,322	53,764
Domestic - Parent Company Associates	**-**	**68,951**	**(10,439)**	**58,512**	**(7,420)**
Associates [2] [6]	-	68,951	(10,439)	58,512	(7,420)
Goodwill on acquisition and impairment (Note 15c)	**76,244**	**-**	**825**	**77,069**	**(248)**
Total - Parent Company	**2,475,546**	**409,107**	**(35,690)**	**2,848,963**	**163,354**
Domestic - Parent Company Associates	**-**	**68,951**	**(10,439)**	**58,512**	**(7,420)**
Associates [2] [6]	-	68,951	(10,439)	58,512	(7,420)
Domestic - Banco BV S.A. Associates	**1,424**	**4,026**	**(5,450)**	**-**	**(9,191)**
Associates [6]	1,424	4,026	(5,450)	-	(9,191)
Domestic - BVEP Associates and joint ventures	**3,767**	**269**	**1,846**	**5,882**	**47**
Associates	3,341	-	2,091	5,432	740
Joint Ventures	426	269	(245)	450	(693)
Goodwill on acquisition and impairment (Note 15c)	**183,633**	**-**	**(4,577)**	**179,056**	**(3,630)**
Total - Consolidated	**188,824**	**73,246**	**(18,620)**	**243,450**	**(20,194)**

(1) In April 2023, the Management of Banco BV SA approved a capital increase in the amount of R$ 1,200,000, through the issue of 779,143 new common shares.
(2) In August 2022, Banco BV signed a strategic partnership with Banco Bradesco, which, through one of its subsidiaries, acquired 51% of the capital of BV DTVM. In February 2023, this interest was reclassified to "non-financial assets held for sale" and with the completion of the transaction in the same month, it ceased to be controlled, becoming an associate (note 2a).
(3) It mainly includes the capital reduction of BVIA in the amount of R$ 40,179, without cancellation of shares in the respective Company, and also the distribution of prepaid dividends in the amount of R$ 44,820, approved on May 24, 2023.
(4) In December 2022, Banco BV sold all the shares in the subsidiary Promotiva SA (Note 2b).
(5) In April 2023, a capital reduction of R$ 246,017 was approved, including the absorption of accumulated losses. There was no cancellation of shares of the respective Company.
(6) Investment with unsecured liabilities presented in Other liabilities (Note 22a).
(7) Includes movement in other comprehensive income.

b) Breakdown of capital remuneration of companies controlled by Banco BV

Distributions through profit for the period	2023	2022
Domestic - Parent Company Ventures		
BV Corretora de Seguros	390,964	695,877
Promotiva [1]	-	78,673
BVIA	51,767	8,740
Total - Parent Company	**447,464**	**783,290**
BVEP subsidiaries	57	6
Joint Ventures BVEP	-	151
Total - Consolidated	**447,521**	**783,447**

(1) In December 2022, banco BV sold all the shares of the subsidiary Promotiva SA (Note 2b).

c) Equity position of goodwill and adjustment to recoverable value (Impairment)

	Goodwill		Impairment [1]	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Parent Company				
Parent Company Associates	85,001	88,084	-	-
Atenas	-	-	(7,932)	(11,840)
Total - Parent Company	**85,001**	**88,084**	**(7,932)**	**(11,840)**
Consolidated				
Parent Company Associates	85,001	88,084	-	-
Banco BV S.A. Associates	95,031	96,525	-	-
BVEP Associates	-	-	(453)	(453)
BVEP Joint Ventures	-	-	(523)	(523)
Total - Consolidated	**180,032**	**184,609**	**(976)**	**(976)**

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

d) Summary financial information of subsidiaries in the Financial Statements

	12.31.2023		2023	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)]	2,500,131	2,037,135	(465,342)	1,602	100%
BV Corretora de Seguros	1,000	1,200	390,966	200	100%
BVIA [(2)]	99,564	121,868	29,251	75,758	100%
Atenas [(3)]	51,610	62,880	2,016	51,610	100%
BVEP [(3) (4)]	352,383	367,589	14,549	598,400	100%

(1) In April 2023, the Management of Banco BV SA approved a capital increase in the amount of R$ 1,200,000, through the issue of 779,143 new common shares.
(2) It mainly includes the capital reduction of BVIA in the amount of R$ 40,179, without cancellation of shares in the respective Company, and also the distribution of dividends in the amount of R$ 44,820, approved on May 24, 2023.
(3) Includes impairment of subsidiaries.
(4) In April 2023, a capital reduction of R$ 246,017 was approved, without cancellation of the respective Company's shares.

e) Summary financial information of associates and joint ventures

	12.31.2023				12.31.2022			
	Parent Company Associates [(1)]	Banco BV S.A. Associates	BVEP Associates	BVEP Joint Ventures	Parent Company Associates	Banco BV S.A. Associates	BVEP Associates	BVEP Joint Ventures
Total Assets [(2)]	**201,570**	**18,224**	**14,639**	**2,495**	**102**	**21,117**	**5,861**	**3,148**
Total Liabilities [(2)]	**201,570**	**18,224**	**14,639**	**2,495**	**102**	**21,117**	**5,861**	**3,148**
Liabilities	96,473	31,343	9,865	2,285	5,156	16,477	3,513	1,994
Shareholder's equity	105,097	(13,119)	4,774	210	(5,054)	4,640	2,348	1,154
	2nd Semester/				2nd Semester/			
Profit / (loss) for the period [(2)]	**(7,586)**	**(7,618)**	**(1,550)**	**(775)**	**(11,203)**	**(21,726)**	**(59)**	**(562)**
	2023				2022			
Profit / (loss) for the period [(2)]	**(9,209)**	**(15,637)**	**3,171**	**(1,335)**	**(19,835)**	**(29,959)**	**(158)**	**(1,319)**

(1) It includes the Company that became an affiliate in February 2022, as described in note 2a.
(2) 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.

16. PROPERTY, PLANT AND EQUIPMENT

	12.31.2022	2023			12.31.2023		
	Book value	Acquisitions [(1)] [(5)]	Depreciation [(3)]	Cost value	Accumulated depreciation	Book value	Book value
Parent Company							
Facilities	26,895	334	-	(6,997)	141,344	(121,112)	20,232
Furniture and equipment in use	6,210	44	-	(1,180)	42,553	(37,479)	5,074
Communication system	2,695	533	-	(1,020)	18,910	(16,702)	2,208
System data processing	50,471	6,331	-	(17,786)	223,074	(184,058)	39,016
Security system	84	9	-	(42)	2,619	(2,568)	51
Transportation system	492	-	(131)	(106)	909	(654)	255
Total	**86,847**	**7,251**	**(131)**	**(27,131)**	**429,409**	**(362,573)**	**66,836**
Consolidated							
Facilities	26,968	334	-	(7,006)	142,606	(122,310)	20,296
Furniture and equipment in use	6,221	678	(5)	(1,210)	46,251	(40,567)	5,684
Communication system	2,695	533	-	(1,020)	18,910	(16,702)	2,208
System data processing	50,471	6,331	-	(17,786)	223,074	(184,058)	39,016
Security system	84	9	-	(42)	2,619	(2,568)	51
Transportation system	492	-	(131)	(106)	909	(654)	255
Total	**86,931**	**7,885**	**(136)**	**(27,170)**	**434,369**	**(366,859)**	**67,510**

(Amounts in thousands of Reais, unless otherwise indicated)

	12.31.2021	2022			12.31.2022		
	Book value	Acquisitions [1] [2]	Depreciation [4]	Cost value	Accumulated depreciation	Book value	Book value
Parent Company							
Facilities	34,732	607	-	(8,444)	141,417	(114,522)	26,895
Furniture and equipment in use	7,744	233	-	(1,767)	42,555	(36,345)	6,210
Communication system	2,991	711	-	(1,007)	18,404	(15,709)	2,695
System data processing	35,152	32,187	-	(16,868)	217,218	(166,747)	50,471
Security system	122	6	-	(44)	2,639	(2,555)	84
Transportation system	351	318	-	(177)	1,277	(785)	492
Total	**81,092**	**34,062**	**-**	**(28,307)**	**423,510**	**(336,663)**	**86,847**
Consolidated							
Facilities	34,961	607	(118)	(8,482)	142,941	(115,973)	26,968
Furniture and equipment in use	7,832	233	(12)	(1,832)	45,316	(39,095)	6,221
Communication system	2,991	711	-	(1,007)	19,773	(17,078)	2,695
System data processing	35,152	32,187	-	(16,868)	220,538	(170,067)	50,471
Security system	121	7	-	(44)	2,734	(2,650)	84
Transportation system	351	318	-	(177)	1,277	(785)	492
Total	**81,408**	**34,063**	**(130)**	**(28,410)**	**432,579**	**(345,648)**	**86,931**

(1) Includes exchange variation on the agency's assets abroad.
(2) In the year ended December 31, 2022, there was no write-off of property, plant and equipment.
(3) In the consolidated, it includes the effect of the amounts that are no longer presented related to the operations of BV DTVM, since it ceased to be controlled and became an affiliate in February 2023 (Note 2a).
(4) In the consolidated, it includes changes related to the total sale of Promotiva, which ceased to be consolidated as of December 2022 (Note 2b).
(5) From November 2023, it includes the effects of the consolidation of the companies Bankly and Acessopar.

17. INTANGIBLE ASSETS AND GOODWILL

	Parent Company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Intangible assets (Note 17a)	**1,108,702**	**982,606**	**1,303,776**	**1,074,484**
Intangible Assets	2,226,518	1,883,075	2,471,149	2,025,228
(Accumulated amortization)	(946,396)	(732,142)	(995,953)	(772,588)
(Provisions for impairment - Accumulated impairment)	(171,420)	(168,327)	(171,420)	(178,156)
Goodwill [1]	**-**	**-**	**204,050**	**-**
Total	**1,108,702**	**982,606**	**1,507,826**	**1,074,484**

(1) In November 2023, Banco BV, through its subsidiary Banco BV S.A., acquired 100% of Bankly's shares and controlling interest in Acessopar (Note 2d). The amount is subject to change after the valuation of assets and liabilities at fair value (PPA).

a) Breakdown

	12.31.2023				12.31.2022			
	Cost value [2]	Accumulated amortization	Accumulated impairment [1]	Book value	Cost value	Accumulated amortization	Accumulated impairment [1]	Book value
Parent Company								
Software acquired	42,532	(42,476)	-	56	42,532	(42,129)	-	403
Licenses	605,095	(531,909)	-	73,186	486,446	(416,208)	-	70,238
Sales rights agreements	44,999	(44,999)	-	-	44,999	(44,999)	-	-
Internally developed software	1,525,522	(319,642)	(170,420)	1,035,460	1,218,461	(208,003)	(167,327)	843,131
Trademark and patents	1,000	-	(1,000)	-	6,000	(2,583)	(1,000)	2,417
Carbon credits and green bonds [3]	-	-	-	-	77,267	(10,850)	-	66,417
Others	7,370	(7,370)	-	-	7,370	(7,370)	-	-
Total	**2,226,518**	**(946,396)**	**(171,420)**	**1,108,702**	**1,883,075**	**(732,142)**	**(168,327)**	**982,606**
Consolidated								
Software acquired	80,430	(46,934)	-	33,496	67,000	(42,320)	-	24,680
Licenses	605,779	(531,991)	-	73,788	497,268	(425,883)	-	71,385
Sales rights agreements	44,999	(44,999)	-	-	44,999	(44,999)	-	-
Internally developed software	1,731,571	(364,659)	(170,420)	1,196,492	1,325,324	(238,583)	(177,156)	909,585
Trademark and patents	1,000	-	(1,000)	-	6,000	(2,583)	(1,000)	2,417
Carbon credits and green bonds [3]	-	-	-	-	77,267	(10,850)	-	66,417
Others	7,370	(7,370)	-	-	7,370	(7,370)	-	-
Total	**2,471,149**	**(995,953)**	**(171,420)**	**1,303,776**	**2,025,228**	**(772,588)**	**(178,156)**	**1,074,484**

(1) Includes effects of tactical redefinitions of projects.
(2) In the consolidated, it includes the effect of the amounts that are no longer presented related to the operations of BV DTVM, since it ceased to be controlled and became an affiliate in February 2023 (Note 2a).
(3) With the effectiveness of BCB Normative Instruction No. 325, as of 2023, sustainability assets, such as carbon credits and green bonds, are now presented in Other assets.

(Amounts in thousands of Reais, unless otherwise indicated)

b) Changes

	12.31.2022	2023				12.31.2023
	Book value	Acquisitions [1] [2] [6]	Other events [3] [4]	Amortization	Impairment	Book value
Parent Company						
Software acquired	403	-	-	(347)	-	56
Licenses	70,238	147,340	(5,833)	(138,559)	-	73,186
In-house developed software	843,131	362,057	(15,735)	(150,900)	(3,093)	1,035,460
Trademark and patents	2,417	-	(1,583)	(834)	-	-
Carbon credits and green bonds	66,417	-	(66,417)	-	-	-
Total	**982,606**	**509,397**	**(89,568)**	**(290,640)**	**(3,093)**	**1,108,702**
Parent Company						
Software acquired	24,680	9,251	-	(435)	-	33,496
Licenses	71,385	148,150	(6,978)	(138,769)	-	73,788
In-house developed software	909,585	483,279	(24,529)	(168,750)	(3,093)	1,196,492
Trademark and patents	2,417	-	(1,583)	(834)	-	-
Carbon credits and green bonds	66,417	-	(66,417)	-	-	-
Total	**1,074,484**	**640,680**	**(99,507)**	**(308,788)**	**(3,093)**	**1,303,776**

	12.31.2021	2022		12.31.2022
	Book value	Acquisitions [1] [2]	Amortization [5]	Book value
Parent Company				
Software acquired	2,146	-	(1,743)	403
Licenses	69,144	120,448	(119,354)	70,238
Sales rights agreements	1,123	5,488	(6,611)	-
Internally developed software	495,502	424,961	(77,332)	843,131
Trademark and patents	3,417	-	(1,000)	2,417
Carbon credits and green bonds	23,187	49,694	(6,464)	66,417
Total	**594,519**	**600,591**	**(212,504)**	**982,606**
Consolidated				
Software acquired	26,423	-	(1,743)	24,680
Licenses	69,146	123,790	(121,551)	71,385
Sales rights agreements	1,123	5,488	(6,611)	-
Internally developed software	551,362	453,293	(95,070)	909,585
Trademark and patents	3,417	-	(1,000)	2,417
Carbon credits and green bonds	23,187	49,694	(6,464)	66,417
Total	**674,658**	**632,265**	**(232,439)**	**1,074,484**

(1) Includes exchange variation on the agency's assets abroad.
(2) In the semester ended June 30, 2023 and in the year ended December 31, 2022 there was no write-off of intangible assets.
(3) With the effectiveness of BCB Normative Instruction No. 325, as of 2023, sustainable assets, such as carbon credits and green bonds, are now presented in Other assets.
(4) In the Consolidated, it includes the effect of the amounts that are no longer presented related to the operations of BV DTVM, since it ceased to be controlled and became an affiliate in February 2023 (Note 2a).
(5) In the consolidated, it includes changes related to the total sale of Promotiva, which ceased to be consolidated as of December 2022 (Note 2b).
(6) From November 2023, it includes the effects of the consolidation of the companies Bankly and Acessopar.

c) Amortization estimate on December 31, 2023

	2024	2025	2026	2027	2028	From 2029	Not amortizable [1]	Total
Parent company								
Amounts to be amortized	285,328	236,898	198,239	170,206	119,502	98,529	-	**1,108,702**
Consolidated								
Amounts to be amortized and other amounts	310,957	262,455	220,093	187,919	135,918	154,155	32,279	**1,303,776**

(1) It includes intangible assets with indefinite useful lives.

