Earnings Release
1Q23

banco BV

/ Content

/ 1Q23 Highlights

Resilience in the core business...

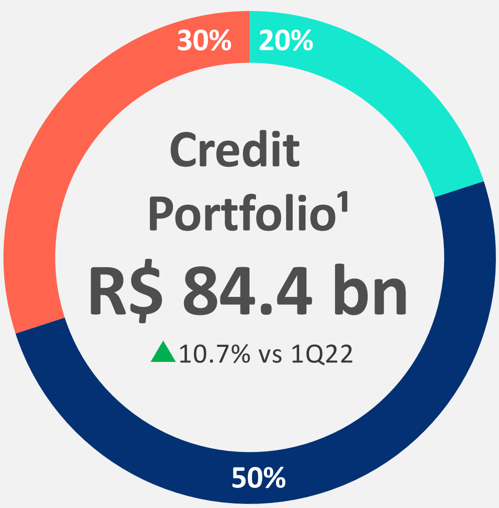
Recurring Net Income
R$ 282 mln
vs R$ 388 mln in 1Q22

Recurring ROE
9,0%
vs 13.4% in 1Q22

... Solid advances in the diversification strategy

Large, Corporate and Financial Institutions
1Q23
R$ 25.4 bn
▲1.0% vs 4Q22 ▲10.4% vs 1Q22

Auto Finance 🏅
1Q23
R$ 42.0 bn
▲2.2% vs 4Q22 ▲1.6% vs 1Q22



Growth
1Q23
R$ 17.0 bn
▲2.0% vs 4Q22
▲42.7% vs 1Q22

Credit card
1Q23 **R$ 5.8 bn** ▼0.1% vs 4Q22 ▲17.2% vs 1Q22

Solar panel financing 🏅
1Q23 **R$ 4.7 bn** ▲1.2% vs 4Q22 ▲52.3% vs 1Q22

Car equity loan 🏅
1Q23 **R$ 2.4 bn** ▲12.2% vs 4Q22 ▲76.2% vs 1Q22

SME
1Q23 **R$ 2.3 bn** ▼6.6% vs 4Q22 ▲89.8% vs 1Q22

Solid balance sheet and efficient risk management

NPL Ratio (90 days)
5.2%
vs 4.9% in 4Q22

Liquidity Ratio[2] (LCR)
155%
vs 178% in 4Q22

Covatage Ratio
162%
vs 166% in 4Q22

Basel Ratio
14.2%
vs 14.3% in 4Q22

1 – Expanded credit portfolio; 2 – Liquidity Coverage Ratio (see more on page 25) 🏅 Segment in which BV is market leader

1Q23 Highlights

Main Financial Information

The table below shows the information and management indicators selected from banco BV in order to allow analysis on the same comparison basis. The reconciliation between accounting and managerial can be found on page 16 of this report.

MAIN FINANCIAL INFORMATION	1Q22	4Q22	1Q23	Var %	
				1Q23/4Q22	1Q23/1Q22
INCOME STATEMENT (R$ mln)					
Revenues – Total (i + ii)	2,456	2,497	2,484	-0.5%	1.2%
Gross financial margin (i)	2,011	1,959	1,999	2.1%	-0.6%
Income from services and brokerage fees (ii)	445	538	485	-9.8%	9.2%
Cost of Risk	(692)	(952)	(1,184)	24.4%	71.2%
Personnel and administrative expenses	(733)	(835)	(749)	-10.4%	2.2%
Recurring Net Income	388	279	282	1.1%	-27.4%
BALANCE SHEET (R$ mln)					
Total Assets	122,638	123,818	132,961	7.4%	8.4%
Expanded loan portfolio	76,231	82,874	84,371	1.8%	10.7%
Wholesale Segment	24,209	27,602	27,689	0.3%	14.4%
Retail Segment	52,022	55,273	56,682	2.5%	9.0%
Funding	78,638	84,956	89,706	5.6%	14.1%
Shareholders' equity	14,436	14,790	14,151	-4.3%	-2.0%
Basel ratio (%)	16.0%	14.3%	**14.2%**	-0.1 p.p.	-1.8 p.p.
Tier I Capital Ratio (%)	15.0%	13.1%	**13.1%**	-0.1 p.p.	-1.9 p.p.
Common Equity Tier I (%)	13.0%	12.5%	**12.4%**	-0.1 p.p.	-0.7 p.p.
MANAGERIAL INDICATORS (%)					
Return on Average Equity[1] (ROAE)	13.4%	9.0%	9.0%	0.0 p.p.	-4.5 p.p.
Return on Average Assets[2] (ROAA)	1.3%	0.9%	0.9%	0.0 p.p.	-0.4 p.p.
Net Interest Margin[3] (NIM) - Clients	10.3%	10.0%	9.8%	-0.2 p.p.	-0.6 p.p.
Net Interest Margin[4] (NIM) - Clients + Market	7.6%	6.9%	6.8%	0.0 p.p.	-0.7 p.p.
Efficiency Ratio (ER) - accumulated of 12 months[5]	35.6%	38.9%	38.9%	0.0 p.p.	3.3 p.p.
Normalized Efficiency Ratio[6] - accumulated of 12 months	32.6%	34.3%	34.3%	0.0 p.p.	1.7 p.p.
NPL 90-days	4.1%	4.9%	5.2%	0.3 p.p.	1.1 p.p.
Coverage Ratio (NPL 90-days)	221%	166%	162%	-3.3 p.p.	-58.6 p.p.
ADDITIONAL INFORMATION					
Employees[7] (quantity)	4,491	4,463	4,207	-5.7%	-6.3%

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. Efficiency Ratio Adjusted, calculated excluding investments in the digital bank; 7. It does not consider interns and statutory employees

/ Strategy

Digital Strategy

Our digital bank is becoming more complete every day, with a wide range of products and services in one place. We continue to pursue the focus on the customer, with an incessant improvement in the offer of differentiated products and experience, and a value proposition based on four main pillars:

The world is digital. Your bank can also be

Our home has a friendly and easy look, where the customer has greater visibility of the products offered by BV.

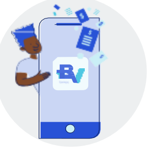
We also have a highly specialized in-app chat for customer service

Consider organizing your financial life with a bank you know and trust

We have several features that generate recurrence in the use of the digital account (such as payments, PIX modalities).

Our vehicle ecosystem is more complete, with options for paying vehicle debts directly in the app.

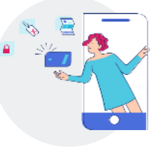
We strengthened our value proposition of making financial life easier through financial organization.



Count on BV account whenever the month seems too long

We expanded the credit offer for our customers (personal loan).

We launched new credit products: Easy Loan and FGTS Birthday Withdrawal.



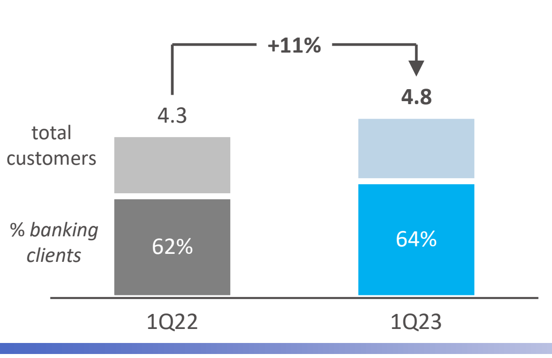
BV ecosystem has a greater value proposition than any single product

We generate integrated offers for a better customer experience, all in one place: vehicle, digital account, card, insurance.

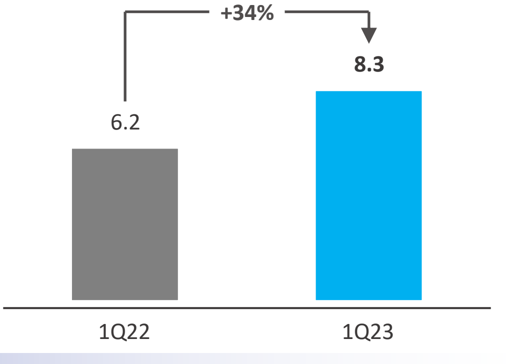
Our benefits are clear, and we offer one of the biggest cashbacks on the market with several redemption and use options.

We continue with our goal of scaling our digital bank. However, the adverse macroeconomic environment have demanded greater conservatism, so that we are more selective in opening new accounts and issuing cards, which is reflected in the slowdown in the growth of the customer base and cards portfolio, in line with expectations for the current credit cycle. At the end of 1Q23, our retail bank reached **4.8 million individual customers**, growth of 11% over 1Q22, of which **64% of the customers are connected to our digital bank** (banking clients[1]). Customer engagement, represented by total payment volume[2] ("TPV"), reached R$ 8.3 billion in 1Q23, a 34% expansion over the same period of 2022.