(Amounts in thousands of Reais, unless otherwise indicated)

18. DEPOSITS AND REPURCHASE COMMITMENTS

a) Deposits

	Parent Company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Demand deposits	**503,431**	**784,058**	**667,316**	**895,168**
Individuals [1]	75,351	137,918	248,900	263,885
Legal entities [1]	425,169	642,504	418,410	631,277
Related companies	2,905	3,630	-	-
Linked	6	6	6	6
Interbank deposits	**507,897**	**1,005,548**	**507,897**	**749,199**
Time deposits [2]	**26,175,581**	**22,464,245**	**26,047,820**	**21,780,958**
Local currency	25,579,807	21,389,997	25,452,046	20,706,710
Foreign currency	595,774	1,074,248	595,774	1,074,248
Other deposits	-	-	**140,431**	-
Total	**27,186,909**	**24,253,851**	**27,363,464**	**23,425,325**
Current liabilities	25,445,625	22,457,453	25,723,265	21,883,841
Non-current liabilities	1,741,284	1,796,398	1,640,199	1,541,484

(1) As of 2022, it includes amounts to be returned to customers, within the scope of the values receivable system (SVR).
(2) Includes issuance of green bonds (CDB green), further details are described in note 31.

b) Segregation of deposits by due date as of December 31, 2023

	Without maturity	Up to 3 months	From 3 to 12 months	From 1 to 3 years	From 3 to 5 years	12.31.2023	12.31.2022
Parent Company							
Demand deposits	503,431	-	-	-	-	503,431	784,058
Interbank accounts or relations	-	216,319	284,960	6,618	-	507,897	1,005,548
Time deposits	-	14,777,714	9,663,201	1,567,743	166,923	26,175,581	22,464,245
Total	**503,431**	**14,994,033**	**9,948,161**	**1,574,361**	**166,923**	**27,186,909**	**24,253,851**
Consolidated							
Demand deposits	667,316	-	-	-	-	667,316	895,168
Interbank accounts or relations	-	216,319	284,960	6,618	-	507,897	749,199
Time deposits	-	14,680,311	9,733,928	1,466,658	166,923	26,047,820	21,780,958
Other deposits	137,571	2,860	-	-	-	140,431	-
Total	**804,887**	**14,899,490**	**10,018,888**	**1,473,276**	**166,923**	**27,363,464**	**23,425,325**

c) Liabilities with repurchase agreement

	Parent Company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Own portfolio	**25,108,070**	**17,929,671**	**24,833,010**	**17,580,715**
Private securities - Debentures	3,634,131	-	3,634,131	-
Financial Treasury Bills	11,979,341	6,767,451	11,977,860	6,764,250
National Treasury Bills	3,975,412	7,486,747	3,701,833	7,140,992
National Treasury Notes	3,121,751	1,469,437	3,121,751	1,469,437
Private securities - Other	2,397,435	2,206,036	2,397,435	2,206,036
Third-party portfolio	**943,377**	**450,151**	**943,377**	**200,108**
National Treasury Bills	623,307	-	623,307	-
National Treasury Notes	320,070	450,151	320,070	200,108
Free portfolio	**2,591,516**	**496,988**	**2,591,516**	**496,988**
Financial Treasury Bills	2,447,282	-	2,447,282	-
National Treasury Notes	144,234	394,632	144,234	394,632
Brazilian Foreign Debt Securities	-	102,356	-	102,356
Total	**28,642,963**	**18,876,810**	**28,367,903**	**18,277,811**
Current liabilities	27,428,938	16,733,288	27,153,878	16,134,289
Non-current liabilities	1,214,025	2,143,522	1,214,025	2,143,522

(Amounts in thousands of Reais, unless otherwise indicated)

d) Expenses from deposits and securities sold under repurchase agreements

	Parent Company			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Funding expenses with deposits	**(1,493,555)**	**(1,281,711)**	**(2,994,434)**	**(2,522,651)**
Time deposits	(1,455,958)	(1,220,917)	(2,910,192)	(2,365,021)
Interbank deposits	(37,597)	(60,794)	(84,242)	(157,630)
Expenses with repurchase commitments	**(1,101,898)**	**(1,127,448)**	**(2,282,157)**	**(1,989,566)**
Own portfolio	(1,018,428)	(1,032,381)	(2,135,673)	(1,651,972)
Third-party portfolio	(23,926)	(73,663)	(46,352)	(276,254)
Free portfolio [1]	(59,544)	(21,404)	(100,132)	(61,340)
Expenses with fund raising from securities issued	**(2,522,053)**	**(2,453,320)**	**(4,586,399)**	**(4,125,028)**
Mortgage Bonds	(23,012)	(19,270)	(48,432)	(36,020)
Agribusiness Letters of Credit	(248,706)	(201,225)	(515,130)	(356,290)
Financial bills	(2,036,182)	(2,028,394)	(4,062,716)	(3,678,347)
Financial Guaranteed Bills	-	(43,845)	-	(234,760)
Issue of securities abroad [2]	(193,680)	(137,933)	82,643	222,905
Structured Operations Certificates	-	(1,394)	(910)	(1,620)
Others	(20,473)	(21,259)	(41,854)	(40,896)
Expenses with subordinated debts abroad [2]	**532**	**(69,823)**	**2,542**	**(35,869)**
Total	**(5,116,974)**	**(4,932,302)**	**(9,860,448)**	**(8,673,114)**

	Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Funding expenses with deposits	**(1,486,041)**	**(1,230,226)**	**(2,951,244)**	**(2,412,011)**
Time deposits	(1,448,444)	(1,186,219)	(2,867,002)	(2,279,139)
Interbank deposits	(37,597)	(44,007)	(84,242)	(132,872)
Expenses with repurchase commitments	**(1,093,722)**	**(1,095,785)**	**(2,254,538)**	**(1,904,288)**
Own portfolio	(1,010,252)	(1,000,718)	(2,108,054)	(1,566,694)
Third-party portfolio	(23,926)	(73,663)	(46,352)	(276,254)
Free portfolio [1]	(59,544)	(21,404)	(100,132)	(61,340)
Expenses with fund raising from securities issued	**(2,522,252)**	**(2,453,417)**	**(4,586,788)**	**(4,125,186)**
Mortgage Bonds	(23,012)	(19,270)	(48,432)	(36,020)
Agribusiness Letters of Credit	(248,706)	(201,225)	(515,130)	(356,290)
Financial bills	(2,036,182)	(2,028,394)	(4,062,716)	(3,678,347)
Financial Guaranteed Bills	-	(43,845)	-	(234,760)
Issue of securities abroad [2]	(193,680)	(137,933)	82,643	222,905
Structured Operations Certificates	-	(1,394)	(910)	(1,620)
Others	(20,672)	(21,356)	(42,243)	(41,054)
Expenses with subordinated debts abroad [2]	**532**	**(69,823)**	**2,542**	**(35,869)**
Total	**(5,101,483)**	**(4,849,251)**	**(9,790,028)**	**(8,477,354)**

(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	
	12.31.2023	12.31.2022
Loan Obligations (Nota 19b)	4,500,496	5,496,487
Obligations for transfers (Nota 19c)	1,113,834	1,144,520
Total	**5,614,330**	**6,641,007**

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	
					12.31.2023	12.31.2022
Abroad						
Raised from foreign banks [1]	2,792,333	962,970	3,188	730,400	4,488,891	5,374,186
Imports	11,124	481	-	-	11,605	122,301
Total	**2,803,457**	**963,451**	**3,188**	**730,400**	**4,500,496**	**5,496,487**
Current liabilities					3,766,908	4,712,250
Non-current liabilities					733,588	784,237

(1) Includes green bond issuance, further details are described in Note 31.

(Amounts in thousands of Reais, unless otherwise indicated)

c) Onlendings

Domestic - Official institutions

Programs	Interest rates p.a. [1]	Parent Company and Consolidated 12.31.2023	Parent Company and Consolidated 12.31.2022
National Treasury		**300,736**	**245,918**
Fixed rate	from 6,32% p.a. to 8,00% p.a.	270,267	217,245
Variable rate	100,00% of Selic	30,469	28,673
BNDES		**148,842**	**152,563**
Fixed	from 2,70% p.a. to 9,22% p.a.	72,161	45,452
Variable rate	from 1,42% p.a. to 1,45% p.a. + IPCA 1,80% p.a. + TJLP	76,681	107,111
FINAME		**664,256**	**746,039**
Fixed rate	from 1,80% p.a. to 7,65% p.a.	57,841	119,981
Variable rate	from 1,00% p.a. to 2,25% p.a. + IPCA from 1,15% p.a. to 2,40% p.a. + Selic	606,415	626,058
Total		**1,113,834**	**1,144,520**
Current liabilities		442,426	337,831
Non-current liabilities		671,408	806,689

(1) The remuneration rates refer to operations existing on December 31, 2023.

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

	Parent Company and Consolidated 2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Borrowing expenses [1]	**(243,013)**	**(105,477)**	**(25,153)**	**(75,191)**
Expenses with transfer from Brazilian government	**(43,759)**	**(38,315)**	**(95,583)**	**(79,803)**
National treasure	(10,209)	(7,436)	(16,491)	(16,964)
BNDES	(4,374)	(6,064)	(10,201)	(13,388)
FINAME	(29,176)	(24,815)	(68,891)	(49,451)
Expenses with Obligations to foreign bankers [1]	**23,783**	**(3,005)**	**223,642**	**155,528**
Total	**(262,989)**	**(146,797)**	**102,906**	**534**

(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 12.31.2023	Parent Company and Consolidated 12.31.2022
Real estate credit note funds						**318,436**	**334,418**
Fixed rate	R$	86,154	From 6,78% p.a. to 13,67% p.a.	2021	2024	97,415	88,473
Variable rate	R$	183,991	From 90,50% to 117,00% of DI From 0,04% p.a. to 0,39% p.a. + DI	2021	2025	207,183	211,353
Variable rate	R$	10,682	From 1,94% p.a. to 4,85% p.a. + IPCA	2021	2024	13,838	34,592
Agribusiness credit bills						**4,384,865**	**4,050,383**
Fixed rate	R$	809,035	From 6,30% p.a. to 13,67% p.a.	2021	2028	891,358	963,848
Variable rate	R$	2,516,824	From 89,50% to 116,00% of DI From 0,03% p.a. to 0,79% p.a. + DI	2020	2027	2,780,921	2,028,937
Variable rate	R$	608,248	From 3,13% p.a. to 7,21% p.a. + IPCA	2021	2027	712,586	1,057,598
Financial bills						**32,022,297**	**29,159,302**
Fixed rate	R$	1,451,679	From 5,69% p.a. to 14,77% p.a.	2014	2031	1,816,379	2,125,239
Variable rate [2]	R$	24,241,379	From 99,00% to 125,00% of DI From 0,78% p.a. to 1,77% p.a. + DI	2019	2028	28,342,157	24,684,737
Variable rate [2]	R$	1,448,238	From 2,46% p.a. to 7,64% p.a.+ IPCA	2019	2032	1,863,761	2,349,326
Securities issued abroad						**6,510,362**	**6,391,996**
Fixed rate	R$	31,089	From 8,95% p.a. to 13,70% p.a.	2022	2024	27,484	77,967
Foreign exchange [2]	USD	1,352,400	From 3,35% p.a. to 6,05% p.a. + exchange variation	2019	2025	6,482,878	6,314,029
Structured Operations Certificates						**-**	**21,518**
Fixed rate	R$	-	-	2022	-	-	21,518
Total						**43,235,960**	**39,957,617**
Current liabilities						23,842,870	14,782,770
Non-current liabilities						19,393,090	25,174,847

(1) The remuneration rates refer to operations existing on December 31, 2023.
(2) Includes green bond issuance, further details are described in note 31.

(Amounts in thousands of Reais, unless otherwise indicated)

21. SUBORDINATED DEBTS AND DEBT INSTRUMENTS ELIGIBLE AS CAPITAL

a) Breakdown

	Parent Company and Consolidated 12.31.2023	Parent Company and Consolidated 12.31.2022
Subordinated debts (Note 21b)	-	53,864
Debt instruments eligible as capital (Note 21c)	2,651,753	2,613,770
Total	**2,651,753**	**2,667,634**

b) Subordinated debts

Funding		Amount issued	Interest rates p.a.	Issuance year	Maturity year	Parent Company and Consolidated 12.31.2023	Parent Company and Consolidated 12.31.2022
Subordinated financial bills						**-**	**53,864**
Variable rate	R$	-	-	2016	-	-	53,864
Total						**-**	**53,864**
Non-current liabilities						-	53,864

c) Debt instruments eligible as capital

Funding	Currency	Amount issued [1]	Interest rates p.a. [2]	Issuance year	Maturity year	Parent Company and Consolidated 12.31.2023	Parent Company and Consolidated 12.31.2022
Subordinated financial bills						**1,530,027**	**2,076,390**
Variable rate	R$	976,076	From 100,00% to 114,00% of DI From 0,95% p.a. to 2,36% p.a. + DI	2017	2033	1,311,412	1,513,288
Variable rate	R$	62,500	From 6,08% p.a. to 8,14% p.a. + IPCA	2014	2030	167,572	458,293
Fixed rate	R$	24,577	From 11,03% p.a. to 12,56% p.a.	2017	2033	51,043	55,657
Variable rate	R$	-	-	2016	-	-	49,152

Funding	Currency	Amount issued [1]	Interest rates p.a. [2]	Issuance year	Parent Company and Consolidated 12.31.2023	Parent Company and Consolidated 12.31.2022
Perpetual bond					**1,121,726**	**537,380**
Fixed rate [3] [4] [5]	R$	446,500	From 14,48% to 15,00% p.a.	2023	487,306	-
Variable rate [6]	R$	500,100	4,50% p.a. + CDI	2022	634,420	537,380
Total					**2,651,753**	**2,613,770**
Current liabilities					319,829	878,202
Non-current liabilities					2,331,924	1,735,568

(1) It does not include any discount on the respective issuance.

(2) The remuneration rates refer to operations existing on December 31, 2023.

(3) In June 2023, R$ 146,500 was issued with annual interest payments starting in Jun/2025. Perpetual Financial Bills have the option of redemption at the Bank's initiative from Jun/2028 or with each subsequent annual interest payment, as long as it is previously authorized by Bacen.

(4) In July 2023, R$ 300,000 was issued with annual interest payments starting in Jan/2032. Perpetual Financial Bills have the option of redemption at the Bank's initiative from Jan/2032 or with each subsequent annual interest payment, as long as it is previously authorized by Bacen.

(5) Includes adjustment to the fair value of perpetual Financial Bills that are subject to market risk hedge in the amount of R$ 11,525 as of December 31, 2023.

(6) In August 2022, R$ 500,100 was issued with annual interest payments starting in Aug/2024. Perpetual Financial Bills have an option to be redeemed at the initiative of the Bank as of Aug/2027 or in each subsequent annual interest payment, as long as previously authorized by Bacen.

(Amounts in thousands of Reais, unless otherwise indicated)

22. OTHER LIABILITIES

a) Breakdown

	Parent Company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Other financial liabilities	**13,299,620**	**12,967,931**	**12,606,316**	**9,749,840**
Obligations of operations linked to assignments (Nota 12h.1) (1)	11,354,682	10,794,946	10,539,276	7,411,365
Commissions for operations payable	25,329	23,862	25,335	24,031
Credit card operations	-	-	121,534	154,589
Trading and intermediation of securities	65,824	41,537	65,841	51,978
Foreign exchange portfolio (Note 13b)	1,853,092	2,107,493	1,853,092	2,107,493
Other	639	93	1,184	384
Other liabilities	**1,794,913**	**1,779,900**	**2,069,801**	**2,044,880**
Third-party transit resources	150,602	123,144	157,740	131,103
Provision for profit sharing and results	183,336	216,826	231,006	260,555
Provision for personnel expenses	359,140	348,560	394,818	405,021
Provision for administrative expenses	272,569	235,304	301,800	283,624
Provision for financial guarantees provided (Note 30.1.a.ii)	185,063	189,858	185,063	189,858
Provision for losses - other risks	12,404	6,919	13,898	6,919
Legal obligations (Note 29h)	25,480	57,147	35,475	66,099
Sundry creditors - domestic	78,189	300,933	311,196	393,153
Amounts payable to associated companies	69,470	133	-	-
Dividends payable / Interest on equity (2)	412,500	271,700	412,500	271,700
Compensation of CO_2 emissions by vehicles financed by Bank BV (Note 31)	963	672	963	672
Other (3)	45,197	28,704	25,342	36,176
Total	**15,094,533**	**14,747,831**	**14,676,117**	**11,794,720**
Current liabilities	8,459,527	8,219,801	8,502,901	7,167,597
Non-current liabilities	6,635,006	6,528,030	6,173,216	4,627,123

(1) Refers to obligations for sale or transfer transactions of financial assets with substantial retention of risks and benefits.
(2) For interest on shareholder's equity, it refers to the net amount of tax effects.
(3) Includes investments with uncovered liabilities.

23. OPERATING INCOME/EXPENSES

a) Service income

	Parent Company			
	2nd Semester/ 2023	2nd Semester 2022	2023	2022
Collection	3,743	7,931	8,628	16,763
Commissions on placing of securities	70,890	62,336	102,423	127,109
Income from custody services	96	108	133	145
Income from guarantees provided	45,220	50,293	91,172	101,042
Insurance commissions	18,633	14,225	34,100	22,553
Financial advisory services	909	15,147	1,629	22,722
Income from bank settlement services with partners	5,148	17,975	22,276	34,741
Others services	6,292	6,624	11,727	12,565
Total	**150,931**	**174,639**	**272,088**	**337,640**

	Consolidated			
	2nd Semester/ 2023	2nd Semester 2022	2023	2022
Third-party resource management (1)	-	42,865	6,878	92,186
Collection	3,743	7,931	8,628	13,963
Commissions on placing of securities	70,891	62,721	102,438	128,107
Stock exchange transaction brokerages (1)	-	835	134	2,076
Income from custody services (1)	96	7,889	1,640	16,703
Income from guarantees provided	45,220	50,293	91,172	101,042
Credit card transactions	122,682	133,112	240,031	249,230
Insurance commissions	433,501	298,090	773,989	485,987
Financial advisory services (1)	909	15,147	1,629	22,722
Correspondent banking (2)	-	205,503	-	408,060
Income from bank settlement services with partners (3)	4,141	8,259	9,962	13,364
Others services	41,935	33,399	79,864	64,228
Total	**723,118**	**866,044**	**1,316,365**	**1,597,668**

(1) In the consolidated, the amounts related to the operations of BV DTVM are no longer presented, as it ceased to be controlled and became an affiliate, in February 2023 (Note 2a).
(2) The amounts related to Promotiva's operations in the year ended December 31, 2023 were no longer presented, with the total sale of the current subsidiary (Note 2b).
(3) In the Consolidated, they are presented by the net amount determined in each period. Includes the result with partnerships involving the financial settlement business.

(Amounts in thousands of Reais, unless otherwise indicated)

b) Income from banking fees

	Parent Company			
	2nd Semester/ 2023	2nd Semester 2022	2023	2022
Master file registration	317,061	233,216	551,674	414,325
Transfer of resources	277	255	626	973
Asset valuation	147,669	83,040	256,691	146,542
Other	298	166	473	297
Total	**465,305**	**316,677**	**809,464**	**562,137**

	Consolidated			
	2nd Semester/ 2023	2nd Semester 2022	2023	2022
Master file registration	319,344	233,216	556,024	414,325
Transfer of resources	277	255	626	973
Asset valuation	147,669	83,040	256,691	146,542
Credit card income	41,595	61,831	84,577	126,688
Others	305	331	516	644
Total	**509,190**	**378,673**	**898,434**	**689,172**

c) Personnel expenses

	Parent Company			
	2nd Semester/ 2023	2nd Semester 2022	2023	2022
Administrator's remuneration and other (Note 27)	(9,288)	(12,010)	(20,589)	(23,147)
Benefits	(73,108)	(80,549)	(142,792)	(146,748)
Social charges	(114,286)	(109,991)	(217,749)	(208,700)
Salary [1]	(367,745)	(379,078)	(684,219)	(750,408)
Labor claims	(86,100)	(169,476)	(188,646)	(233,892)
Training	(6,814)	(7,155)	(11,052)	(12,067)
Supplementary private pension	(7,849)	(6,821)	(14,246)	(12,953)
Total	**(665,190)**	**(765,080)**	**(1,279,293)**	**(1,387,915)**

	Consolidated			
	2nd Semester/ 2023	2nd Semester 2022	2023	2022
Administrator's remuneration and other (Note 27)	(12,947)	(16,065)	(28,401)	(31,205)
Benefits	(86,341)	(94,175)	(173,426)	(179,768)
Social charges	(139,515)	(135,856)	(273,291)	(260,331)
Salary [1]	(452,109)	(474,590)	(858,368)	(939,933)
Labor claims	(88,014)	(173,173)	(192,995)	(247,418)
Training	(8,946)	(8,963)	(14,527)	(15,075)
Supplementary private pension	(9,761)	(8,853)	(18,054)	(16,802)
Total [2] [3]	**(797,633)**	**(911,675)**	**(1,559,062)**	**(1,690,532)**

(1) Includes expenses and related charges levied on variable compensation programs.
(2) In the consolidated, it includes the effect of the amounts that are no longer presented related to the operations of BV DTVM, since it ceased to be controlled and became an affiliate in February 2023 (Note 2a).
(3) Includes changes related to the total sale of Promotiva, which ceased to be consolidated as of December 2022 (Note 2b).

d) Other administrative expenses

	Parent Company			
	2nd Semester/ 2023	2nd Semester 2022	2023	2022
Water, energy and gas	(249)	(1,274)	(1,005)	(1,903)
Rentals	(12,968)	(13,186)	(25,647)	(24,495)
Communications	(14,081)	(11,743)	(21,244)	(22,807)
Philanthropic Contributions [1]	(1,650)	(2,846)	(1,890)	(3,277)
Maintenance and conservation of assets	(5,437)	(4,885)	(9,282)	(9,566)
Material	(610)	(3,002)	(1,902)	(5,247)
Data processing	(129,671)	(142,917)	(281,243)	(278,424)
Promotions and public relations	(26,236)	(29,472)	(42,990)	(42,648)
Advertising and publicity	(57,279)	(86,571)	(104,069)	(125,492)
Insurance	(4,745)	(3,451)	(9,033)	(7,009)
Financial system services	(55,257)	(35,272)	(97,701)	(70,431)
Outsourced services	(4,022)	(5,973)	(8,289)	(11,867)
Surveillance and security services	(1,120)	(492)	(2,476)	(973)
Specialized technical services	(272,948)	(263,042)	(529,978)	(506,738)
Transportation	(4,640)	(3,078)	(9,632)	(6,052)
Traveling	(4,276)	(4,677)	(8,050)	(7,070)
Judicial and notary public fees	(58,433)	(41,024)	(99,541)	(77,583)
Amortization [2] [3]	(119,246)	(91,112)	(219,102)	(177,090)
Depreciation [2]	(7,670)	(11,531)	(17,482)	(23,058)
Other	(37,188)	(48,234)	(67,214)	(87,119)
Total	**(817,726)**	**(803,782)**	**(1,557,770)**	**(1,488,849)**

(Amounts in thousands of Reais, unless otherwise indicated)

	Consolidated			
	2nd Semester/ 2023	2nd Semester 2022	2023	2022
Water, energy and gas	(430)	(1,604)	(1,565)	(2,374)
Rentals	(15,246)	(15,510)	(29,984)	(28,690)
Communications	(18,906)	(14,512)	(29,563)	(29,903)
Philanthropic Contributions [1]	(9,762)	(8,359)	(10,002)	(8,791)
Maintenance and conservation of assets	(7,749)	(6,573)	(18,550)	(12,279)
Material	(967)	(3,308)	(2,484)	(6,120)
Data processing	(239,432)	(240,406)	(481,436)	(460,060)
Promotions and public relations	(29,167)	(30,767)	(46,783)	(46,388)
Advertising and publicity	(61,637)	(95,748)	(115,240)	(176,861)
Insurance	(6,214)	(3,990)	(10,950)	(8,122)
Financial system services	(68,024)	(39,577)	(113,258)	(78,069)
Outsourced services	(9,824)	(7,228)	(15,469)	(14,529)
Surveillance and security services	(1,844)	(633)	(3,836)	(1,285)
Specialized technical services [4]	(372,021)	(332,617)	(670,418)	(636,991)
Transportation	(5,203)	(3,288)	(10,403)	(6,399)
Traveling	(4,940)	(5,441)	(9,176)	(8,210)
Judicial and notary public fees	(59,226)	(41,579)	(100,816)	(78,670)
Amortization [2] [3]	(169,291)	(120,560)	(308,788)	(232,439)
Depreciation [2]	(13,271)	(14,139)	(27,170)	(28,410)
Other	(40,433)	(55,816)	(74,904)	(97,500)
Total	**(1,133,587)**	**(1,041,655)**	**(2,080,795)**	**(1,962,090)**

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

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

(3) In the year ended December 31, 2022, it includes the amount of R$ 6,464 in the Bank and Consolidated, relating to the amortization expenses of carbon credits and green bonds consumed to offset CO_2 emissions from vehicles financed by banco BV. As of 2023, with the entry into force of BCB Normative Instruction No. 325, the expense of compensating these assets will be presented in other operating expenses (Note 31).

(4) In the year ended December 31, 2023, services were contracted from external auditors totaling R$3,486 (R$3,097 in the year ended December 31, 2022).

e) Other operating income

	Parent Company			
	2nd Semester/ 2023	2nd Semester 2022	2023	2022
Recovery of charges and expenses [1]	41,260	12,319	47,217	20,815
Restatement of judicial deposits [2]	-	16,879	-	28,585
Reimbursement of overpaid tax fines	65,541	23,203	93,815	42,110
Reimbursement of operation costs	205	209	293	335
Others	7,563	89,555	11,412	94,975
Total [5]	**114,569**	**142,165**	**152,737**	**186,820**

	Consolidated			
	2nd Semester/ 2023	2nd Semester 2022	2023	2022
Recovery of charges and expenses [1]	50,212	15,013	61,006	24,466
Restatement of judicial deposits [2]	-	19,394	-	31,933
Reimbursement of overpaid tax fines	71,631	30,318	105,778	50,355
Reimbursement of operation costs	205	209	293	335
Reversal of provision for insurance cancellation	522	10,002	3,593	13,296
Banking and exclusivity and preference rights [3]	-	(1,967)	-	1,934
Agreements with partners	52,208	-	52,208	-
Real state activity result	13,878	9,247	25,063	19,262
Other [4]	18,190	17,936	23,992	27,698
Total [5]	**206,846**	**100,152**	**271,933**	**169,279**

(1) Includes monetary restatement effects on recoverable and offset taxes.

(2) Includes the effects arising from the change in the index of updating of judicial deposits (increase).

(3) The amounts related to Promotiva's operations in the year ended December 31, 2023 were no longer presented, with the total sale of the current subsidiary (Note 2b).

(4) Includes reversal of provision for restructuring and consolidation effects of consolidated funds.

(5) 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			
	2nd Semester/ 2023	2nd Semester 2022	2023	2022
Costs associated with the origination - Business partners [1]	(422,988)	(337,130)	(738,683)	(628,997)
Costs associated with production - Other expenses [2]	(20,000)	-	(7,832)	-
Civil claims	(61,039)	(65,144)	(118,292)	(113,950)
Tax claims	(3,528)	(4,050)	(7,344)	(8,289)
Operating losses	(68,830)	(33,042)	(108,715)	(62,440)
Bank preference	(23,284)	(23,099)	(46,731)	(40,727)
Provision for CO_2 offset expenses for vehicles financed by Bank BV	(145)	(137)	(291)	(244)
Consumption of sustainable assets [4]	(5,300)	-	(9,696)	-
Other	(12,782)	(1,966)	(34,086)	(21,127)
Total [4]	**(617,896)**	**(464,568)**	**(1,071,670)**	**(875,774)**

(Amounts in thousands of Reais, unless otherwise indicated)

	Consolidated			
	2nd Semester/ 2023	2nd Semester 2022	2023	2022
Costs associated with the origination - Business partners [(1) (3)]	(429,421)	(522,770)	(753,817)	(989,391)
Costs associated with production - Other expenses	(32,558)	(32,021)	(63,024)	(42,453)
Update of escrow deposits [(2)]	(18,307)	-	(4,898)	-
Civil claims	(68,237)	(67,288)	(130,390)	(118,540)
Tax claims	(4,875)	(5,663)	(9,841)	(11,197)
Operating losses	(68,041)	(37,755)	(108,517)	(68,604)
Bank preference	(23,284)	-	(46,731)	-
Provision for CO_2 offset expenses for vehicles financed by Bank BV	(145)	(137)	(291)	(244)
Consumption of sustainable assets [(4)]	(5,300)	-	(9,696)	-
Other	(28,667)	(10,683)	(58,615)	(84,222)
Total [(5)]	**(678,835)**	**(676,317)**	**(1,185,820)**	**(1,314,651)**

(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 deposit update index (reduction).
(3) In the consolidated, the amounts related to Promotiva's operations in the year ended December 31, 2023 are no longer presented, with the total sale of the now controlled company (Note 2b).
(4) As of 2023, with the entry into force of BCB Normative Instruction No. 325, the expense of compensating sustainability assets began to be presented in other operating expenses (Note 31).
(5) Income and expenses of the same nature are presented at the net amount calculated in each period. The presentation in the respective revenue or expense line takes into account the most recent period.