Individual customers and % of banking clients[1]
(in mln and %)



Total payment volume[2] (TPV)
(in R$ bn)

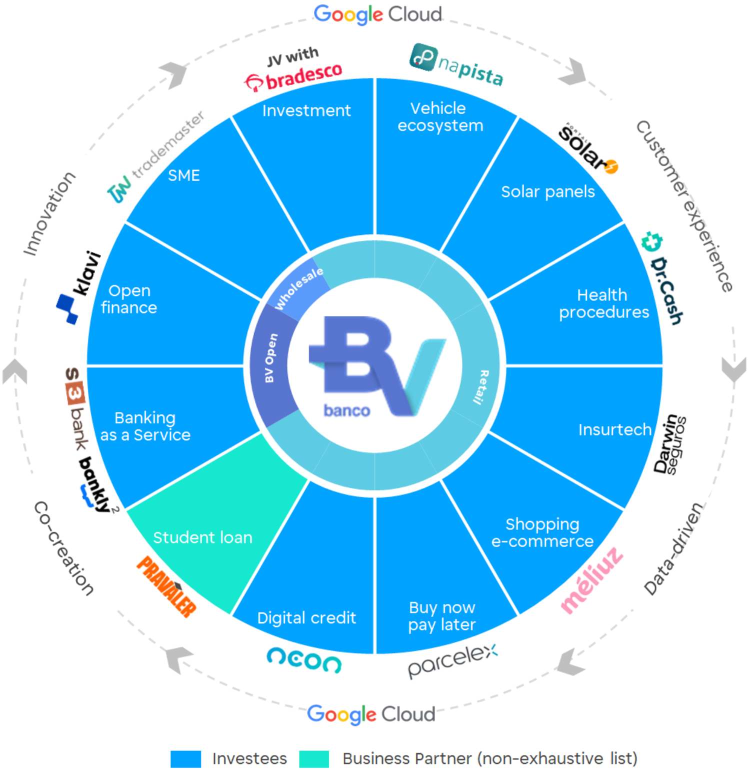


1 - Customers who have the digital account and/or card; 2 – Includes spending on credit, debit, Ted/Doc, Pix, withdrawal and slip payment

/ Strategy

Digital Strategy

Our digital strategy involves the relentless pursuit of better services and experiences for our customers, always using innovation as a tool. BVx, our innovation business unit, has the mission of generating value by connecting with the startups and fintechs ecosystem, through co-creation, proprietary developments and investments in strategic partnerships, acting on three fronts: i) Corporate Venture Capital ; ii) BV Open and; iii) BV Lab (innovation laboratory) and Open Finance.

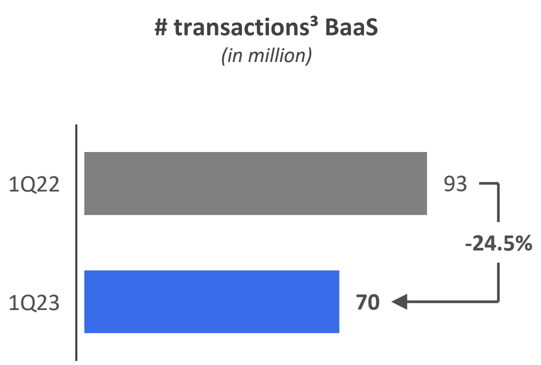


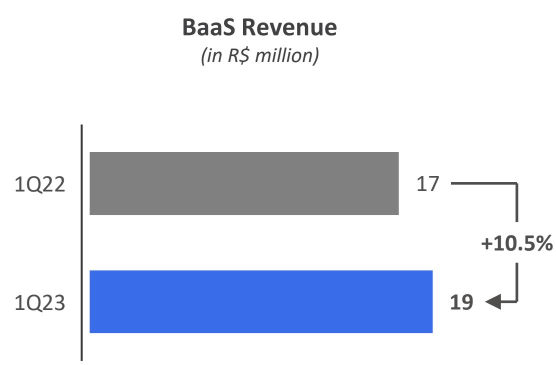
On the Corporate Venture Capital front, we have direct investments and partnerships for co-creation and lead/distribution of products. At the end of 1Q23, we had over 30 innovative companies enriching our ecosystem. Above, we present a non-exhaustive view of our ecosystem.

The partnership with Méliuz announced in December 2022, with a focus on attracting and engaging customers, continues to advance and we already have the plan to integrate the current account and BV credit card into the Méliuz app in the pilot phase for employees. The next steps will be to transfer all Méliuz accounts and cards to BV and studies for the implementation of new products and services integrated into Méliuz's platform.

BV Open is the front that plays an important role in our revenue diversification strategy, acting as a distribution channel for our services, also known as BV Open. We offer our partners and customers the following platform solutions: Banking as a Service (BaaS), Credit as a Service (CaaS) and Investment as a Service (IaaS). We ended 1Q23 with 110 BV Open[2] partners from the most varied segments such as education, energy, health and e-commerce connected and using our platform services.

Transactions[3] carried out on our Banking as a Service (BaaS) platform reached 70 million in 1Q23, with revenues registering growth of 10.5% over 1Q22, reaching R$ 19 million. The acquisition of Bankly[1], in the final stages, will further strengthen our growth strategy in the BaaS segment, with high complementarity in the product offering.





PÚBLICO 1 - The acquisition of Bankly depends on precedent conditions as per the Notice disclosed on 12/30/2022; 2 – The criteria for calculating the number of BaaS partners was updated in 2023; 3 – Includes payment of bank slips, Ted and Pix.

/ Strategy

Innovation

We believe that the innovation agenda must contain multiple simultaneous initiatives with the ecosystem, with the most different focuses and formats. In addition to the innovation implemented through investments and/or strategic partnerships described above, our innovation and Open Finance lab uses technology, data and the power of the ecosystem to prototype and experiment with innovative new solutions in the finance industry.

For example, in the first quarter of 2023 we innovated and launched the CO^2 emissions statement based on Open Finance data. We started to offer our card customers a communication by e-mail with the total amount of CO^2 emissions, carbon dioxide, associated with the last month's purchase data. It is the first time in the Brazilian financial market that an institution uses Open Finance data to calculate the diffusion of gases harmful to the environment, reaffirming our commitment to the innovation and ESG agenda. The sending of notices will be gradual, and the holders will be informed little by little about the balance.

*Now, **BV Card customers** can track their **carbon emissions** of credit card purchases every month*

And to further encourage the use of data at BV, we offer our card customers the possibility of increasing their credit limit by subscribing to Open Finance. After analyzing their financial history, eligible customers could have an increase in their credit card limit. So far, 34% of customers had their limit increased, which demonstrates the ability to customize products with Open Finance data.

BV is recurrently present at the main events of the innovation ecosystem and in April 2023 we participated as sponsors of the Brazil edition of the South Summit, an event that brings together the global entrepreneurial ecosystem of innovation and this year it took place in the city of Porto Alegre, south of Brazil. At the event, we launched the Open Innovation Program (PIA), an initiative aimed at startups with the objective of catalyzing solutions that help BV solve the main day-to-day challenges of a bank and the priority themes of the program will be: development of new products and services; improvement of customer experience and efficiency gains.

The bank's performance on these different fronts reinforces our DNA of establishing successful partnerships. We understand that the financial industry has undergone a profound transformation and will continue to be flooded with new technologies and solutions, and in this context our innovation platform is essential to maintain BV's pace of growth and diversification.

/ Strategy

Customer Centricity

Our entrepreneurial culture reflects and emphasizes the commitment to care for and serve our customers by offering high-quality support that results in strengthening our purpose as an institution: to make the financial lives of people and companies easier.

We know that this approach sets us apart in the market and allows us to build a loyal relationship with our customers. The use of technology aimed at channel improvements, training of customer service teams, offers of contextualized and personalized products and services have contributed to an increase in our customers' satisfaction. We continue to improve our relational NPS, from 50.0 in 4Q22 to 53.4 in 1Q23. This advance is linked to an improvement in the customer experience in using the BV application and in conducting customer service by a highly specialized team, which implemented continuous improvement actions in operations, increasing the resolution and assertiveness in the customer service channel.

We also highlight our advances in transactional NPS in the various channels of interaction with our customers: in customer service, we ended 1Q23 with an average NPS of 75, vs. 73 in 1Q22 and remaining stable in relation to the previous quarter. In the collection sector, the average NPS was 72 in 1Q23, compared to 75 in 1Q22 and 4Q22.

In addition to the improvement in NPS, our actions aimed at improving the customer experience ensured us one of the best evaluations by the Consumidor.GOV, one of the main portals where consumers score companies voluntarily. As of 1Q23, we received the best consumer score among the largest banks in Brazil.

Consumidor.GOV
Best score
among the largest banks in Brazil, rated by consumers

ESG agenda

Our sustainability aspiration is “Fostering 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 five 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 three pillars of action (i) neutralizing our environmental impact; (ii) accelerate social inclusion and; (iii) mobilize resources to foster sustainable businesses. The goals assumed in the 2030 Commitments for a lighter future are

NEUTRALIZE OUR ENVIRONMENTAL IMPACT	ACCELERATE SOCIAL INCLUSION	MOBILIZE RESOURCES FOR SUSTAINABLE BUSINESS
1. Carry out **100% OF THE CO2 OFFSET OF OUR MAIN BUSINESS**, the financing of used vehicles	**3. ACHIEVE 50% OF LEADERSHIP ROLES** HELD BY PEOPLE WHO **IDENTIFY AS FAMALE**	5. Financing and distributing **R$ 80 billion in the capital market for ESG businesses**
2. Compensate 100% OF **BV's DIRECT GHG[1] EMISSIONS**	4. Ensure participation of **35% of black** people in BV's staff	

1 – Greenhouse Gases

/ Strategy

ESG Agenda

In 1Q23, we highlight the following initiatives and achievements within our ESG agenda:

We offset 100% of the CO_2 emitted by the vehicles we finance

Since January 1, 2021, all vehicles financed by the BV bank have their CO_2 emissions offset. We already have more than 2.4 million tons of CO_2 offset from financed vehicles since the beginning of the program until March 2023.

ESG Innovation Day

We held the ESG Innovation Day in partnership with StartSe, one of the largest innovation hubs on the market. Solar Financing, we donated and installed more than 200 solar panel modules in five social institutes: Gerando Falcões, Reação, Esporte & Educação, Baccarelli and Ítalo Ferreira. This action generated savings of up to 90% on each institute's electricity bill.

We grew 900% in hybrid and electric vehicle financing in 3 years

The growth reflects our outstanding position in the vehicle financing segment in Brazil, and our strong commitment with the ESG agenda in the country. In addition, we are attentive to consumer demands and news in the automotive world.

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

We were featured in the survey "*Melhores para o Brasil*" ("The best for Brazil") carried out by Humanizadas, the first ESG assessment company. According to the survey, BV reached positive percentages above the market average in all indicators. The survey serves as a quality index of the institution's practices and can be used by various stakeholders such as investors and investment funds, employees, governance and management, business partners, customers, consumers and society.

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

We became a signatory to 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.

Sustainable business

In line with our commitment to mobilize resources to foster sustainable businesses, from the beginning of 2021 until the end of 1Q23, we financed and distributed R$ 16.4 billion to ESG retail and wholesale businesses. Our goal is to reach R$ 80 billion by 2030

/ Business

Diversified business portfolio

Auto Finance

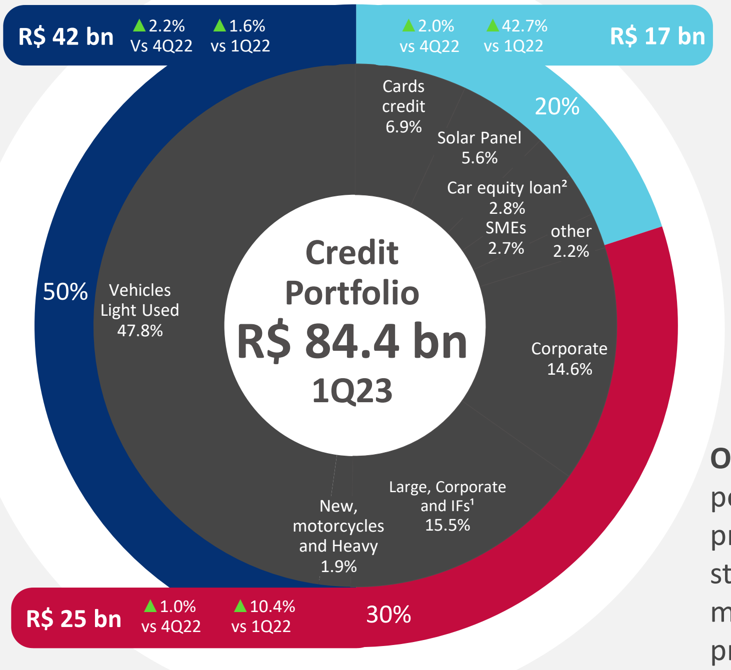
- **Leadership** in light used vehicles
- **Capillarity:** +23,000 car dealers; digital partners
- **Innovation and digital transformation**
- **100% digital** hiring mat
- **96%** automatic analysis

Leadership in financing for light used vehicles

Growth

Credit card: portfolio of cards: BV Livre, BV Mais and BV Único. Mastercard, Visa and Elo flags. +17.2% vs 1Q22

Solar Panel: leadership in the segment**.** +52.3% vs 1Q22



SME: majority share in anticipation of receivables

+89.8% vs 1Q22

Car equity loan²: segment leadership

+76.2% vs 1Q22

Other loans: personal credit, private payroll, student loans, medical procedures, FGTS loan

Corporate, Large e FI[1]

***Corporate Banking*:**

- *Corporate* (> R$ 300 million)
- *Large Corporate* (> R$ 1.5 bn)
- financial institution

Expansion in the Corporate segment
+18% vs 1Q22 **(61% of the on-balance portfolio³)**

BV Open

Includes our platform BaaS (*Banking as a Service*), CaaS (*Credit as a Service*) e IaaS (*Investment as a Service*)

BVx is the innovation business unit that generates value through the connection with the startups and fintechs ecosystem, with co-creation methods, proprietary developments and investments in strategic partnerships

1 – Financial Institutions; 2 – Loan with vehicle as collateral; 3 – Considering Large, Corporate and FIs

/ Business

Credit Portfolio

The expanded loan portfolio grew 10.7% over 1Q22, reaching R$ 84.4 billion at the end of 1Q23, with expansion of 9.0% in Retail and 14.4% in Wholesale. Compared to the previous quarter, the portfolio grew 1.8%, with expansion of 2.5% in Retail and 0.3% in Wholesale.

Credit portfolio (R$mln)	1Q22	4Q22	1Q23	Var% 1Q23/4Q22	Var% 1Q23/1Q22
Retail segment (a)	**52,022**	**55,273**	**56,682**	**2.5**	**9.0**
Auto finance	41,301	41,037	41,954	2.2	1.6
Personal Loans	5,767	8,420	8,920	5.9	54.7
Credit Cards	4,955	5,816	5,808	-0.1	17.2
Wholesale segment (b)	**13,666**	**15,045**	**15,029**	**-0.1**	**10.0**
Growing Corporate	6,543	7,554	7,734	2.4	18.2
Large corporate + financial institutions	5,919	5,046	5,009	-0.7	-15.4
Small and mid-size enterprise (SME)	1,204	2,446	2,285	-6.6	89.8
On-balance loan portfolio (a+b)	**65,688**	**70,318**	**71,710**	**2.0**	**9.2**
Wholesale segment (b+c+d)	**24,209**	**27,602**	**27,689**	**0.3**	**14.4**
Guarantees provided (c)	6,463	7,123	6,624	-7.0	2.5
Private securities (d)	4,079	5,434	6,036	11.1	48.0
Retail segment (a)	**52,022**	**55,273**	**56,682**	**2.5**	**9.0**
Expanded credit portfolio (a+b+c+d)	**76,231**	**82,874**	**84,371**	**1.8**	**10.7**

In the quarter, our core businesses (auto finance and wholesale) proved resilience once again, with a sustainable leadership in auto finance for light used vehicles, while we continued to expand our presence in the Corporate segment (companies with annual revenues between R$ 300 million and R$ 1.5 billion). In the growth portfolio (financing of solar panels, car equity loan “EVG”, credit card, small and medium-sized companies “SME”, in addition to other retail loans), we continued to register solid advances in the diversification agenda, with a 42.7% growth in the last 12 months, highlighting the expansion in products with collateral such as financing for solar panels, car equity loan and the SME segment.

At the end of 1Q23, auto finance, our main business, represented 49.7% of the total portfolio (54.2% in 1Q22); wholesale (Corporate + Large Corporate + FI) represented 30.1% (30.2% in 1Q22) and; the growth portfolio reached a 20.2% share of BV's total portfolio (15.6% in 1Q22).

Retail Credit Portfolio

The Retail credit portfolio reached R$ 56.7 billion in 1Q23, growth of 9.0% compared to 1Q22 and 2.5% compared to the previous quarter.

Auto finance

The vehicle sales segment in Brazil continued to be impacted by the challenging macroeconomic environment, with household income commitment at record levels, in addition to interest rates that remain high. Data from B3 point to a weaker beginning in 2023 in terms of the number of financed vehicles, followed by a noteworthy improvement in March, with the quarter recording growth of 2.4% vs. 1Q22. Data from Central Bank showed a 5.6% growth in auto finance origination in 1Q23, compared to the same period of 2022.

/ Business

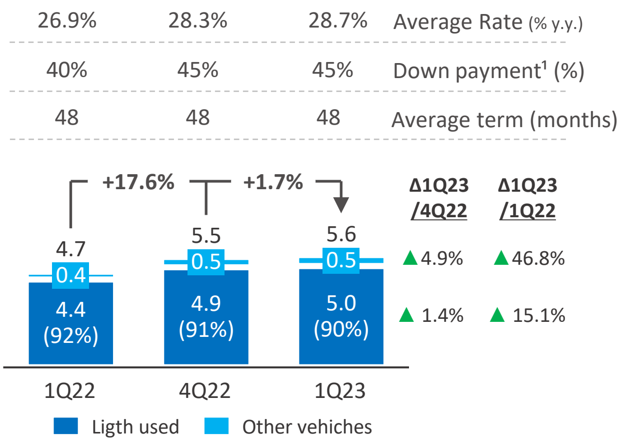
Retail Credit Portfolio

In this context, our auto finance origination grew 17.6% vs. 1Q22, and reached R$ 5.6 billion. This growth reflects greater rationality observed in the market, and consequent recovery of market share in the light used vehicle, resuming our historical leadership in the segment. The auto finance origination for light used vehicles registered growth of 15.1% year-over-year, while other vehicles (new, motorcycles and heavy) increased by 46.8%. Quarter-over-quarter, there was a 1.7% growth in total origination, with 1.4% in light used vehicles and 4.9% in other vehicles.

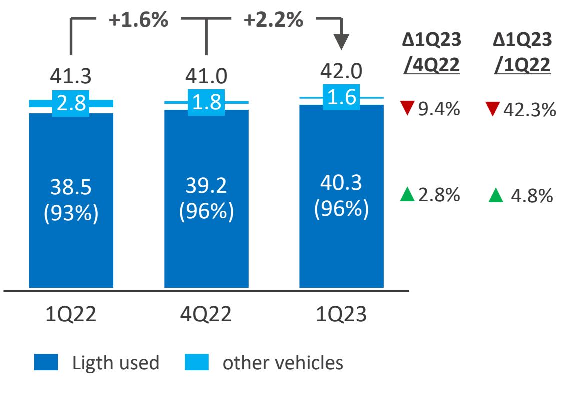
Despite the growth in origination levels, we maintained our conservatism in the concession in order to maintain the default levels in line with our risk appetite. Our conservatism can be seen in the average down payment percentage, which reached 45% in 1Q23 compared to 40% in 1Q22.

The auto finance portfolio ended the first quarter of 2023 at R$ 42.0 billion, up 2.2% vs. the previous quarter and 1.6% in the last 12 months. The light used vehicle portfolio represented 96% of the auto finance portfolio in 1Q23 (96% in 4Q22 and 93% in 1Q22) and grew by 2.8% and 4.8% compared to 4Q22 and 1Q22, respectively. The portfolio of other vehicles, on the other hand, decreased by 9.4% vs. 4Q22 and 42.3% vs. 1Q22, mainly driven by the lower origination in previous periods due to the crisis in the sector generated by the shortage of components, in addition to the interruption of production announced by some automakers earlier this year due to the economic environment.