24. OTHER INCOME AND EXPENSES

	Parent Company			
	2nd Semester/ 2023	2nd Semester 2022	2023	2022
Other income	**22,193**	**98,241**	**204,019**	**108,795**
Profit on the disposal of assets [(1)]	-	73,904	175,222	73,904
Reversal of provision for devaluation of non-financial assets held for sale	-	11,993	-	18,841
Reversal of provision for losses to recoverable value (impairment) of investments due to tax incentives	5,780	5,230	5,780	5,230
Other income not directly associated with operating activity	16,413	7,114	23,017	10,820
Other expenses	**(52,544)**	**(9,157)**	**(61,231)**	**(10,082)**
Capital losses	(136)	(153)	(617)	(458)
Provision for devaluation of non-financial assets held for sale	(3,359)	-	(4,674)	-
Expenses with non-use properties	(294)	(588)	(3,353)	(1,378)
Provision for impairment of intangible assets	(8,014)	-	(3,093)	-
Write-offs of intangible assets	(23,151)	-	(23,151)	-
Loss on disposal of non-financial assets held for sale	(17,502)	(7,759)	(26,019)	(7,589)
Other expenses not directly associated with operating activity	(88)	(657)	(324)	(657)
Total [(2)]	**(30,351)**	**89,084**	**142,788**	**98,713**

	Consolidated			
	2nd Semester/ 2023	2nd Semester 2022	2023	2022
Other income	**27,070**	**115,349**	**213,011**	**129,130**
Profit on the disposal of assets [(1)]	-	73,904	175,222	73,904
Reversal of impairment in subsidiaries	854	9,736	4,111	6,293
Reversal of provision for devaluation of non-financial assets held for sale	-	10,400	-	23,912
Reversal of provision for losses to recoverable value (impairment) of investments due to tax incentives	9,266	8,853	9,266	8,853
Other income not directly associated with operating activity	16,950	12,456	24,412	16,168
Other expenses	**(65,670)**	**(13,773)**	**(73,608)**	**(15,063)**
Capital losses	(136)	(153)	(617)	(458)
Provision for devaluation of non-financial assets held for sale	(17,302)	-	(18,472)	-
Expenses with non-use properties	(294)	(588)	(3,353)	(1,378)
Provision for impairment of intangible assets	(8,014)	-	(3,093)	-
Write-offs of intangible assets	(23,151)	-	(23,151)	-
Loss on disposal of non-financial assets held for sale	(16,665)	(7,517)	(24,563)	(7,357)
Other expenses not directly associated with operating activity	(108)	(5,515)	(359)	(5,870)
Total [(2)]	**(38,600)**	**101,576**	**139,403**	**114,067**

(1) Refers to the partial sale of the Company, now controlled, as described in note 2b.
(2) 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.

(Amounts in thousands of Reais, unless otherwise indicated)

25. SHAREHOLDER'S EQUITY

a) Capital

The share stock of Banco Votorantim SA, fully subscribed and paid in, in the amount of R$ 8,480,372 (R$ 8,480,372 on December 31, 2022) is represented by 3,395,210,052 shares, of which 2,193,305,693 are registered common shares, book-entry and no par value and 1,201,904,359 registered, book-entry and no par value preferred shares (3,395,210,052 shares, of which 2,193,305,693 nominative, book-entry and no par value common shares and 1,201,904,359 nominative, book-entry and no par value preferred shares on December 31, 2022).

In April 2022, the Annual and Extraordinary Shareholder's Meeting approved the capital increase of Banco Votorantim SA in the amount of R$ 350,000, through the recapitalization of interest on equity payable calculated based on the year ended December 31 of 2021. Capital Stock increased from R$ 8,130,372 to R$ 8,480,372, through the issuance of 95,539,646 new shares, of which 61,718,612 are common shares and 33,821,034 are preferred shares, all registered, book-entry and worthless nominal, 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 December 31, 2023 and 2022, the capital reserve is constituted by a premium on the 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) Dividends / 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 profit for the period, deducted from the legal reserve (Adjusted net profit).

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 for the year ending December 31, 2023 and 2022.

Interest on equity is calculated on the adjusted shareholder's 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.

Law No. 14,789/2023 brought changes relating to the calculation of the calculation basis for interest on equity (JCP) arising from corporate acts between dependent parties. Banco BV did not identify any impacts or necessary changes to its procedures to comply with this standard.

For the years ended December 31, 2023 and 2022, the Company carried out the following resolutions:

	2023					
	Value (R$ thousand)	Value per lot of one thousand shares - R$	Base date of the share position	Amount paid (R$ thousand)	Amount payable (R$ thousand)	Payday
Interest on equity [1] [2]	312,000	91.89	03.31.2023	93,600	218,400	até 12.31.2024
Interest on equity [1]	68,000	20.03	06.30.2023	20,400	47,600	até 12.31.2024
Interest on equity [1]	120,000	35.34	09.30.2023	36,000	84,000	até 12.31.2024
Interest on equity [1]	250,000	73.63	11.30.2023	75,000	175,000	até 12.31.2024
Total	**750,000**	**220.90**		**225,000**	**525,000**	

	2022			
	Value (R$ thousand)	Value per lot of one thousand shares - R$ [3]	Base date of the share position	Payday
Interest on equity [1]	169,492	49.92	03.31.2022	10.24.2022
Interest on equity [1]	330,508	97.35	09.30.2022	03.31.2023
Total for shareholders	**500,000**	**147.27**		

(1) Amounts subject to 15% withholding income tax.
(2) The amount of R$ 83,745 was used from the profit reserve and from retained earnings in the amount of R$ 228,255.
(3) The value per lot of one thousand shares is calculated based on the weighted average number per lot of one thousand shares in the year ended December 31, 2023 (Note 25e). The amounts for the year ended December 31, 2022 were restated for comparability purposes.

(Amounts in thousands of Reais, unless otherwise indicated)

	2023 Value (R$ Thousand)	2022 Value (R$ Thousand)
Net profit for the period - Banco Votorantim SA	**1,334,116**	**1,493,235**
Legal reserve	(66,705)	(74,662)
Calculation basis	**1,267,411**	**1,418,573**
Interest on equity (gross)	666,255	500,000
IRRF related to interest on equity	(99,938)	(75,000)
Proposed value [1]	**566,317**	**425,000**
% on the calculation basis	**45%**	**30%**

[1] Does not consider distribution through profit reserve.

e) Earnings per share

	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Net profit - Banco Votorantim S.A (R$ thousand)	770,788	660,562	1,334,116	1,493,235
Weighted average number by thousand shares (basic and diluted) [1] [2]	3,395,210	3,395,210	3,395,210	3,395,210
Earnings per share (basic and diluted) (R$)	227.02	194.56	392.94	439.81

[1] The weighted average number of shares is calculated based on the average number of shares for each month of the year ending December 31, 2023.

[2] The weighted average number of shares was restated for the year ended December 31, 2022 due to the capital increase, described in note 25a, in accordance with CPC 41.

f) Reconciliation of shareholder's equity and net profit

	Net profit				Shareholder's Equity	
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022	12.31.2023	12.31.2022
Banco Votorantim S.A.	**770,788**	**660,562**	**1,334,116**	**1,493,235**	**13,263,238**	**12,857,806**
Result not realized - (RNR) [1]	(184,976)	1,392	(183,555)	(31,768)	168,165	29,966
Non-controlling interests	41,759	143,867	134,903	273,353	548,350	1,901,975
Consolidated	**627,571**	**805,821**	**1,285,464**	**1,734,820**	**13,979,753**	**14,789,747**

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

g) Other comprehensive income

Parent Company and Consolidated	2023			
	Opening balance	Changes	Tax effect	Closing balance
Securities available to sale	**7,542**	**(107,028)**	**48,140**	**(51,346)**
Banco Votorantim [1]	9,962	(162,750)	73,237	(79,551)
Subsidiaries	(2,420)	55,722	(25,097)	28,205
Cash flow hedge	**(117,029)**	**83,887**	**(37,749)**	**(70,891)**
Banco Votorantim [1]	(117,029)	83,887	(37,749)	(70,891)
Total - Parent Company	**(109,487)**	**(23,141)**	**10,391**	**(122,237)**
RNR effect [2]	**68,158**	**324,121**	**-**	**392,279**
Total - Consolidated [3]	**(41,329)**	**300,980**	**10,391**	**270,042**

Parent Company and Consolidated	2023				2022			
	Opening balance	Changes	Tax effect	Closing balance	Opening balance	Changes	Tax effect	Closing balance
Securities available to sale	**(35,928)**	**(27,998)**	**12,580**	**(51,346)**	**100,960**	**(249,135)**	**112,247**	**(35,928)**
Banco Votorantim [1]	(28,890)	(92,111)	41,450	(79,551)	107,990	(248,873)	111,993	(28,890)
Subsidiaries	(7,038)	64,113	(28,870)	28,205	(7,030)	(262)	254	(7,038)
Cash flow hedge	**92,375**	**(296,848)**	**133,582**	**(70,891)**	**363,606**	**(493,148)**	**221,917**	**92,375**
Banco Votorantim [1]	92,375	(296,848)	133,582	(70,891)	363,606	(493,148)	221,917	92,375
Total - Parent Company	**56,447**	**(324,846)**	**146,162**	**(122,237)**	**464,566**	**(742,283)**	**334,164**	**56,447**
RNR effect [2]	**70,525**	**321,754**	**-**	**392,279**	**14,652**	**55,873**	**-**	**70,525**
Total - Consolidated [3]	**126,972**	**(3,092)**	**146,162**	**270,042**	**479,218**	**(686,410)**	**334,164**	**126,972**

[1] Includes agency abroad.

[2] Tax effect is presented in "Other credits - Sundry".

[3] Refers to other comprehensive income attributable to controlling shareholders.

h) Non-controlling interests

Consolidated	Net profit				Shareholder's Equity	
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022	12.31.2023	12.31.2022
Fundo de Investimento em Direitos Creditórios BV - Crédito de Veículos (FIDC BV)	37,097	140,706	125,022	265,454	537,683	1,893,506
Other funds	4,662	3,161	9,881	7,899	10,667	8,469
Participation of non-controllers	**41,759**	**143,867**	**134,903**	**273,353**	**548,350**	**1,901,975**

i) Shareholders interest (quantity of shares)

Composition of the class of shares issued by Banco Votorantim SA in which shareholders directly hold as of December 31, 2023 and 2022 (in thousands of shares):

	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%

26. TAXES

a) Tax assets

Total tax assets recognized

	Parent company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Current tax assets (Note 26 a.1)	616,220	493,837	727,483	559,544
Deferred tax assets (Note 26 a.2)	6,328,142	6,097,435	8,158,164	7,452,875
Total	**6,944,362**	**6,591,272**	**8,885,647**	**8,012,419**
Current assets	25,474	500	35,245	49,699
Non-current assets	6,918,888	6,590,772	8,850,402	7,962,720

a.1) Current tax assets

	Parent company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Taxes and contributions to be offset	424,119	345,072	528,412	401,584
Recoverable income tax	-	-	6,970	9,195
Presumed credit - Law no. 12,838/13	192,101	148,765	192,101	148,765
Total (1)	**616,220**	**493,837**	**727,483**	**559,544**

(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	12.31.2022	2023		12.31.2023
	Balance	Net changes in the period		Balance (1)
		Constitution	Write-off	
Temporary differences	**5,480,236**	**1,968,354**	**(1,718,538)**	**5,730,052**
Provision for losses associated with credit risk	4,101,279	1,503,407	(1,222,553)	4,382,133
Provisions	576,815	113,650	(162,583)	527,882
Fair value adjustments (2)	225,144	343,478	(299,078)	269,544
Other provisions (3)	576,998	7,819	(34,324)	550,493
Tax loss / CSLL negative base	**617,199**	**13,771**	**(32,880)**	**598,090**
Total activated tax credits	**6,097,435**	**1,982,125**	**(1,751,418)**	**6,328,142**
Income tax	3,356,848	1,097,946	(970,749)	3,484,045
Social contribution	2,740,587	884,179	(780,669)	2,844,097

Consolidated	12.31.2022	2023		12.31.2023
	Balance	Net changes in the period		Balance (1)
		Constitution (5)	Write-off (4)	
Temporary differences	**6,379,258**	**2,799,394**	**(2,027,939)**	**7,150,713**
Provision for losses associated with credit risk	4,903,961	2,157,330	(1,496,395)	5,564,896
Provisions	657,700	121,806	(188,687)	590,819
Fair value adjustments (2)	230,033	511,644	(303,967)	437,710
Other provisions (3)	587,564	8,614	(38,890)	557,288
Tax loss / CSLL negative base	**1,073,617**	**32,909**	**(99,075)**	**1,007,451**
Total activated tax credits	**7,452,875**	**2,832,303**	**(2,127,014)**	**8,158,164**
Income tax	4,280,441	1,574,562	(1,179,922)	4,675,081
Social contribution	3,172,434	1,257,741	(947,092)	3,483,083

(1) In the year ended December 31, 2023, the portion of R$ 129,788 (of the total of R$ 269,544), in the Bank and R$ 129,788 (of the total of R$ 437,710) Consolidated, corresponds to the tax credit resulting from fair value adjustments of bonds and securities classified as available for sale, recorded in equity account. On December 31, 2022, the installment was R$ 30,335 (of the total of R$ 225,144), in the Bank, and R$ 35,223 (of the total of R$ 230,033), in the Consolidated.

(2) The amounts corresponding to the movement of tax credit resulting from fair value adjustments of bonds and securities classified as available for sale, recorded in the equity account, in the year ended December 31, 2023, are R$ 99,453 (of the total of R$ (44,400)), in the Bank, and of R$ 94,563 (of the total of R$ (207.676)) in the Consolidated. The amounts, in the year ended December 31, 2022, were 30,335 (of the total of R$ (128,743), in the Bank, and R$ 30,588 (of the total of R$ (128,503)), in the Consolidated.

(3) Includes tax credits arising from expenses with setting up provisions for reducing the recoverable value of bonds and securities.