Auto finance origination (R$ bn)



Auto finance portfolio (R$ bn)



100% digital customer experience

BV operates with a 100% digital auto finance contracting mat, from financing simulation, going through credit analysis and signing the contract. In addition to our own digital channels, including the BV website and the Meu Carro Novo portal, we also operate with partners such as Usadosbr, NaPista, SóCarrão and Karvi, which contribute to expanding access to potential buyers.

In 1Q23, 6.2 million car financing simulations were carried out on our digital channels, car dealer partners and digital partners, which represents a 5% growth over the same period of 2022.

Over 6 million

Simulations carried out in our digital channels, car dealer partners and digital partners in 1Q23

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1 - Based on the value of the asset informed at the time of hiring

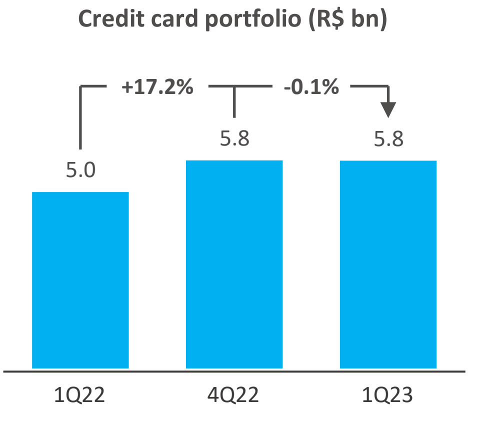
/ Business

Retail Credit Portfolio

Credit Card

The credit card portfolio reached R$ 5.8 billion, up 17.2% compared to 1Q22 and nearly stable compared to the previous quarter. Reflecting the challenging environment with consequent pressure on default levels, we have practiced higher selectivity in the issuance of new cards, as well as being more conservative in granting limits, in line with the current moment of the credit cycle.

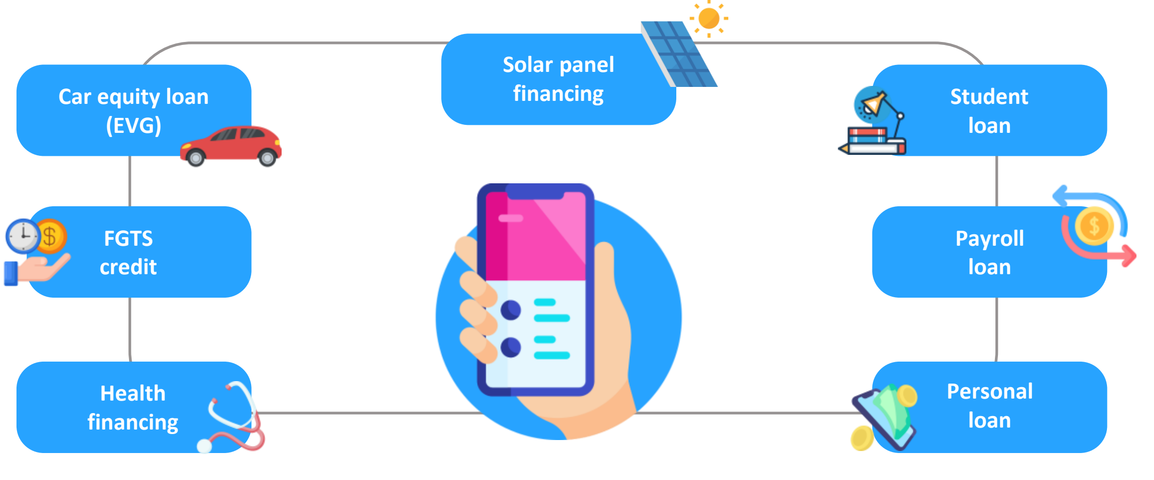
The value proposition of BV credit cards, which includes a portfolio aligned with the customer's profile and with the offering of cashback, vehicle and home assistance, in addition to other benefits[1], has contributed to greater customer engagement, with an increase of 40 % in the use of the benefits program, when compared to the previous quarter.



The digital channel remains the main source of customer acquisition, accounting for 66% of new clients in 1Q23 (73% and 74% in 1Q22 and 4Q22, respectively). The lower card origination via digital channels is due to our higher conservatism and selectivity in issuing cards due to the adverse macroeconomic scenario. Nevertheless, we have made constant improvements and evolutions focused on providing an increasingly better experience for our customers. Finally, we delivered improvement in the cross sell of products, and we observed in 1Q23 a 130% increase in the purchase of insurance during the customer's adhesion to the card, when compared to the previous quarter.

Financing of solar panels and other loans

Complementing our retail portfolio, we have a wide range of products, including proprietary solutions, as well as products developed in partnership with fintechs and startups, enriching our portfolio:



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1 – For more details on the benefits program, see the BV website www.bv.com.br/cartao

/ Business

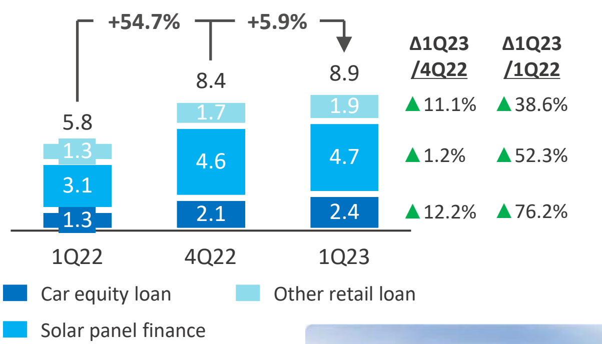
Retail Credit Portfolio

The credit portfolio of this segment totaled R$ 8.9 billion at the end of 1Q23, growth of 54.7% vs 1Q22 and 5.9% compared to 4Q22. Once again, the solar panel financing portfolio was the highlight, a segment which BV leads, posting a 52.3% growth year-over-year and 1.2% quarter-over-quarter, reaching R$ 4.7 billion. We believe that the slowdown in the growth rate observed in the comparison to the previous quarter was mainly driven by the new regulatory framework that came into force in 2023, which caused many consumers to anticipate the financing demand in 2022. We continue to be optimistic for the product outlook given the outstanding Brazil's solar resources, in addition to the low cost of solar energy compared to other energy sources.

Another highlight in the quarter was the 76.2% growth in the car equity loan (EVG) vs. 1Q22, reaching R$ 2.4 billion in 1Q23. BV has also been at the forefront of this product, leveraged by our vast experience in the auto finance segment in Brazil.

Finally, we highlight the notable growth recorded in the FGTS loan, health financing and student loan portfolio, which drove the 38.6% expansion in other loans over the last twelve months and 11.1% over the previous quarter.

Solar panel and other retail loan portfolio (R$ bn)



Leadership in solar panels financing and car equity loan

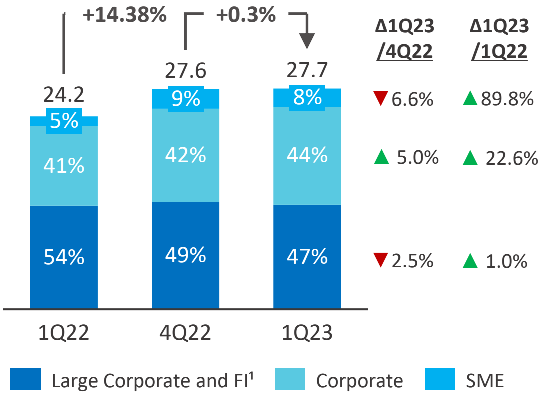
Wholesale Credit Portfolio

Corporate & Investment Banking (CIB)

The expanded Wholesale portfolio totaled R$ 27.7 billion at the end of 1Q23, up 0.3% compared to the previous quarter and 14.4% compared to the same period in 2022. Excluding the exchange variation effect, the wholesale portfolio would have grown by 0.7% and 13.1% over 4Q22 and 1Q22, respectively.

Compared to 1Q22, the highlights were the 22.6% expansion in the Corporate segment (companies with revenues between R$ 300 million and R$ 1.5 billion), a portfolio that reached R$ 12.3 billion in 1Q23, in addition to the 89.8% expansion in the SME segment, both in line with our strategic plan which targets a greater risk spreading and improvement in the profitability of the CIB portfolio. Compared to 4Q22, the Corporate portfolio grew by 5.0%

Expanded Wholesale Portfolio (R$ bn)



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1 – financial institution

/ Business

Wholesale (CIB) Portfolio

The Large Corporate expanded portfolio (companies with annual revenues above R$ 1.5 billion) + Financial Institutions (FI) increased by 1.0% year-over-year, to R$ 13.1 billion. Compared to the previous quarter, the Large + FI portfolio declined by 2.5%.

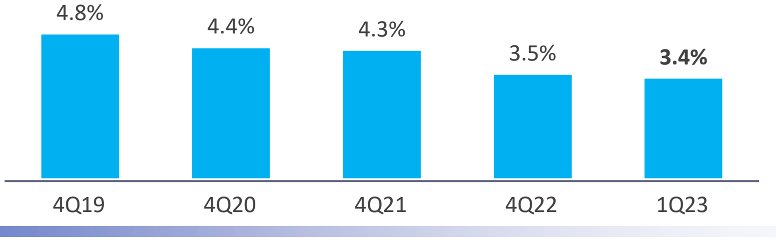
Finally, we continued to advance in our strategy of diversifying into Small and Medium-Sized Companies (SMEs), through a collateralized portfolio focused on prepayment of receivables. The SME portfolio totaled R$ 2.3 billion at the end of 1Q23, an 89.8% growth over the last 12 months. Quarter-over-quarter, the SME portfolio declined 6.6%.