(4) Includes the effect of amounts that were no longer presented related to the operations of BV DTVM, as it ceased to be controlled and became an affiliate as of February 2023 (Note 2a).

(5) From November 2023, it will include the effects of statements by the companies Bankly and Acessopar.

(Amounts in thousands of Reais, unless otherwise indicated)

Realization estimate

The expected realization of deferred tax assets (tax credits) is based on a technical study prepared on December 31, 2023.

	Parent Company		Consolidated	
	Nominal value	Present value	Nominal value	Present value
In 2024	1,778,863	1,616,172	2,067,827	1,878,707
In 2025	1,217,846	1,009,678	1,578,039	1,308,303
In 2026	1,543,867	1,168,054	2,010,503	1,521,100
In 2027	684,857	471,555	860,208	592,293
In 2028	178,377	111,754	247,848	155,278
From 2029 to 2030	436,084	238,501	723,299	394,518
From 2031 to 2033	488,248	187,586	670,440	267,909
Total deferred tax assets	**6,328,142**	**4,803,300**	**8,158,164**	**6,118,108**

In the year ended December 31, 2023, tax credits were realized at Banco Votorantim in the amount of R$ 1,605,625 (R$ 1,941,703 in the year ended December 31, 2022), corresponding to 88% (103% in the year ended December 31, 2022) of the respective estimated tax realization of the balance of tax credits for the entire year 2023, which was included in the technical study prepared on December 31, 2022.

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 2024	9%	30%	6%	28%
In 2025	3%	21%	2%	22%
In 2026	0%	27%	0%	28%
In 2027	0%	12%	0%	12%
In 2028	16%	1%	13%	2%
From 2029 to 2030	72%	0%	60%	2%
From 2031 to 2033	0%	9%	19%	6%

(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	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Social contribution on net profit tax loss/negative basis portions of CSLL	94,088	94,088	186,520	150,977
Portion of passive provisions	-	-	4,032	530
Portion of other provisions	-	1,517	40,462	41,024
Total of deferred tax assets not recorded in assets	**94,088**	**95,605**	**231,014**	**192,531**
Income tax	52,270	53,114	161,153	137,159
Social contribution	41,818	42,491	69,861	55,372

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 tax liabilities recognized

	Parent company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Current tax liabilities (Note 26 b.1)	144,609	156,793	286,692	277,075
Deferred tax liabilities - (Note 26 b.2)	206,287	115,110	230,452	115,709
Total	**350,896**	**271,903**	**517,144**	**392,784**
Current liabilities	333,802	154,631	500,050	268,906
Non-current liabilities	17,094	117,272	17,094	123,878

b.1) Current tax liabilities

	Parent company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Financial transaction tax payable	28,591	30,531	30,340	32,409
Income tax and social contribution payable	-	-	-	6,533
Provision for taxes and contributions on income	-	1,004	113,324	83,166
Taxes and contributions payable	116,018	125,258	143,028	154,967
Total [1]	**144,609**	**156,793**	**286,692**	**277,075**

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

(Amounts in thousands of Reais, unless otherwise indicated)

b.2) Deferred tax liabilities

	Parent company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Fair value adjustments [(1) (2)]	191,212	100,035	215,200	100,063
Presumed credit - Law no. 12,838/13	15,075	15,075	15,075	15,075
Other liabilities	-	-	177	571
Total deferred tax liabilities	**206,287**	**115,110**	**230,452**	**115,709**
Income tax	114,604	64,223	128,107	64,813
Social contribution	91,683	50,887	102,345	50,896

(1) In the year ended December 31, 2023, the portion of R$ (23,945) (of the total of R$ 215,200), in the Consolidated, corresponds to the deferred tax obligation arising from fair value adjustments of the effective portion of the flow hedging instruments of cash and securities classified as available for sale, recorded in a shareholder's equity account. On December 31, 2022, the installment was R$ 79,512 (of the total of R$ 100,035), in the Bank, and R$ 79,477 (of the total of R$ 100,063), in the Consolidated.

(2) The amounts corresponding to the movement in the deferred tax liability resulting from fair value adjustments of the effective portion of cash flow hedging instruments and fair value adjustments of bonds and securities classified as available for sale, recorded in a shareholder's equity account, in the year ended December 31, 2023, they are R$ (79,512) (out of a total of R$ 91,178, including changes in results), at the Bank, and R$ (55,531) (out of a total of R$ 115,138, including the movement in the result) in Consolidated. The amounts, in the year ended December 31, 2022, were R$ (303,575) (of the total of R$ (544,936)), including the movement in results), at the Bank, and R$ (303,575) (of total of R$ (544,908)), including the movement in results), in Consolidated.

c) Tax expenses

	Parent company			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Cofins	(174,982)	(165,754)	(315,431)	(294,066)
ISSQN	(30,757)	(24,487)	(53,881)	(44,035)
PIS	(28,435)	(26,935)	(51,258)	(47,786)
Other	(9,914)	(7,991)	(17,108)	(17,359)
Total	**(244,088)**	**(225,167)**	**(437,678)**	**(403,246)**

	Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Cofins	(240,172)	(230,950)	(440,050)	(415,678)
ISSQN	(43,581)	(40,092)	(76,773)	(73,381)
PIS	(40,799)	(38,894)	(74,654)	(69,870)
Other	(11,554)	(10,808)	(20,284)	(22,514)
Total	**(336,106)**	**(320,744)**	**(611,761)**	**(581,443)**

d) Income tax and contribution expenses

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

	Parent company			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Current amounts	**(66,291)**	**(73,738)**	**(42,692)**	**(15,018)**
Domestic IR and CSLL - Current	(73,808)	(74,061)	(73,808)	(74,061)
Domestic IR and CSLL- Previous years	7,517	323	31,116	59,043
Deferred amounts	**6,893**	**87,881**	**(35,502)**	**(238,773)**
Deferred tax liabilities	**23,045**	**488,494**	**(166,756)**	**243,678**
Fair value adjustments	(14,750)	446,579	(166,756)	241,361
Other liabilities	37,795	41,915	-	2,317
Deferred tax assets	**(16,152)**	**(400,613)**	**131,254**	**(482,451)**
Tax loss carryforwards and negative basis of social contribution on net profit	(231,025)	(244,333)	(19,109)	(7,515)
Temporary differences	236,860	(5,857)	205,415	(315,858)
Fair value adjustments	(21,987)	(150,423)	(55,052)	(159,078)
Total	**(59,398)**	**14,143**	**(78,194)**	**(253,791)**

	Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Current amounts	**(174,806)**	**(221,264)**	**(249,526)**	**(257,551)**
Domestic IR and CSLL - Current	(182,323)	(221,587)	(292,538)	(316,921)
Domestic IR and CSLL- Previous years	7,517	323	43,012	59,370
Deferred amounts	**323,612**	**278,347**	**483,097**	**53,953**
Deferred tax liabilities	**23,011**	**488,633**	**(166,763)**	**244,001**
Fair value adjustments	(14,750)	446,579	(166,756)	241,361
Other liabilities	37,761	42,054	(7)	2,640
Deferred tax assets	**300,601**	**(210,286)**	**649,860**	**(190,048)**
Tax loss carryforwards and negative basis of social contribution on net profit	(231,311)	(237,531)	(23,823)	36,105
Temporary differences	414,754	177,668	589,590	(67,061)
Fair value adjustments	117,158	(150,423)	84,093	(159,092)
Total	**148,806**	**57,083**	**233,571**	**(203,598)**

(Amounts in thousands of Reais, unless otherwise indicated)

d.2) Reconciliation of IR and CSLL charges

	Parent company			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Income (loss) before taxes and contributions	**917,346**	**731,692**	**1,586,161**	**1,931,509**
Total IR charges (25%) and CSLL (20%)	(412,806)	(336,578)	(713,773)	(876,496)
Charges on JCP	166,500	152,034	337,500	228,305
Income from interests in subsidiaries, associates and joint ventures	(6,046)	32,576	(15,806)	74,218
Participation in profits and results	39,222	39,226	78,233	83,871
Income from abroad	(25,084)	(26,946)	(62,091)	(24,447)
Other values	178,816	153,831	297,743	260,758
Income tax and social contribution for the period	**(59,398)**	**14,143**	**(78,194)**	**(253,791)**

	Consolidated			
	2º Semester/ 2023	2º Semester/ 2022	2023	2022
Income (loss) before taxes and contributions	**586,465**	**852,151**	**1,274,882**	**2,170,360**
Total IR charges (25%) and CSLL (20%)	(263,909)	(391,990)	(573,697)	(985,183)
Charges on JCP	166,500	152,034	337,500	228,305
Income from interests in subsidiaries, associates and joint ventures	(7,372)	(6,601)	(3,222)	(9,231)
Participation in profits and results	48,465	47,570	100,345	105,408
Income from abroad	(25,084)	(26,946)	(62,091)	(24,447)
Other values	230,206	283,016	434,736	481,550
Income tax and social contribution for the period	**148,806**	**57,083**	**233,571**	**(203,598)**

27. RELATED PARTIES

The Conglomerate carries out banking transactions with related parties, such as current account deposits (non-interest-bearing), interest-bearing deposits, open market funding, derivative financial instruments and assignment of credit operation portfolios. There are also service provision contracts, which include an agreement for the sharing/reimbursement of expenses and direct and indirect costs entered into with the Conglomerate companies. In relation to controlling shareholders, transactions with the Banco do Brasil Conglomerate and Votorantim SA are included.

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 year ended December 31, 2023, the sum of present values totaled R$ 7,200,926 (R$ 4,280,153 in the year ended December 31, 2022). Banco BV also carries out credit assignments without co-obligation, but with substantial retention of risks and benefits with a subsidiary and in the year ended December 31, 2023, the sum of present values totaled R$ 989,517 (R$ 4,080,515 in the year ended on December 31, 2022). The net result of credit assignments, considering the income and expenses from assignments with substantial retention of risks and benefits, is presented in the table below under “Income from interest, provision of services and other income”.

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)]			
	2º Semester/ 2023	2º Semester/ 2022	2023	2022	2º Semester/ 2023	2º Semester/ 2022	2023	2022
Administrator's remuneration and other	9,288	12,010	20,589	23,147	12,947	16,065	28,401	31,205
Bonuses	27,233	36,180	46,766	86,588	28,219	37,282	48,129	90,646
Social charges	11,545	15,162	21,290	34,190	12,038	15,750	22,154	36,117
Total	**48,066**	**63,352**	**88,645**	**143,925**	**53,204**	**69,097**	**98,684**	**157,968**

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

(Amounts in thousands of Reais, unless otherwise indicated)

Balance of transactions with related parties

	Parent Company						
	12.31.2023						
	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)	-	-	1,942,729	-	-	-	**1,942,729**
Securities and derivative financial instruments	-	19,816	-	-	-	1,170,718	**1,190,534**
Loans and leases	296	584	-	-	-	40,165	**41,045**
Other assets	351	-	110,736	141,270	-	7,090	**259,447**
Liabilities							
Demand deposits	(3)	(1,234)	(1,013)	(1,449)	(5)	(6,757)	**(10,461)**
Time deposits	(259,561)	(602,462)	-	(290,649)	(1,753)	(63,986)	**(1,218,411)**
Money market repurchase	(1,500,327)	(10,838)	(273,580)	-	-	-	**(1,784,745)**
Funds for accepting and issuing bonds	(96,614)	(495,481)	-	-	(10,912)	-	**(603,007)**
Derivative financial instruments	-	(49,041)	-	-	-	-	**(49,041)**
Other liabilities	(10,746,277)	(206,250)	(65,509)	(3,575)	-	(1,014,264)	**(12,035,875)**
	2nd Semester/2023						
Income (loss)							
Income from interest, provision of services and other income	19,712	152	127,543	-	-	244,008	**391,415**
Income (losses) from derivative financial instruments	(5,544)	(64,654)	-	-	-	-	**(70,198)**
Fund raising, administrative expenses and other (7)	(684,742)	(163,952)	(8,125)	(8,882)	(1,778)	(6,402)	**(873,881)**
	2023						
Income (loss)							
Income from interest, provision of services and other income	20,770	236	287,933	-	-	908,021	**1,216,960**
Income (losses) from derivative financial instruments	(11,087)	(125,978)	-	-	-	-	**(137,065)**
Fund raising, administrative expenses and other (7)	(1,294,983)	(250,540)	(27,669)	(42,634)	(2,847)	(27,594)	**(1,646,267)**

(Amounts in thousands of Reais, unless otherwise indicated)

	Parent Company						
	12.31.2022						
	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]	-	-	2,270,398	-	-	-	**2,270,398**
Securities and derivative financial instruments	3,081	36,818	-	-	-	3,200,546	**3,240,445**
Loans and leases	52,106	949	-	-	381	45,810	**99,246**
Other assets	26,656	-	66,041	11,498	-	113,771	**217,966**
Liabilities							
Demand deposits	(638)	(730)	(2,107)	(1,319)	(9)	(11,430)	**(16,233)**
Time deposits	(852,289)	(875,176)	-	(732,413)	(156)	(41,394)	**(2,501,428)**
Interbank deposits	-	-	(256,330)	-	-	-	**(256,330)**
Money market repurchase	(28,541)	(60,032)	(598,999)	-	-	-	**(687,572)**
Funds for accepting and issuing bonds	(114,908)	(560,197)	-	-	(9,961)	-	**(685,066)**
Derivative financial instruments	(8,928)	(41,339)	-	-	-	-	**(50,267)**
Other liabilities	(7,828,789)	(135,850)	(11,615)	-	-	(3,400,021)	**(11,376,275)**
	2nd Semester/2023						
Income (loss)							
Income from interest, provision of services and other income	10,682	114	162,137	-	-	248,280	**421,213**
Income (losses) from derivative financial instruments	(5,694)	(12,212)	-	-	-	-	**(17,906)**
Fund raising, administrative expenses and other [7]	(361,360)	(88,605)	(48,459)	(37,555)	(507)	(7,773)	**(544,259)**
	2022						
Income (loss)							
Income from interest, provision of services and other income	24,259	243	265,983	-	-	370,848	**661,333**
Income (losses) from derivative financial instruments	(7,780)	(112,205)	-	-	-	(133,757)	**(253,742)**
Fund raising, administrative expenses and other [7]	(639,977)	(160,201)	(80,006)	(115,986)	(1,065)	(12,884)	**(1,010,119)**