Below, we present the exposure of the CIB portfolio by industry, highlighting that our risk policy establishes exposure limits to industry and individual risks, which are regularly monitored by the risk management department:

Wholesale – Exposure by sector	1Q22		1Q23	
	R$ mln	Part.(%)	R$ mln	Part.(%)
Financial Institution	3,602	14.9%	4,643	16.8%
SME	1,204	5.0%	2,285	8.3%
Industry	1,998	8.3%	2,230	8.1%
Agroindustry / Agrochemicals	1,565	6.5%	1,882	6.8%
Project Finance	1,206	5.0%	1,847	6.7%
Cooperatives	1,069	4.4%	1,539	5.6%
Real Estate	1,567	6.5%	1,455	5.3%
Sugar and ethanol	1,514	6.3%	1,433	5.2%
Retail business	1,494	6.2%	1,271	4.6%
Telecommunications	847	3.5%	938	3.4%
Oil & gas	891	3.7%	899	3.2%
Vehicle assemblers / Dealers	496	2.0%	792	2.9%
Services	425	1.8%	669	2.4%
Rentals	734	3.0%	613	2.2%
Mining	318	1.3%	362	1.3%
Sanitation	290	1.2%	269	1.0%
Health	326	1.3%	265	1.0%
Electric power	904	3.7%	188	0.7%
Pharmaceutical	298	1.2%	150	0.5%
Other	3,461	14.3%	3,960	14.3%
Total	**24,209**	**100%**	**27,689**	**100%**

Below, we present the representativeness of the 10 largest debtors of the bank in relation to the on-balance portfolio, in the last 4 years :

10 largest customers / Credit portfolio



/ Managerial 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, with no impact on the net income. 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 services". As of 1Q23, this adjustment ceased to exist due to the sale of Promotiva carried out in Dec/2022;
- "Discounts granted" reallocated from "Gross Financial Margin" to "Cost of Risk";
- Costs directly related to credit origination reallocated from "Administrative Expenses" to "Other Income (Expenses)".

INCOME STATEMENT (R$ mln)	1Q23 Accounting	Non-recurring events	Managerial Adjustments	1Q23 Managerial
Revenues – Total (i + ii)	**2,194**	**0**	**291**	**2,484**
Gross financial margin (i)	1,708	0	291	1,999
Income from services and brokerage (ii)	485	0	(0)	485
Cost of risk	**(876)**	**0**	**(307)**	**(1,184)**
Operating expenses	**(1,125)**	**1**	**16**	**(1,108)**
Personnel and administrative expenses	(915)	0	166	(749)
Tax expenses	(142)	0	0	(142)
Other expenses (income)	(68)	1	(149)	(216)
Result before taxes and contributions	**192**	**1**	**0**	**193**
Income tax and social contribution	145	0	0	145
Minority Interest	(57)	0	0	(57)
Revenues – Total (i + ii)	**281**	**1**	**0**	**282**

Non-recurring events

(R$ mln)	**1Q22**	**4Q22**	**1Q23**
Net Income - Accounting	**388**	**278**	**281**
(-) Non-recurring events	**0**	**-1**	**-1**
Goodwill amortization	0	-1	-1
Recurring Net Income	**388**	**279**	**282**

Summary of non-recurring events:

- Goodwill amortization: Goodwill amortization expenses generated by the acquisition of Trademaster Serviços e Participações S.A..

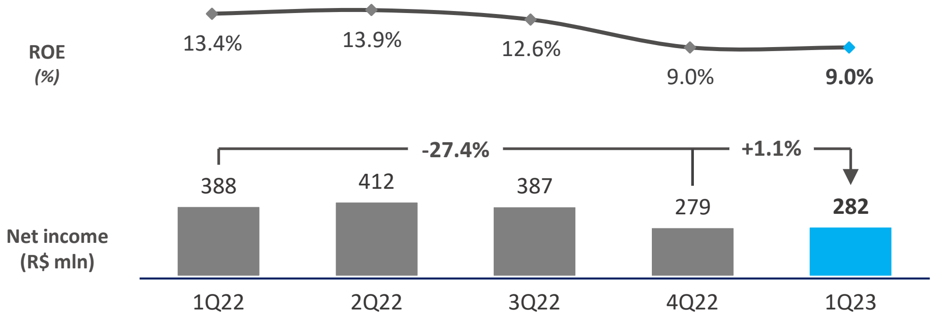
/ Managerial Results

Managerial Income Statement

INCOME STATEMENT (R$ mln)	1Q22	4Q22	1Q23	Var % 1Q23/4Q22	1Q23/1Q22
Total Revenue (i + ii)	**2,456**	**2,497**	**2,484**	**-0.5**	**1.2**
Gross financial margin (i)	**2,011**	**1,959**	**1,999**	**2.1**	**-0.6**
Financial margin with clients	1,776	1,857	1,846	-0.6	4.0
Financial margin with the market	236	102	153	50.6	-35.1
Income from services and insurance (ii)	**445**	**538**	**485**	**-9.8**	**9.2**
Cost of risk	**(692)**	**(952)**	**(1,184)**	**24.4**	**71.2**
Operating expenses	**(1,188)**	**(1,176)**	**(1,108)**	**-5.8**	**-6.7**
Personnel and administrative expenses	(733)	(835)	(749)	-10.4	2.2
Tax expenses	(144)	(148)	(142)	-3.7	-1.3
Other expenses (income)	(311)	(193)	(216)	12.1	-30.4
Result before taxes and contributions	**577**	**369**	**193**	**-47.7**	**-66.5**
Income tax and social contribution	(131)	(21)	145	-798.8	-211.2
Minority interests	(58)	(70)	(57)	-18.5	-2.7
Recurring Net Income	**388**	**279**	**282**	**1.1**	**-27.4**
Return on Average Equity (ROAE)	**13.4%**	**9.0%**	**9.0%**	**0.0 p.p.**	**-4.5 p.p.**
Efficiency Ratio (ER) - Last 12 months	**35.6%**	**38.9%**	**38.9%**	**0.0 p.p.**	**3.3 p.p.**
Normalized Efficiency Ratio - accumulated of 12 months	**32.6%**	**34.3%**	**34.3%**	**0.0 p.p.**	**1.7 p.p.**

Recurring Net Income and ROE

Recurring net income for 1Q23 totaled R$ 282 million, up 1.1% quarter-over-quarter. Compared to 1Q22, net income decreased by 27.4%. Recurring ROE for the quarter reached 9.0%, in line with the previous quarter and 4.4 p.p. lower than 1Q22. The lower profitability compared to 1Q22 was mainly driven by the increase in the cost of risk as a result of higher provisioning for the retail portfolio, a segment that continues to be impacted by adverse economic environment, with the high commitment of household income, which remains at historical highs, in addition to interest rates that remain at elevated levels. It is worth mentioning the revisions and adjustments we implemented in the credit policy to face the current credit cycle, which is already reflected in the more adequate NPL levels for the new vintages.



Quarter-over-quarter, recurring net income grew by 1.1%, with ROE remaining stable at 9.0%. This slight increase in the net income mainly reflects the higher gross financial margin and the lower administrative and personnel expenses, which offset the lower income from services and brokerage and the increase of the cost of risk due to the higher provisioning in the retail portfolio.

1 – Last Twelve Months (last twelve months); 2 – Excluding investments in the digital bank.

/ Managerial Results

Gross Financial Margin

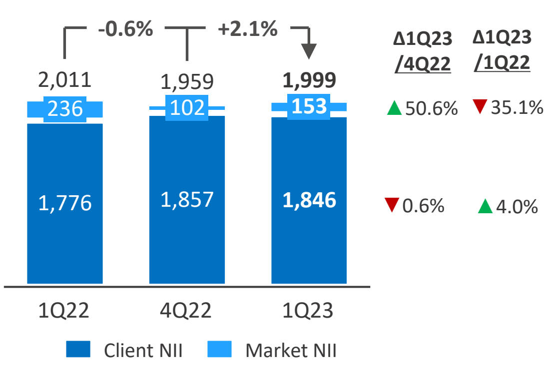
1Q23 vs 4Q22 - The gross financial margin in 1Q23 grew 2.1% compared to 4Q22, to R$ 1,999 million, with a 0.6% decrease in the margin with clients, more than offset by the 50.6% expansion at the margin with the market.

- The margin with clients dropped 0.6% in the quarter, to R$ 1,846 million. The variation is mainly a reflection of the mix effect given the higher selectivity in granting credit with a greater focus on products with collateral, which have lower spreads compared to unsecured products. NIM clients[1] decreased by 20 bps, ending the quarter at 9.8% vs 10.0% in 4Q22.
- The financial margin with the market increased by 50.6% compared to 4Q22. Such variation reflects the positive result of structural hedge positions and the application of shareholders' equity.

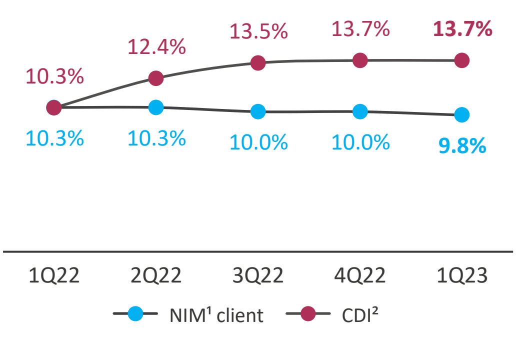
1Q23 vs 1Q22 - The gross financial margin decreased by 0.6% compared to 1Q22, with a 4.0% growth in the margin with clients, and a contraction of 35.1% in the margin with the market.

- The margin with clients grew 4.0% in the last 12 months, below the 10.7% growth of the loan portfolio. Likewise, this performance is explained by the mix effect due to a more conservative credit policy and higher selectivity in origination with a greater focus on secured products. NIM clients[1] declined by 50 bps compared to 1Q22.
- The financial margin with the market decreased by 35.1% compared to 1Q22, also reflecting the result of structural hedge positions, as well as the investment of shareholders' equity.

Gross Financial Margin (R$ mln)



NIM clientes[1] vs CDI[2] (% y.y.)