	Consolidated				
	12.31.2023				
	Conglom. Banco do Brasil	Votorantim S.A.	Key management personnel [3]	Other [6]	Total
Assets					
Funds available	54	-	-	-	**54**
Securities and derivative financial	-	19,816	-	128,192	**148,008**
Loans and leases	296	584	-	45,198	**46,078**
Other assets	351	17,321	804	41,654	**60,130**
Liabilities					
Demand deposits	(3)	(1,234)	(5)	(901)	**(2,143)**
Time deposits	(259,561)	(602,462)	(1,753)	(6,685)	**(870,461)**
Money market repurchase	(1,500,327)	(10,838)	-	(83,718)	**(1,594,883)**
Funds for accepting and issuing bonds	(96,614)	(495,481)	(10,912)	-	**(603,007)**
Derivative financial instruments	-	(49,041)	-	-	**(49,041)**
Other liabilities	(10,746,277)	(206,250)	-	-	**(10,952,527)**
	2nd Semester/2023				
Income (loss)					
Income from interest, provision of services and other income	19,712	152	-	5,620	**25,484**
Income (losses) from derivative financial instruments	(5,544)	(64,654)	-	-	**(70,198)**
Fund raising, administrative expenses and other [7]	(684,742)	(163,952)	(1,778)	(28,798)	**(879,270)**
	2023				
Income (loss)					
Income from interest, provision of services and other income	20,770	236	-	10,092	**31,098**
Income (losses) from derivative financial instruments	(11,087)	(125,978)	-	-	**(137,065)**
Fund raising, administrative expenses and other [7]	(1,294,983)	(250,540)	(2,847)	(40,862)	**(1,589,232)**

(Amounts in thousands of Reais, unless otherwise indicated)

	Consolidated				
	12.31.2022				
	Conglom. Banco do Brasil	Votorantim S.A.	Key management personnel [3]	Others [6]	Total
Assets					
Funds available	80	-	-	-	**80**
Securities and derivative financial	3,081	36,818	-	541,274	**581,173**
Loans and leases	52,106	949	426	45,810	**99,291**
Other assets	26,656	11,624	1,100	20,781	**60,161**
Liabilities					
Demand deposits	(638)	(730)	(9)	-	**(1,377)**
Time deposits	(852,289)	(875,176)	(156)	(24,760)	**(1,752,381)**
Money market repurchase	(28,541)	(60,032)	-	-	**(88,573)**
Funds for accepting and issuing bonds	(114,908)	(560,197)	(9,961)	-	**(685,066)**
Derivative financial instruments	(8,928)	(41,339)	-	-	**(50,267)**
Other liabilities	(7,828,789)	(135,850)	-	-	**(7,964,639)**
	2nd Semester/2023				
Income (loss)					
Income from interest, provision of	10,682	114	-	-	**10,796**
Income (losses) from derivative	(5,694)	(12,212)	-	-	**(17,906)**
Fund raising, administrative expenses	(361,360)	(88,605)	(507)	-	**(450,472)**
	2022				
Income (loss)					
Income from interest, provision of	24,259	243	-	-	**24,502**
Income (losses) from derivative	(7,780)	(112,205)	-	-	**(119,985)**
Fund raising, administrative expenses	(639,977)	(160,201)	(1,065)	-	**(801,243)**

(1) Companies related in note no. 3. Does not include transactions between ventures.
(2) Includes BVIA – BV Investimentos e Participações de Gestão de Recursos S.A., BV Corretora de Seguros S.A., BV Empreendimentos e Participações S.A., Atenas SP 02 – Empreendimento Imobiliário Ltda and Promotiva S.A. until the period ending of the respective sale (Note 2b). Does not include operations between subsidiaries.
(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 list of funds is described in Note 3e.4.
(7) As of the Financial Statements as of December 31, 2023, only the specific result of assignments with co-obligation with a related party is being presented and for comparability purposes, the comparative balances also reflect these changes in presentation. The net amounts of assignments with recourse are presented in Explanatory Note 12 h.1.

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.

In the first half of 2017, the Conglomerate implemented a new variable compensation program. Conglomerate directors and employees are eligible for the program. This program was approved by the Board of Directors on March 9, 2017 and ended 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 executive's interests with shareholder's 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 beneficiaries of variable remuneration programs: in the year ended December 31, 2023, they were recognized in the Conglomerate's results, in Personnel expenses – Earnings R$ 76,890 (R$ 134,210 in the year ending December 31, 2022) in relation to long-term incentive transactions. Incentives generally become vest between 1 and a maximum of 4 years from the date of grant.

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

Year of the program	2023	2022
2017	-	5,534
2018	565	778
Total	**565**	**6,312**

On December 31, 2023, the Conglomerate recorded under the heading Other liabilities - Provision for personnel expenses the amount of R$ 266,419 (R$ 228,544 on December 31, 2022).

(Amounts in thousands of Reais, unless otherwise indicated)

Changes in phantom shares

ILP Plan	Parent company		Consolidated	
	2023	2022	2023	2022
Opening quantity	**45,658,643**	**47,243,051**	**50,888,938**	**52,034,956**
News / Updates	22,910,638	19,683,000	24,058,111	22,265,000
Paid / Canceled	(15,994,334)	(21,267,407)	(19,898,290)	(23,411,018)
Closing quantity [1]	**52,574,947**	**45,658,644**	**55,048,759**	**50,888,938**

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

In addition to the benefits provided for in the category's collective agreement, the Conglomerate also offers other benefits, among which we highlight the defined contribution private pension plan, in the PGBL (Free Benefit Generating Plan) and VGBL (Free Benefit Generating Life) modalities. where the Conglomerate, as sponsor, contributes to the formation of the amount to be converted into supplementary post-employment retirement income.

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) 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.

For tax lawsuits, the Conglomerate is subject, in inspections carried out by tax authorities, to questions regarding taxes, which may eventually generate assessments, such as: composition of the IRPJ/CSLL calculation base (deductibility); and discussion regarding the incidence of taxes, when certain economic facts occur. The majority of lawsuits arising from assessments concern ISS, IRPJ, CSLL, PIS/Cofins and employer social security contributions. As a guarantee for some of them, when necessary, there are judicial deposits to suspend the enforceability of the taxes under discussion.

Civil lawsuits basically refer to compensation actions, review of contractual conditions and charges and tariffs. For actions classified as mass-market, the estimated outcome and financial value are calculated using a statistical model. For other cases, estimates of the outcome and financial effect are determined by the nature of the lawsuits, by the judgment of the entity's Management, through the opinion of legal advisors and accountants based on the elements and decisions of the process, complemented by the complexity and experience of similar demands.

For labor lawsuits, the Conglomerate is a passive party (defendant) in labor lawsuits that represent various claims, such as: compensation,

The Conglomerate's Management considers the provision set up to cover losses arising from tax, civil and labor claims to be sufficient.

a.1) Contingent liability balances classified as probable

	Parent company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Tax claims	94,568	46,538	106,928	60,511
Civil claims	224,049	231,454	232,785	242,978
Labor claims	236,120	281,097	236,858	291,703
Total	**554,737**	**559,089**	**576,571**	**595,192**

(Amounts in thousands of Reais, unless otherwise indicated)

a.2) Movements in provisions for tax, civil and labor demands classified as probable

	Parent company			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Tax claims				
Opening balance	**46,502**	**48,945**	**46,538**	**53,398**
Constitutions	51,661	3,011	53,589	4,412
Reversal of provision	(2,171)	(7,040)	(6,538)	(8,663)
Write-off due to payment [1]	(3,539)	-	(3,545)	(7,059)
Updates	2,115	1,622	4,524	4,450
Final balance	**94,568**	**46,538**	**94,568**	**46,538**
Civil claims				
Opening balance	**220,263**	**249,227**	**231,454**	**253,641**
Constitutions	24,164	22,672	46,075	44,009
Reversal of provision	(25,531)	(34,249)	(52,551)	(56,922)
Write-off due to payment [1]	(29,091)	(25,651)	(46,107)	(41,006)
Updates [2]	34,244	19,455	45,178	31,732
Final balance	**224,049**	**231,454**	**224,049**	**231,454**
Labor claims				
Opening balance	**275,416**	**369,826**	**281,097**	**372,520**
Constitutions	53,044	78,357	129,906	141,630
Reversal of provision	(25,540)	(28,540)	(61,879)	(56,682)
Write-off due to payment [1]	(75,148)	(151,593)	(132,885)	(204,806)
Updates [2]	8,348	13,047	19,881	28,435
Final balance	**236,120**	**281,097**	**236,120**	**281,097**
Total tax, civil and labor claims	**554,737**	**559,089**	**554,737**	**559,089**

	Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Tax claims				
Opening balance	**59,847**	**66,650**	**60,511**	**73,819**
Constitutions	51,756	23,810	54,206	27,116
Reversal of provision	(3,639)	(30,754)	(8,866)	(36,701)
Write-off due to payment [1]	(3,839)	(1,326)	(4,465)	(8,837)
Updates	2,803	2,131	5,608	5,114
Other [3]	-	-	(66)	-
Final balance	**106,928**	**60,511**	**106,928**	**60,511**
Civil claims				
Opening balance	**231,358**	**259,874**	**242,978**	**266,316**
Constitutions	27,521	25,750	52,038	50,146
Reversal of provision	(27,306)	(36,430)	(56,631)	(61,575)
Write-off due to payment [1]	(33,944)	(27,894)	(53,055)	(46,217)
Updates [2]	34,613	21,678	46,924	34,308
Other [3] [4]	543	-	531	-
Final balance	**232,785**	**242,978**	**232,785**	**242,978**
Labor claims				
Opening balance	**276,130**	**382,321**	**291,703**	**391,956**
Constitutions	52,751	80,189	130,025	145,986
Reversal of provision	(25,007)	(29,714)	(61,946)	(58,820)
Write-off due to payment [1]	(75,148)	(154,475)	(132,885)	(216,995)
Updates [2]	8,132	13,448	19,922	29,642
Other [3]	-	(66)	(9,961)	(66)
Final balance	**236,858**	**291,703**	**236,858**	**291,703**
Total tax, civil and labor claims	**576,571**	**595,192**	**576,571**	**595,192**

(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.
(3) It includes the effect of the amounts that are no longer presented related to the operations of BV DTVM, since it ceased to be controlled and became an affiliate as of February 2023 (Note 2a).
(4) It includes inflation indexation and the effects of remeasurement of "unit prices", which compose the methodology for calculating losses.

a.3) Expected disbursement schedule on December 31, 2023

	Parent company			Consolidated		
	Tax	Civil	Labor	Tax	Civil	Labor
Up to 5 years	58,633	224,049	236,120	58,908	232,785	236,858
From to 10 years	35,935	-	-	48,020	-	-
Total	**94,568**	**224,049**	**236,120**	**106,928**	**232,785**	**236,858**

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

(Amounts in thousands of Reais, unless otherwise indicated)

a.4) (Provision) / reversal of provision for contingent liabilities

	Parent company			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Tax claims	(48,066)	2,407	(48,030)	6,860
Civil claims	(3,786)	17,773	7,405	22,187
Labor claims	39,296	88,729	44,977	91,423
Total	**(12,556)**	**108,909**	**4,352**	**120,470**

	Consolidated			
	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Tax claims	(47,081)	6,139	(46,483)	13,308
Civil claims	(884)	16,896	10,724	23,338
Labor claims	39,272	90,552	44,884	100,187
Total	**(8,693)**	**113,587**	**9,125**	**136,833**

b) Contingent liabilities - Possible loss

The amounts shown in the table below represent the estimate of the amount that will possibly be disbursed in case of condemnation of the Conglomerate. Claims are classified as possible when there are no sure elements that allow concluding the final result of the process and when the probability of loss is lower than probable and higher than remote.

b.1) Balances of contingent liabilities classified as possible

	Parent Company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Tax claims (Note 29.f.1.1)	1,957,398	2,060,157	2,284,008	2,445,438
Civil claims (1)	164,613	134,081	170,598	145,938
Labor claims (2)	168,867	226,586	169,261	233,902
Total	**2,290,878**	**2,420,824**	**2,623,867**	**2,825,278**

(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.

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

	Parent Company		Consolidated	
Possible causes description - Tax	12.31.2023	12.31.2022	12.31.2023	12.31.2022
INSS without profit sharing (1)	818,776	762,184	818,776	785,574
IRPJ/CSLL - PDD Deduction 2014/2016 (2)	523,635	479,015	639,342	584,326
IRPJ/CSLL - Deduction PDD 2008	188,014	177,016	188,014	177,016
IIRPJ/CSLL on JCP cumulatively distributed of previous periods (3)	-	116,982	-	145,542
ISS VRG (4)	-	-	181,184	160,803
PF and BNCSLL: excess of compensation AB 2012	107,422	99,838	107,422	99,838
Others causes	319,551	425,122	349,270	492,339
Total	**1,957,398**	**2,060,157**	**2,284,008**	**2,445,438**

(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 nº. 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) These refer to the possibility of distributing the accumulated JCP based on profits earned in previous years, among other discussions related to the deductibility of JCP. The discussion regarding the possibility of distribution of JCP accumulated based on profits earned in previous years had its prognosis changed to remote on June 30, 2023, in view of the recent decisions handed down by the Superior Courts.

(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.

c) Deposits as collateral

As a guarantee for some actions, when necessary, the Conglomerate makes judicial deposits to suspend the enforceability of the taxes under discussion.

Balances of escrow deposits recognized for contingencies

	Parent Company		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Tax claims	200,209	223,643	234,465	260,809
Civil claims	104,815	126,059	114,240	137,487
Labor claims	100,747	118,903	100,904	120,105
Total	**405,771**	**468,605**	**449,609**	**518,401**

d) Legal obligations

The balance of legal obligations is recorded under Other liabilities in the amount of R$ 35,475 (R$ 66,099 as of December 31, 2022) in the Consolidated, being the amount of R$ 25,480 (R$ 57,147 as of December 31, 2022) at the Bank, the main discussion of which concerns a declaratory action which aims to eliminate the incidence of ISS on revenues arising from guarantees, guarantees and other guarantees provided, as well as obtaining a refund of the amounts paid in this regard in the last five years, the amount provisioned at the Bank is R$ 20,478 (R$ 36,230 on December 31, 2022).

The other actions refer to PIS LC 07/70, deduction of ISS in the PIS and COFINS calculation basis and FAP – Accident Protection Factor.

e) 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
- Counterparty credit risk
- Credit concentration risk
- Market risk
- Banking book interest rate variation risk (IRRBB);
- Liquidity risk
- Operational risk
- Reputation risk
- Strategy risk
- Social, environmental and Climate risks
- Model 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 respectives 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.

(Amounts in thousands of Reais, unless otherwise indicated)

- 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. 4,557/2017, 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. 4,557/2017, Bacen Circular No. 3,911/2018 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			
	12.31.2023		12.31.2022	
	Guaranteed values	Provision	Guaranteed values	Provision
Linked to bids, auctions, provision of services or execution of works	1,364,576	6,539	1,297,443	6,198
Guarantee or surety in judicial and administrative tax proceedings	3,421,387	145,926	3,366,601	163,906
Linked to the distribution of securities by public offering	20,634	101	518,806	94
Other bank guarantees	1,331,460	32,482	2,274,695	19,649
Other financial guarantees provided	105,952	15	172,653	11
Total	**6,244,009**	**185,063**	**7,630,198**	**189,858**

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.