Cost of Risk

The cost of risk increased by 24.4% vs 4Q22 and 71.2% vs 1Q22, to R$ 1,184 million. The cost of risk as a % of the portfolio (expanded) increased by 100 bps in the quarter, from 4.7% to 5.7% in 1Q23. Compared to 1Q22, the cost of risk / portfolio increased by 210 bps.

The increase observed in both comparisons reflects the higher allowance for loan losses in the Retail business, a segment that continues to be impacted by adverse economic environment, mainly due to the high commitment of household income which remains at historical highs. The increase also reflects the growth of the Retail portfolio, mainly credit card in previous quarters, an unsecured product that generates higher revenues than the average portfolio, thus balancing the risk/return ratio.

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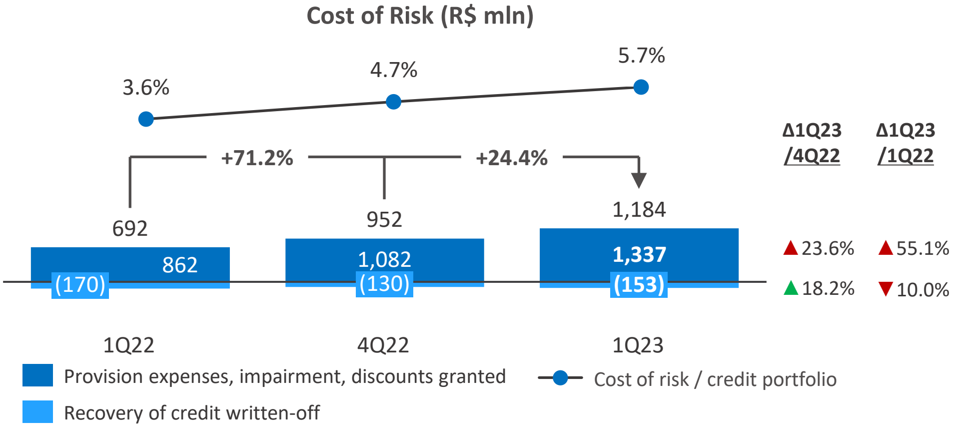
1 - -Net Interest Margin: Quotient between Gross Margin clients and Spread-sensitive Average Assets; 2 - Annualized quarterly CDI (benchmark interest rate) average rate (source: Cetip)

/ Managerial Results

Cost of Risk

It is worth highlighting the revisions and adjustments we implemented in the credit policy to face the adverse economic scenario, which is already reflected in the NPL levels of the new vintages.



Income from Services and Insurance Brokerage

Income from services and insurance brokerage totaled R$ 485 million in 1Q23, down 9.8% over 4Q22 and up 9.2% over 1Q22.

Income from services and insurance fees (R$ mln)	1Q22	4TQ2	1Q23	Var % 1Q23/4Q22	Var % 1Q23/1Q22
Master file registration and appraisal of assets	128	165	**173**	4.7	35.4
Insurance brokerage fees	100	152	**163**	6.9	62.6
Credit cards	90	100	**85**	-15.4	-5.9
Income from guarantees provided	23	24	**24**	-0.7	3.1
Management of investment funds	24	21	**7**	-67.1	-71.4
Commissions on securities placement	37	27	**10**	-62.0	-72.8
Banking correspondent (Promotiva)	19	16	**0**	-100.1	-100.1
Other[1]	23	32	**24**	-27.0	3.3
Total Income From Services and Insurance	**445**	**538**	**485**	**-9.8**	**9.2**

The 9.8% decrease quarter-over-quarter was driven by: (i) income from the subsidiary Promotiva, which ceased to exist as of this quarter due to the divestment carried out in December, 2022; (ii) lower commissions on placement of securities due to the small volume of credit deals in the market, due to the higher risk aversion in view of credit events and requests for judicial recovery of companies that marked the quarter; (iii) lower revenues from credit cards due to changes in credit policies to face the more adverse economic scenario, and (iv) decrease in fees from management of investment funds, explained by the partial sale of BV DTVM in the context of the strategic partnership with Bradesco for the formation of an independent wealth management firm (the closing of the transaction took place on February 28th, therefore, from that date onwards the proportional results of BV DTVM were allocated to the "other income" line in the managerial income statement).

Compared to 1Q22, the 9.2% increase was driven by the higher income from registration, appraisal of assets and insurance brokerage fees, as a result of the increase of origination of auto finance in the period, which more than offset the lower commissions on placement of securities, Promotiva's income and revenue from investment fund management.

1 - includes custody services, stock exchange brokerage, financial advisory, among others

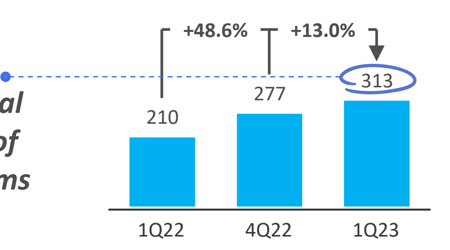
/ Managerial Results

Income from Services and Insurance Brokerage

In line with the increase in auto finance originations during the 1st quarter of 2023, insurance premiums grew 13.0% vs. 4Q22 and 48.6% compared to 1Q22, reaching R$ 313 million in the period, the historical record for BV. BV Corretora (BV's brokerage subsidiary) remains of one of the largest insurance brokers in Brazil, with a complete portfolio beyond the vehicle insurance options, such as credit protection, residential, life and personal accidents, assistance for pets and funerals, in partnership with main insurers operating in Brazil.

Insurance premiums (R$ mln)

Historical record of premiums issued



Non-Interest Expenses

Total non-interest expenses (personnel expenses + administrative expenses excluding amortization + other operating expenses/revenues) reached R$ 902 million in 1Q23, down 6.8% over 4Q22 and 9.0% compared to the 1Q22

Personnel and Administrative Expenses (R$ mln)	1Q22	4Q22	1Q23	Var % 1Q23/4Q22	Var % 1Q23/1Q22
Salaries and profit sharing	(295)	(280)	(260)	-7.0	-11.6
Benefits e social charges	(113)	(132)	(124)	-6.1	9.6
Training	(3)	(4)	(3)	-34.8	-3.5
Personnel Expenses	**(411)**	**(417)**	**(388)**	**-7.0**	**-5.7**
Specialized technical services	(90)	(114)	(118)	3.7	30.8
Data processing	(81)	(91)	(91)	-0.4	11.8
Judicial and notary public fees	(16)	(20)	(20)	0.1	25.5
Marketing	(38)	(59)	(17)	-71.1	-55.1
Other	(38)	(68)	(45)	-33.0	19.1
Subtotal	**(263)**	**(352)**	**(291)**	**-17.1**	**10.6**
Depreciation and amortization	(58)	(67)	(70)	4.2	20.2
Administrative Expenses	**(322)**	**(419)**	**(361)**	**-13.7**	**12.4**
Total Personnel + Administrative	**(733)**	**(835)**	**(749)**	**-10.4**	**2.2**
Total excluding depreciation and amortization	**(674)**	**(768)**	**(679)**	**-11.6**	**0.7**

Personnel expenses decreased by 7.0% vs 4Q22 and 5.7% compared to 1Q22, reaching R$ 388 million. The decrease in both comparisons is mainly explained by: (i) reduction in headcount due to our efficiency program, in addition to the adjustments implemented to face the challenging economic environment, and; (ii) lower expenses with variable compensation due to the deterioration of the macro scenario, with impact on BV's results. Such effects more than offset the impact of the collective agreement carried out in September 2022.

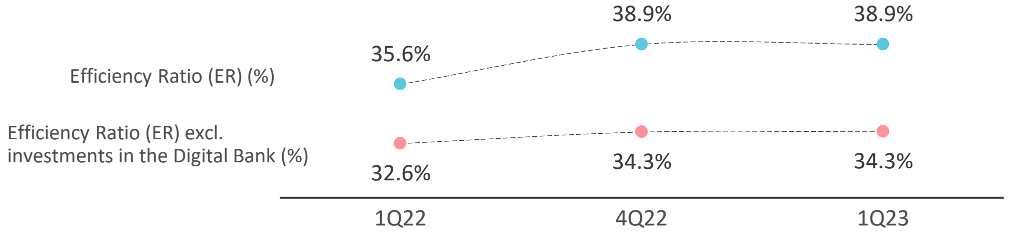
Administrative expenses (ex-depreciation & amortization) registered a decrease of 17.1% compared to the previous quarter, primarily reflecting the seasonal effect, where certain expenses, especially marketing, are lower in the first quarter. Compared to 1Q22, there was an increase of 10.6%, mainly explained by higher expenses related to specialized technical services.

The Efficiency Ratio (ER) ended 1Q23 at 38.9%, in line with the previous quarter and +3.3 p.p. vs 1Q22. Compared to 1Q22, the observed increase is in line with BV's strategic plan, with higher investments in initiatives focused on the diversification agenda, customer centricity and efficiency. Excluding investments in the digital bank, ER stood at 34.3%, in line with the previous quarter

1 – Insurance companies' partners: Porto Seguro, Azul Seguros, HDI Seguros, Aliro Seguro, Sompo Seguros, Liberty Seguros, Mapfre, Tokio Marine Seguradora, Zurich, Darwin Seguros, Cardif, Icatu, Metlife and CDF.

/ Managerial Results

Non-Interest Expenses



Other (expenses)/income increased by 12.1% over 4Q22, mainly due to higher expenses with civil, tax and labor claims. Compared to 1Q22, there was a decrease of 30.4%, reflecting the positive effect on the "other" line, with an impact from the result of unconsolidated subsidiaries, among other effects.