(Amounts in thousands of Reais, unless otherwise indicated)

Trading portfolio

Risk Factor	Concept	Exposure	Basic interest rate shock			
			12.31.2023		12.31.2022	
			+ 100 bps	- 100 bps	+ 100 bps	- 100 bps
Fixed rate	Fixed interest rate variation risk	(453,771)	5,535	(5,426)	6,148	(6,026)
Foreign currency coupons	Foreign currency coupon exchange movements	(142,755)	(1,073)	1,052	(345)	338
Price indexes	Price indexes coupons variation risk	(27,732)	(322)	316	886	(868)

Trading and banking portfolio

Risk Factor	Concept	Exposure	Basic interest rate shock			
			12.31.2023		12.31.2022	
			+ 100 bps	- 100 bps	+ 100 bps	- 100 bps
Fixed rate	Fixed interest rate variation risk	4,306,506	(220,630)	216,261	(206,083)	202,002
Foreign currency coupons	Foreign currency coupon exchange movements	(359,957)	(10,178)	9,976	(24,956)	24,462
Price indexes	Price indexes coupons variation risk	(256,888)	(6,613)	6,482	(3,520)	3,450
TR/TBF	Risk of TR (reference rate) and TBF (basic financial rate) coupon variation	5,186	(62)	61	(377)	370

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, currencies suffer shocks of 1% on their closing value. The stressed value of the US dollar (BM&F's DOL-CL) would be R$ 4.9006 (101% of R$ 4.8521) (R$ 5.3444 on December 31, 2022). The shocked BOVESPA index is 135,527 points, equivalent to 101% of the closing value on December 31, 2023 (110,832 points on December 31, 2022). The fixed interest rate 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 by 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, on December 31, 2023, for a one-year term is 10.02% (13.41% on December 31, 2022). In this way, the entire curve is shocked by 2.51% more or less, depending on the hypothetical result generated (3.35% on December 31, 2022).

• **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 income and, therefore, the effects of interest rate or price fluctuations are reflected in shareholder's 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:

(Amounts in thousands of Reais, unless otherwise indicated)

Trading portfolio

Risk Factor / Concept	Exposure	Scenario I		Scenario II		Scenario III	
		Movements of rates	Income (loss)	Movements of rates	Income (loss)	Variation of taxes	Result
	12.31.2023						
Fixed rate / Fixed interest rate variation risk	(453,771)	Increase	548	Decrease	(13,597)	Decrease	(27,195)
Foreign currency coupons / Foreign currency coupon exchange movements risk	(142,755)	Increase	(106)	Decrease	(1,611)	Decrease	(3,222)
Foreign exchange movements / Exchange rate movements risk	163,054	Increase	1,631	Decrease	(40,763)	Decrease	(81,527)
Price index / Price indexes coupons variation risk	(27,732)	Increase	(32)	Decrease	(452)	Decrease	(903)
	12.31.2022						
Fixed rate / Fixed interest rate variation risk	200,629	Increase	609	Decrease	(20,208)	Decrease	(40,416)
Foreign currency coupons / Foreign currency coupon exchange movements risk	(2,821)	Increase	(34)	Increase	(526)	Increase	(1,052)
Foreign exchange movements / Exchange rate movements risk	1,064,036	Increase	10,640	Decrease	(266,009)	Decrease	(532,018)
Price index / Price indexes coupons variation risk	(47,734)	Increase	88	Decrease	(1,433)	Decrease	(2,866)

Trading and Banking Portfolio

Risk Factor / Concept	Exposure	Scenario I		Scenario II		Scenario III	
		Movements of rates	Income (loss)	Movements of rates	Income (loss)	Variation of taxes	Result
	12.31.2023						
Fixed rate / Fixed interest rate variation risk	4,306,506	Increase	(21,845)	Decrease	(552,942)	Decrease	(1,105,884)
Foreign currency coupons / Foreign currency coupon exchange movements risk	(359,957)	Increase	(1,008)	Decrease	(15,280)	Decrease	(30,561)
Foreign exchange movements / Exchange rate movements risk	8,143	Increase	81	Decrease	(2,036)	Decrease	(4,071)
TJLP / TJLP coupon movements risk	5,584	Increase	(3)	Decrease	(12)	Decrease	(23)
TR/TBF / TR (reference rate) and TBF (basic financial rate) coupon variation risk	5,186	Increase	(6)	Decrease	(11)	Decrease	(22)
Price index / Price indexes coupons variation risk	(256,888)	Increase	(655)	Decrease	(9,267)	Decrease	(18,534)
	12.31.2022						
Fixed rate / Fixed interest rate variation risk	18,787,258	Increase	(20,404)	Increase	(691,050)	Increase	(1,382,099)
Foreign currency coupons / Foreign currency coupon exchange movements risk	(1,442,672)	Increase	(2,471)	Increase	(38,051)	Increase	(76,103)
Foreign exchange movements / Exchange rate movements risk	71,420	Increase	714	Decrease	(17,855)	Decrease	(35,710)
TJLP / TJLP coupon movements risk	3,818	Increase	(5)	Increase	(111)	Increase	(222)
TR/TBF / TR (reference rate) and TBF (basic financial rate) coupon variation risk	14,981	Increase	(37)	Increase	(246)	Increase	(491)
Price index / Price indexes coupons variation risk	75,773	Increase	(348)	Increase	(5,809)	Increase	(11,618)

(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.

(Amounts in thousands of Reais, unless otherwise indicated)

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 the historical series for determining the scenarios is 5 years from the base date of the stress scenario;
- 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 December 31, 2022 and based on the perception of senior Management regarding the behavior of stocks, commodities, foreign currencies and interest rates, two scenarios were used:

Scenario I - In this scenario, interest rate curves suffer positive parallel shocks; the exchange rate (reais/dollar) considered is R$ 5.4902 (R$ 5.9874 on December 31, 2022); commodities suffer positive shocks of 10% on the closing value on December 31, 2023; and a negative variation of -15.28% is applied to the BOVESPA Index (the same rates were used on December 31, 2022).

Scenario II - In this scenario, interest rate curves suffer negative parallel shocks; the exchange rate (reais/dollar) considered is R$ 4.3270 (R$ 4.7188 on December 31, 2022); commodities suffer negative shocks of 10% on the closing value on December 31, 2023; and a positive variation of 24.49% of the BOVESPA Index is applied (the same rates were used on December 31, 2022).

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	12.31.2023		12.31.2022	
	Exposure	Stress [1]	Exposure	Stress [1]
Foreign currencies	8,143	(15,454)	71,420	(25,631)
Interest rate	3,700,431	(241,504)	17,439,158	(339,873)
Total	**3,708,574**	**(256,958)**	**17,510,578**	**(365,504)**

Estimates of retrospective stress test greatest gains - Consolidated portfolio

Risk Factor	12.31.2023		12.31.2022	
	Exposure	Stress [1]	Exposure	Stress [1]
Foreign currencies	8,143	-	71,420	8,276
Interest rate	3,700,431	223,221	17,439,158	290,341
Total	**3,708,574**	**223,221**	**17,510,578**	**298,617**

(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.

(Amounts in thousands of Reais, unless otherwise indicated)

The following table presents financial instruments recorded at fair value on December 31, 2023 and 2022, classified into different hierarchical levels of measurement at fair value:

Consolidated	12.31.2023				12.31.2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Asset								
Securities (Note 9a)	26,744,481	9,749,190	1,138,677	37,632,348	13,914,039	8,456,959	1,083,916	23,454,914
Trading securities	19,505,851	-	-	19,505,851	7,147,112	220,667	8,000	7,375,779
Securities available to sale	7,238,630	9,749,190	1,138,677	18,126,497	6,766,927	8,236,292	1,075,916	16,079,135
Derivatives financial instruments (Note 10a)	24,495	1,351,134	-	1,375,629	47,321	1,259,848	-	1,307,169
Hedged loan portfolio (Note 10g)	-	26,492,303	-	26,492,303	-	16,936,827	-	16,936,827
Total	**26,768,976**	**37,592,627**	**1,138,677**	**65,500,280**	**13,961,360**	**26,653,634**	**1,083,916**	**41,698,910**
Liability								
Money market repurchase commitments - Free portfolio (Note 18c)	-	(2,591,516)	-	(2,591,516)	-	(496,988)	-	(496,988)
Derivatives financial instruments (Note 10a)	(11)	(2,639,610)	-	(2,639,621)	(15,245)	(1,790,355)	-	(1,805,600)
Total	**(11)**	**(5,231,126)**	**-**	**(5,231,137)**	**(15,245)**	**(2,287,343)**	**-**	**(2,302,588)**

The fair value of financial instruments traded in active markets (such as securities held for sale 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.

(Amounts in thousands of Reais, unless otherwise indicated)

(v) Transfers of level 3

Consolidated	Balance as of 12.31.2022	2023			Balance as of 12.31.2023
		Transfers between levels (1)	Additions / (settlements)	Income (loss) / Other changes	
Assets					
Securities					
Securities for trading	8,000	-	(8,000)	-	-
Securities available to sale	1,075,916	31,641	56,249	(25,129)	1,138,677
Total	**1,083,916**	**31,641**	**48,249**	**(25,129)**	**1,138,677**

Consolidated	Balance as of 12.31.2021	2022			Balance as of 12.31.2022
		Transfers between levels (1)	Additions / (settlements)	Income (loss) / Other changes	
Assets					
Securities					
Securities for trading	-	12,432	-	(4,432)	8,000
Securities available to sale	712,763	294,911	9,514	58,728	1,075,916
Total	**712,763**	**307,343**	**9,514**	**54,296**	**1,083,916**

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

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

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

Consolidated	12.31.2023		12.31.2022	
	Book value	Fair value	Book value	Fair value
Assets	**64,662,061**	**64,549,673**	**65,642,271**	**64,950,746**
Liquidity interbank investments (Notes 7 / 8a)	5,377,243	5,377,243	1,739,153	1,739,153
Securities - Held to Maturity (Note 9a)	12,296,341	12,183,082	17,084,433	16,393,351
Compulsory deposits at the Central Bank of Brazil (Note 11a)	3,231,489	3,231,489	1,961,377	1,961,377
Loan portfolio (Notes 12a / 30.1.b.iv)	41,379,166	41,380,037	42,049,456	42,049,013
Other financial assets (Note 13a)	2,377,822	2,377,822	2,807,852	2,807,852
Liabilities	**(117,248,210)**	**(116,969,420)**	**(100,222,246)**	**(98,923,239)**
Deposits (Note 18a)	(27,363,464)	(27,270,575)	(23,425,325)	(23,249,413)
Money market repurchase commitments (Notes 18c / 30.1.b.iv)	(25,776,387)	(25,738,976)	(17,780,823)	(16,907,990)
Borrowings and transfers from Brazilian government (Onlendings) (Note 19)	(5,614,330)	(5,834,024)	(6,641,007)	(6,609,937)
Securities issued (Note 20)	(43,235,960)	(42,604,593)	(39,957,617)	(39,593,096)
Subordinated debts and debt instruments eligible for capital (Note 21)	(2,651,753)	(2,914,936)	(2,667,634)	(2,812,963)
Other financial liabilities (Note 22a)	(12,606,316)	(12,606,316)	(9,749,840)	(9,749,840)
Total	**(52,586,149)**	**(52,419,747)**	**(34,579,975)**	**(33,972,493)**

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 lease 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

Social and environmental risk are defined, under the terms of CMN Resolution No. 4,943/2021, as the possibility of losses occurring for the Institution caused, respectively, by events associated with (i) practices that violate fundamental rights and guarantees or common interests, and (ii) acts of degradation of the environment. Climate risk is defined, in its aspects, as transition risk, related to the transition process to a low-carbon economy, and physical risk, related to the occurrence of frequent and severe weather or by long-term environmental changes, which may be associated with changes in weather patterns.

(ii) Management of social, environmental and climate risk

The Conglomerate's social, environmental and climate risk management (GRSAC) complies with the requirements of CMN Resolution No. 4,943/2021 and 4,945/2021, which established, respectively, new rules for the structure of the integrated management of social, environmental and climate risks and the implementation of the Social, Environmental and Climate Responsibility Policy (PRSAC). Observing compliance with the relevant legislation and normative provisions, the Institution assesses the socio-environmental and climate aspects, in accordance with the principles of relevance and proportionality dealt with in CMN Resolution No. 4,557/2017, with which the customer, supplier or investee is involved, in order to subsidize the decision-making of the competent areas during the processes of granting credit, evaluation of real estate guarantees, homologation of suppliers, sources of funding, new investments, products and services.

Making tangible the importance of the theme for the Institution, the risk appetite (RAS) of Banco BV includes an exclusive dimension on social, environmental and climate risk, being monitored monthly and reported to the Controls and Risks Committee (CCR), Risks Committee and Capital (CRC) and Board of Directors (CA). Additionally, the Institution listed sectors and activities whose financial operations are prohibited or restricted, in addition to considering a maximum concentration limit for some of these economic sectors.

Within the scope of granting credit, management of social, environmental and climate risk is carried out through specific analysis methodologies that determine the ESG rating, included in the credit rating attribution process. On the other hand, the analysis of socio-environmental risk in projects complies with the guidelines established by the Equator Principles (EP).

Complementing the structure of the GRSAC, the Institution assesses the exposure of the credit portfolio to climate risks in its two aspects (physical and transition risk) and in the exercise of the climate stress test.

Additional information on SAC risk management is available on the website: *https://ri.bv.com.br/relatorio-grsac/* .

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. 4,557/2017, of National Monetary Council (CMN), and Bacen Circular no. 3,846/2017, 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

The capital ratios are calculated according to the criteria established by CMN Resolutions 4955/2021 and 4958/2021, which deal with the calculation of the Reference Equity (PR) and the Minimum Required Reference Equity (PRMR) in relation to the Assets Weighted by the Risk (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. 4,955/2021 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 profit. The Conglomerate considers the effects of applying § 10 of article 5 of CMN Resolution No. 4,955/2021, which authorizes financial institutions to stop deducting from Principal Capital, tax credits for 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; II - 100% (one hundred percent), until December 31, 2022 and III - 100% (one hundred percent), remains from January 2023;

(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.

(Amounts in thousands of Reais, unless otherwise indicated)

(ii) Risk Weighted Asset – RWA

For the purposes of calculating the minimum capital requirement, the RWA is calculated, as defined by CMN Resolution No. 4,958/2021, it is composed of the sum of risk-weighted assets referring to credit (RWACPAD), market (RWAMPAD) and operational risks (RWAOPAD).

As of July/23, BCB Resolution No. 229/2022 came into force, which establishes the procedures for calculating the portion of assets weighted by credit risk (RWACPAD), replacing Circular No. 3,644/2013. This new regulation improves and consolidates procedures for calculating the RWACPAD, reflecting recommendations from the Basel Committee for Banking Supervision (BCBS) contained in the document “Basel III: Finalizing post crisis reforms”.

The Required Capital is obtained from the portions of Risk-Weighted Assets (RWA), and is determined by multiplying by the “F factor”, which is 8%.