Other (expenses) / income (R$ mln)	1Q22	4Q22	1Q23	Var %	
				1Q23/4Q22	1Q23/1Q22
Costs associated with production	(276)	(318)	(295)	-7.1	6.9
Civil and fiscal lawsuits	(17)	(11)	(25)	130.5	52.3
Labor lawsuits	(30)	(33)	(58)	79.4	92.6
Results from real estate subsidiaries[1]	(1)	4	6	72.8	-
Other	13	164	156	-5.0	-
Total	**(311)**	**(193)**	**(216)**	**12.1**	**-30.4**

Portfolio quality

The loan portfolio risk segmentations in this section refer to the portfolio classified according to Res. CMN nº 2.682/99, unless otherwise indicated.

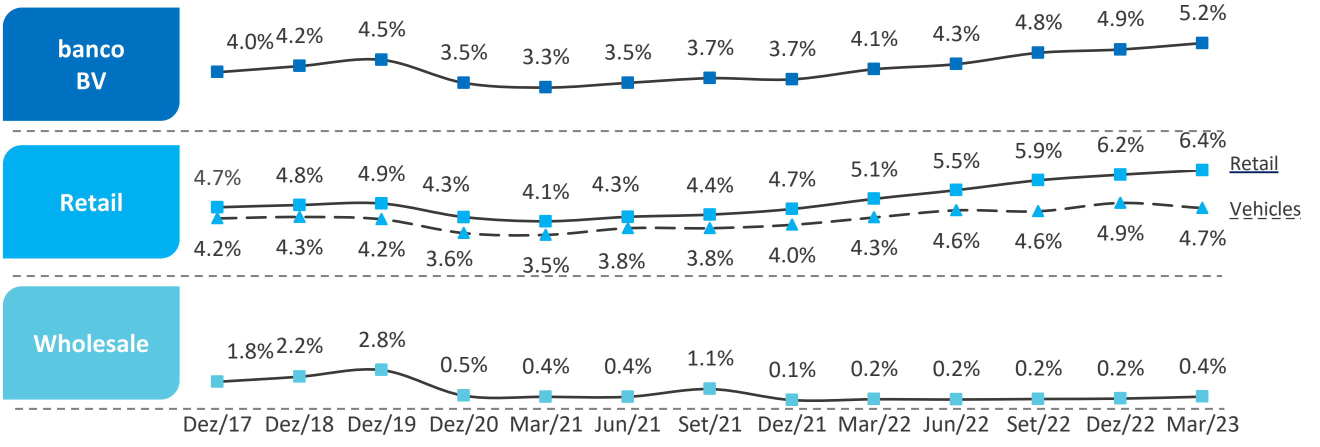
Credit Portfolio Quality Indicators (R$ mln, except where indicated)	1Q22	4Q22	1Q23
90-day NPL balance	2,683	3,461	3,702
90-day NPL ratio – Total	4.1%	4.9%	5.2%
90-day NPL ratio – Retail	5.1%	6.2%	6.4%
90-day NPL ratio – Auto finance	4.3%	4.9%	4.7%
90-day NPL ratio – Wholesale	0.2%	0.2%	0.4%
Write-off (a)	(618)	(681)	(768)
Credit recovery (b)	170	130	153
Net Loss (a+b)	(448)	(551)	(614)
Net Loss / Credit portfolio - annualized	2.8%	3.2%	3.5%
New NPL	897	921	1,009
New NPL / Credit portfolio[2] - quarter	1.36%	1.37%	1.43%
ALL balance[3]	5,929	5,733	6,011
ALL balance / Credit portfolio	9.0%	8.2%	8.4%
ALL balance / 90-day NPL balance	221%	166%	162%
AA-C balance	56,647	61,751	62,148
AA-C / Credit portfolio	86%	88%	86.7%

1 - Run-off operation; 2 - Δ NPL quarterly + write-offs for the period / Credit Portfolio of the immediately previous quarter; 3 - Includes provisions for financial guarantees provided and the balance of the provision for generic credit recorded in liabilities in the line "Sundry"

/ Portfolio Quality

Nonperforming Loans – NPL Ratio | Over 90 Days

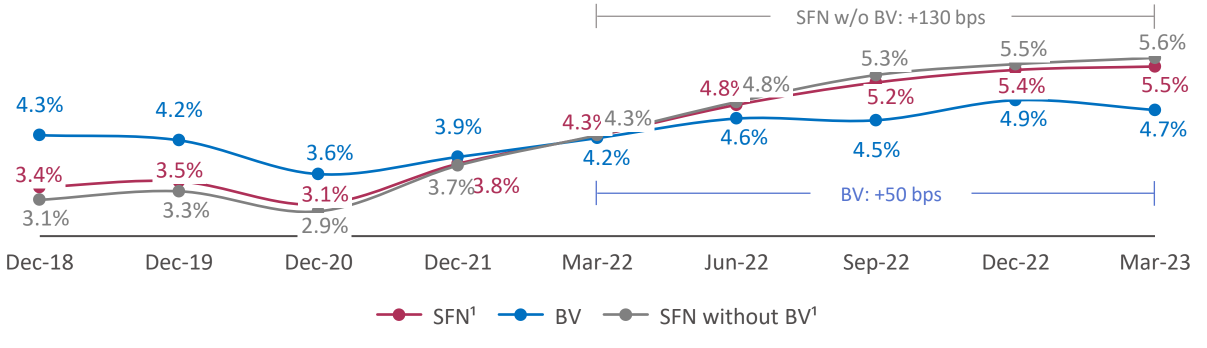
Nonperforming loans over 90 days (NPL 90 days) increased by 30 bps in the quarter, to 5.2%, against 4.9% in the previous quarter, with an increase of 20 bps in Retail, to 6.4%, and 20 bps in Wholesale, to 0.4%, while the NPL-90 days of the auto finance portfolio, BV's main business, recorded a drop of 20 bps compared to the previous quarter.



• **Retail:** NPL 90 days ended 1Q23 at 6.4%, an increase of 20 bps over the previous quarter. The increase occurred mainly in the credit card portfolio, still reflecting the high commitment of household income in Brazil, which remains at historical records. It is worth mentioning the revisions and adjustments to the credit policy that we implemented to face the adverse economic environment, which is already reflected in the NPL levels of the new vintages.

The NPL 90 days of the auto finance portfolio remains below the market average, reflecting our conservatism and expertise of more than 20 years in the sector. The NPL 90 days of this portfolio ended 1Q23 at 4.7%, a reduction of 20 bps vs. the previous quarter and 90 bps below the National Financial System (SFN)[1] (without BV). It is worth noting that historically we have always operated with NPL 90 days of the auto finance above the market due to our focus on used light vehicles. Since March-22, we have been operating with the ratio below the market, having recorded a 50 bps increase in the last 12 months, while the market registered an increase of 130 bps in the same period.

NPL 90 days Auto Finance



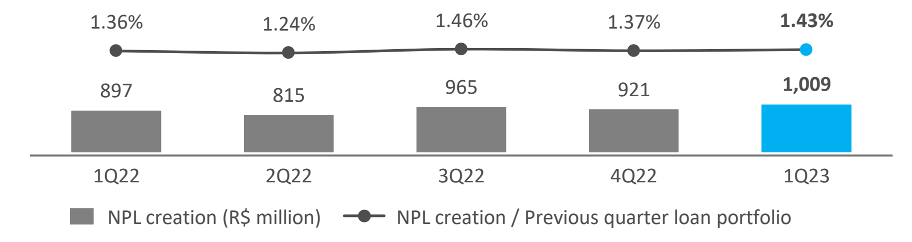
• **Wholesale:** the NPL 90 days of the Wholesale portfolio remains at a very adequate level, ending the quarter at 0.4%, up 20 bps over the previous quarter, still below the historical average.

1 – National Financial System.

/ Portfolio Quality

NPL creation

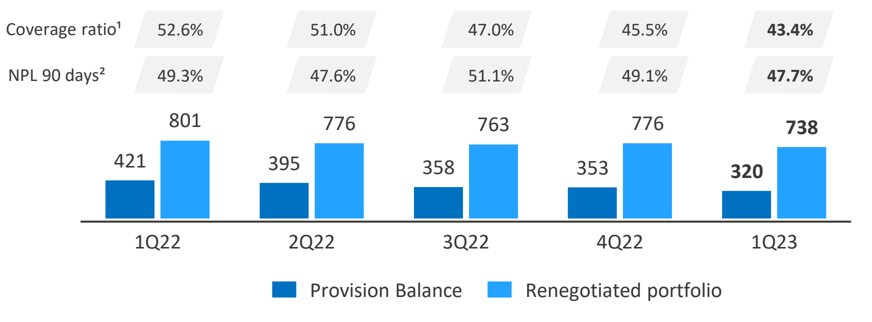
NPL creation totaled R$ 1,009 million in 1Q23, an increase of 9.5% compared to the previous quarter. The variation was mainly driven by the higher delinquency levels in the Retail portfolio. The NPL Creation on loan portfolio reached 1.43%, a slight increase of 0.07 p.p. quarter-over-quarter.



Overdue Renegotiated Portfolio

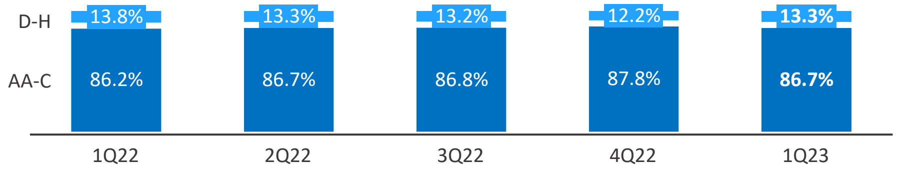
The balance of overdue renegotiated portfolio totaled R$ 738 million in 1Q23. Compared to 4Q22, this portfolio balance recorded a 4.9% decrease. Compared to 1Q22, there was a decrease of 7.8%. In the same period, NPL 90 days of this portfolio reached 47.7%, compared to 49.1% in 4Q22 and 49.3% in 1Q22. The coverage ratio for this portfolio at the end of 1Q23 was 43.4%, vs. 45.5% in 4Q22 and 52.6% in 1Q22. More information available in the 1Q23 Financial Statements, Explanatory Note 12-i.