(iii) 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, in Portuguese) 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	12.31.2023	12.31.2022
PR - Reference Equity	**12,727,871**	**11,361,496**
Level I	**11,721,685**	**10,445,533**
Complementary Capital	**1,121,726**	**537,380**
Common Equity	**10,599,958**	**9,908,153**
Shareholder's equity [(1)]	13,550,870	12,656,845
Prudential adjustments [(2)]	(2,950,912)	(2,748,692)
Others	(2,949,359)	(2,746,908)
Adjustment to fair value	(1,553)	(1,784)
Level II	**1,006,186**	**915,963**
Subordinated debts eligible as capital	1,006,186	915,963
Subordinated debts authorized in accordance with CMN Resolution No. 4,955/2021 [(3)]	1,006,186	915,963
Risk-weighted assets (RWA)	**81,345,105**	**79,548,776**
Credit risk (RWACPAD)	73,623,176	71,566,189
Market risk (RWAMPAD)	635,662	687,289
Operational risk (RWAOPAD)	7,086,267	7,295,298
Minimum Required Regulatory Capital [(4)]	**6,507,608**	**6,363,902**
Minimum Required Capital [(5)]	**3,660,530**	**3,579,695**
Tier I Minimum Required Reference Equity [(6)]	**4,880,706**	**4,772,927**
Regulatory Capital determined to cover interest rate risk of transactions not classified in trading portfolio (RBAN)	**740,191**	**726,774**
Margin on Minimum Required Regulatory Capital	**6,220,262**	**4,997,593**
Margin on Minimum Required Capital	**6,939,429**	**6,328,458**
Margin on Minimum Required Tier I Regulatory Capital	**6,840,979**	**5,672,606**
Margin on Minimum Required Regulatory Capital including RBAN and ACP [(7)]	**3,446,444**	**2,282,101**
Common Equity Index (CP / RWA)	**13.03%**	**12.46%**
Tier I Capital Index (Tier I / RWA)	**14.41%**	**13.13%**
Basel ratio (PR / RWA)	**15.65%**	**14.28%**
Leverage ratio	**6.99%**	**7.20%**

(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 applying § 10 of article 5 of CMN Resolution No. 4,955/2021, which authorizes financial institutions to stop deducting from Principal Capital, tax credits for 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; II - 100% (one hundred percent), until December 31, 2022 and III - 100% (one hundred percent), remains from January 2023.

(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.

(Amounts in thousands of Reais, unless otherwise indicated)

Prudential Adjustments deducted from Common Equity:

	12.31.2023	12.31.2022
Prudential Adjustments I - Goodwill paid	(405,260)	(184,611)
Prudential Adjustments II - Intangible assets	(1,266,127)	(1,049,187)
Prudential Adjustments VII - Deferred tax assets from Intertemporal differences	(129,586)	(451,864)
Prudential Adjustments VIII - Deferred tax assets of Tax losses/negative basis of CSLL	(1,148,386)	(1,061,246)
Prudential Adjustments XV – Understatement - Resolution No. 4,277/13 Adjustments	(1,553)	(1,784)
Total	**(2,950,912)**	**(2,748,692)**

Fixed asset index

The Prudential Conglomerate's fixed assets ratio totaled 5.76% (12.17% on December 31, 2022), being calculated in accordance with CMN Resolutions No. 4,957/2021, which came into force on January 1, 2022. There were no relevant impacts on the calculation of the Prudential Conglomerate's fixed assets index with this regulatory change.

	12.31.2023	12.31.2022
Fixed assets limit	**6,363,935**	**5,680,747**
Value of fixed assets limit position	732,822	1,382,286
Value of margin or insufficiency	5,631,113	4,298,461

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

The Parent Company established 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 targets in the variable compensation of executives and in the strategic planning, as described in explanatory note 28. In June 2022, the Board of Directors approved the creation of the ESG Committee to advise on socio-environmental aspects.

The Central Bank of Brazil published Resolution No. 139 and Normative Instruction No. 153, which came into force in December 2022, which provide for the disclosure of the Social, Environmental and Climate Risks and Opportunities Report (GRSAC), as well as establishing the information that must be included in their standardized tables. It also published CMN Resolution No. 4,945/2021, which provides for the Social, Environmental and Climate Responsibility Policy (PRSAC), which came into force in July 2022 for institutions classified as S2, which is the case of Banco BV. PRSAC consists of a set of principles of a social, environmental and climate nature to be observed in the conduct of the Institution's business, as well as its relationship with interested parties. The Sustainability and Socio-environmental Responsibility Policy and the Bank's Sustainability Report can be consulted at *www.bancobv.com.br/ri* .

The socio-environmental risk management guidelines and definitions established by CMN Resolution No. 4,943/2021, 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 banks financing photovoltaic panels for solar energy for residential use and as of December 31, 2023 this portfolio is R$ 4,507,753 (R$ 4,640,703 as of December 31, 2022).

In the year ended December 31, 2022, Banco BV issued green bonds (CDB green) in the amount of R$ 593,255. In 2022, the bank also raised funds in the amount of R$ 786,960 (USD 150,000) from the International Finance Corporation (IFC), whose resources are used to expand access to financing for sustainable vehicles in Brazil, including electric, hybrid and multi-fuel vehicles, contributing to the reduction of greenhouse gas emissions in the country.

Funding	Currency	Issued amount	Interest rates p.a.	Issuance year	Maturity year	Parent Company and Consolidated	
						12.31.2023	12.31.2022
Deposits (Note 18a)						**1,018,038**	**317,315**
term deposits						**1,018,038**	**317,315**
Variable rate	R$	984,316	From 100,00% to 107,30% of DI	2022	2024	1,014,263	10,913
Foreign exchange	USD	17,465	From 100,00% do DI + exchange variation	2023	2024	3,775	306,402
Resources for acceptance and issuance of securities (Note 20)						**1,457,736**	**1,173,233**
Obligations for TVM abroad						**243,814**	**262,770**
Foreign exchange	USD	50,000	3,35% p.a. + exchange variation	2020	2024	243,814	262,770
Financial bills						**1,213,922**	**910,463**
Variable rate	R$	513,150	From 0,98% to 1,37% p.a. + DI	2021	2025	625,245	351,249
Variable rate	R$	443,000	From 5,26% to 5,84% p.a. + IPCA	2021	2027	588,677	559,214
Borrowings and onlendings (Note 19b)						**834,515**	**790,148**
Borrowing obligations						**834,515**	**790,148**
Taken from bankers abroad	USD	170,000	From 5,05% to 6,96% p.a. + exchange variation	2022	2027	834,515	790,148
Total						**3,310,289**	**2,280,696**

(Amounts in thousands of Reais, unless otherwise indicated)

Banco BV has established a public commitment to offset all CO2 emissions from the cars it finances. In the year ended December 31, 2023, Banco BV recognized in the result (in Other operating expenses) the provision for CO2 expenses, as a counterpart to the corresponding liability, recorded in Other liabilities - Compensation of CO2 emissions from vehicles financed by the bank BV. The bank acquired carbon credits and green bonds, representing a total of 9.921 million tons of CO2, recorded under Other assets and its consumption is based on the volume of CO2 produced by financed vehicles, recorded under Other operating expenses (until December 31, 2022, prior to the entry into force of BCB Normative Instruction No. 325, these assets were recorded in Intangible assets and their compensation in Other administrative expenses). The accounting practices adopted by the Institution for the recognition and measurement of carbon credits and green bonds that are acquired and the liabilities corresponding to the carbon emission offset commitment are described in in the accompanying notes 4t and 4r, respectively.

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

	Parent company and Consolidated	
	12.31.2023	12.31.2022
Asset	**63,148**	**66,417**
Other assets (Note 13)	**63,148**	**-**
Sustainability assets	83,693	-
Consumption of sustainability assets	(20,545)	-
Intangible assets (note 17a)	**-**	**66,417**
Carbon credits - Cost value	-	77,267
Carbon Credits - Accumulated amortization	-	(10,850)
Liabilities		
Other liabilities (note 22a)	**963**	**672**
Compensation of CO_2 emissions by vehicles financed by banco BV	963	672

	2nd Semester/ 2023	2nd Semester/ 2022	2023	2022
Income				
Other administrative expenses (note 23d)	**-**	**(3,552)**	**-**	**(6,464)**
Amortization	-	(3,552)	-	(6,464)
Other operating expenses (note 23f)	**(5,445)**	**(137)**	**(9,986)**	**(244)**
Provision for offsetting CO_2 emissions by vehicles financed by Banco BV	(145)	(137)	(291)	(244)
Consumption of sustainability assets	(5,300)	-	(9,695)	-
Total expenses recognized in income or expenses	**(5,445)**	**(3,689)**	**(9,986)**	**(6,708)**

The Bank also offsets its Greenhouse Gas (GHG) emissions, the commitment is the annual compensation of 100% of direct GHG emissions.

c) Social

The banco BV supports several social projects that are encouraged. Detailed disclosure on social responsibility is presented in the Sustainability Report available on the website *www.bancobv.com.br/ri* .

32. OTHER INFORMATION

a) Information about branches abroad

	12.31.2023		12.31.2022	
	Luxemburgo Branch [(1) (2)]	Nassau Branch	Luxemburgo Branch [(1)]	Nassau Branch
Total assets	**918**	**6,232,884**	**4,625**	**7,109,571**
Total liabilities	**918**	**6,232,884**	**4,625**	**7,109,571**
Liabilities	449	4,449,967	-	5,386,651
Shareholder's equity [(1)]	469	1,782,916	4,625	1,722,920
	2nd Semester/2023		2nd Semester/2022	
Income (loss)	**(6,859)**	**62,226**	**(592)**	**57,608**
	2023		2022	
Income (loss)	**(8,656)**	**146,214**	**(592)**	**144,339**

(1) In May 2022, Banco BV obtained authorization from Bacen to set up a branch in Luxembourg (Note 2c).
(2) In January 2024, a capital increase was carried out in the amount of R$ 37,379.
(3) 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.

(Amounts in thousands of Reais, unless otherwise indicated)

Insurance coverage

Covered risk	12.31.2023		12.31.2022	
	Covered values	Insurance premium	Covered values	Insurance premium
Parent Company				
Insurance Guarantee - Guarantee for legal proceedings	1,249,344	8,806	1,318,648	8,200
Real estate insurance for properties in use of relevant third parties	122,880	44	117,300	36
Cybersecurity insurance	100,000	2,406	100,000	2,986
Consolidated				
Insurance Guarantee - Guarantee for legal proceedings	1,426,044	9,823	1,834,684	10,052
Real estate insurance for properties in use of relevant third parties	122,880	44	117,300	36
Cybersecurity insurance	100,000	2,406	100,000	2,986

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) Law 1,202/2023 (Provisional Measure No. 1,202/2023)

Provisional Measure No. 1,202/2023 reinstates the payroll, revokes the benefits granted to the events sector through PERSE, as well as limits the compensation of credits arising from final and unappealable court decisions.

The Conglomerate will await the conversion into MP Law for a deeper and conclusive analysis. In a preliminary assessment, there will be no relevant impacts for the Conglomerate.

e) 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 on 06.30.2023	**-**	**2,523,187**	**501,100**	**8,480,372**	**4,265,408**	**15,770,067**
Resources from the allocation of income	-	-	-	-	639,695	639,695
Changes with cash effect	**-**	**(64,683)**	**(403,100)**	**-**	**-**	**(467,783)**
Interest on equity paid [2]	-	-	(403,100)	-	-	(403,100)
Liquidation	-	452,600	-	-	-	452,600
Resources from new funding	-	(517,283)	-	-	-	(517,283)
Taxes and fees	-	-	-	-	-	-
Changes with no cash effect	**-**	**193,249**	**314,500**	**-**	**-**	**507,749**
Interest expenses	-	193,249	-	-	-	193,249
Interest on equity paid [2]	-	-	314,500	-	-	314,500
Balance in 12.31.2023	**-**	**2,651,753**	**412,500**	**8,480,372**	**4,905,103**	**16,449,728**

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 12.31.2022	**53,864**	**2,613,770**	**271,700**	**8,480,372**	**4,320,987**	**15,740,693**
Resources from the allocation of income	-	-	-	-	667,861	667,861
Changes with cash effect	**(60,076)**	**(344,609)**	**(496,700)**	**-**	**-**	**(901,385)**
Interest on equity paid [2]	-	-	(496,700)	-	-	(496,700)
Liquidation	(60,076)	(943,709)	-	-	-	(1,003,785)
Resources from new funding	-	599,100	-	-	-	599,100
Changes with no cash effect	**6,212**	**382,592**	**637,500**	**-**	**(83,745)**	**942,559**
Interest expenses	6,212	382,592	-	-	-	388,804
Interest on equity paid [2]	-	-	637,500	-	(83,745)	553,755
Balance in 12.31.2023	**-**	**2,651,753**	**412,500**	**8,480,372**	**4,905,103**	**16,449,728**

(Amounts in thousands of Reais, unless otherwise indicated)

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	-	-	-	-	993,235	993,235
Changes with cash effect	**(50,373)**	**(1,194,199)**	**(398,300)**	**-**	**-**	**(1,642,872)**
Interest on equity paid [2]	-	-	(398,300)	-	-	(398,300)
Liquidation	-	(1,966,617)	-	-	-	(1,966,617)
Transfers	(250,473)	250,473	-	-	-	-
Resources from new funding	200,100	500,100	-	-	-	700,200
Taxes	-	21,845	-	-	-	21,845
Changes with no cash effect	**10,586**	**313,173**	**75,000**	**350,000**	**-**	**748,759**
Transfers	-	-	(350,000)	350,000	-	-
Interest expenses	10,586	413,403	-	-	-	423,989
Exchange rate variation	-	(100,230)	-	-	-	(100,230)
Interest on equity paid [2]	-	-	425,000	-	-	425,000
Balance in 12.31.2022	**53,864**	**2,613,770**	**271,700**	**8,480,372**	**4,320,987**	**15,740,693**

[1] Refers to the balance of Banco Votorantim's capital and profit reserves. Does not include profit for the period recorded in retained earnings.
[2] Net value of taxes.

f) Administration and management of third-party resources

Position of investment funds managed and/or managed by BV Distribuidora de Títulos e Valores Mobiliários SA [1]:

	Quantity of funds/portfolios		Balance	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Investment funds and portfolios managed accounts	-	192	-	47,821,997

[1] In August 2022, Banco BV entered into a strategic partnership with Banco Bradesco, which, through one of its subsidiaries, acquires 51% of the capital of BV DTVM. In February 2023, with the completion of the transaction, the Company ceased to be a subsidiary, becoming an affiliate and, as a result, ceased to be consolidated. As a result, the amounts of third-party funds managed by BV DTVM are now part of Banco Bradesco's position (note 2d).

THE BOARD

Rodrigo Andrade de Morais - Accountant - CRC 1SP-220814/O-6

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