Portfolio of loans renegotiated due to delay (R$ mln)



Credit Portfolio by Risk Level[3]

The balance of the D-H rated portfolio registered an increase of 1.1 p.p. in the comparison 1Q23 vs 4Q22, ending the quarter at 13.3%. Such increase reflects higher NPL levels in Retail, as explained before. Despite the pressure observed in the delinquency levels in the Retail portfolio, the D-H portfolio retreated by 0.5 p.p. in the last 12 months, highlighting BV's conservative risk management, which aims to maintain the quality of the loan portfolio at appropriate levels for each segment. Important to highlight that approximately 90% of the Retail portfolio is collateralized

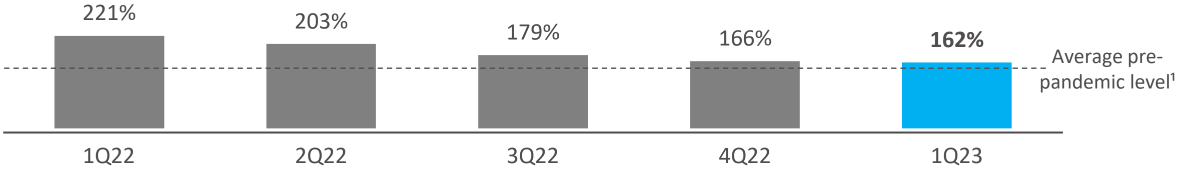


PÚBLICO 1 - PDD/Portfolio balance; 2 - Delinquency rate over 90 days of the renegotiated portfolio; 3 - Credits classified according to Resolution 2682 of the Central Bank of Brazil

/ Portfolio Quality

Coverage Ratio (90 days)

The coverage ratio for overdue balances over 90 days ended the quarter at 162%, a reduction of 4.0 p.p. compared to the previous quarter. As announced in previous quarters, provision levels were raised in 2020 and 2021 due to the pandemic, and subsequently converged to historical levels. Our provisioning methodology maintains the appropriate level of provisions considering customer ratings and changes in the economic environment.



/ Funding and Liquidity

Funding

We ended 1Q23 with R$ 89.7 billion in total funding, 5.6% up on the previous quarter. In the last 12 months, total funding balance increased by 14.1%, explained mainly by the greater volume of credit assignments, which grew 126.7%. Moreover, the increase of the funding balance year-over-year was driven by the higher volume of time deposits, with a 20.3% expansion in the period, notably CDBs and LCI/LCA.

Funding sources (R$ bn)	1Q22	4Q22	1Q23	Var % 1Q23/4Q22	Var % 1Q23/1Q22	% of total 1Q23
Financial bills (1)	**29.6**	**29.2**	**26.9**	**-7.7**	**-9.0**	**30.0**
Deposits	**24.2**	**27.6**	**29.1**	**5.3**	**20.3**	**32.5**
Time deposits	19.9	21.8	22.5	3.5	13.3	25.1
Debentures	1.4	1.5	1.7	14.0	17.3	1.9
Agribusiness credit bills ("LCA") and real estate credit bills ("LCI")	2.9	4.4	4.9	11.5	70.5	5.5
Securities issued abroad (1)	**7.5**	**6.4**	**6.2**	**-3.6**	**-18.1**	**6.9**
Credit assignment (1)	**5.5**	**7.4**	**12.4**	**67.4**	**126.7**	**13.8**
FIDC	**1.3**	**3.4**	**3.0**	**-11.6**	**133.1**	**3.3**
Borrowings and onlendings	**5.3**	**6.6**	**7.9**	**18.8**	**49.2**	**8.8**
Deposits on demand and interbank	**2.0**	**1.6**	**1.6**	**-4.2**	**-20.5**	**1.8**
Capital instruments (1)	**3.3**	**2.7**	**2.7**	**-0.4**	**-20.0**	**3.0**
Subordinated Financing bills	1.9	2.1	2.1	-1.6	12.9	2.3
Others subordinated debts	1.5	0.5	0.6	4.3	-61.7	0.6
Total funding	**78.6**	**84.9**	**89.7**	**5.6**	**14.1**	**100.0**
(-) Compulsory deposits	1.4	2.0	2.6	30.9	86.6	
(-) Cash & equivalents in local currency	0.0	0.0	0.0	1.7	46.0	
Total funding net of compulsory	**77.2**	**82.9**	**87.1**	**5.0**	**12.8**	
Stable funding instruments / Total funding	60.0%	57.7%	57.0%	-0.7 p.p.	-3.0 p.p.	
% of funding raised via digital platforms	7.6%	9.1%	8.1%			

(1) Stable funding instruments

PÚBLICO Considering the period from 2015 to 2019

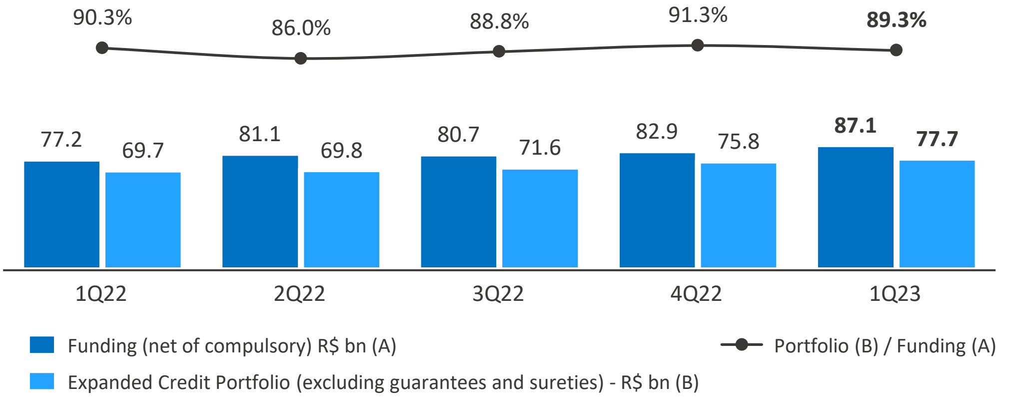
/ Funding and Liquidity

Funding

BV's funding structure continues to be highly diversified, with a strategy of deconcentrating maturities and counterparties. Stable funding instruments, maturing over 2 years, represented 57.0% of total funds raised as of the end of 1Q23. Funding via digital platforms represented 8.1% of total funding at the end of 1Q23, compared to 7.6% in 1Q22.

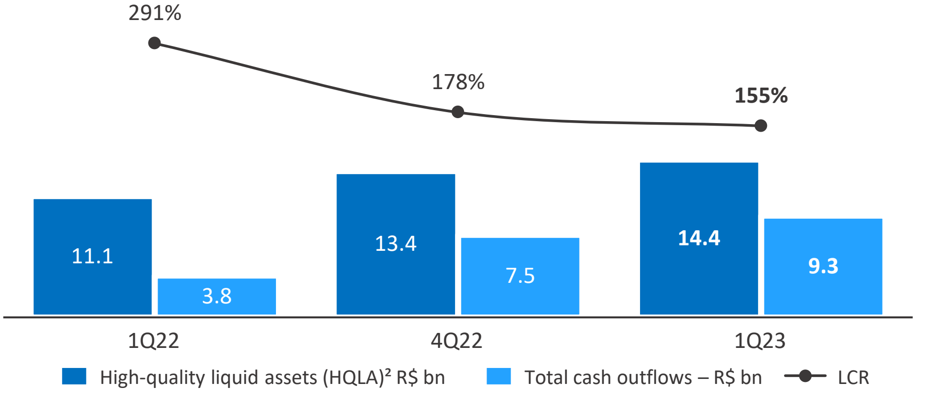
The ratio between the expanded credit portfolio (excluding guarantees and sureties) and net funding from compulsory deposits ended 1Q23 at 89.3%, compared to 91.3% in 4Q22 and 90.3% in 1Q22.

Loan/Funding Portfolio (%)



Liquidity

With regards to liquidity, the bank maintained its free cash balance at a very conservative level. The LCR[1] ratio (Liquidity Coverage Ratio), whose objective is to measure the short-term liquidity of banks in a stress scenario, ended 1Q23 at 155%, well above the minimum regulatory limit required by the Central Bank of 100%, which means that we have enough stable liquidity available to support losses in stress scenarios. It is worth emphasizing that, in addition to healthy liquidity, banco BV has had a standby credit line available from Banco do Brasil since 2009, which represents an important liquidity cushion and has never been tapped.



1 - Further information about LCR in the "Risk and Capital Management Report" available on the IR website: ri.bv.com.br/en/; 2 – Mainly federal government bonds and bank reserves.

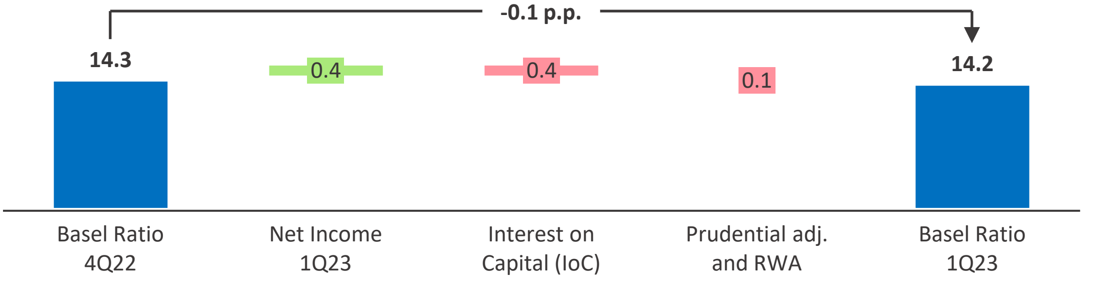
/ Basel Ratio

The Basel Ratio reached 14.2% in 1Q23, with 13.1% of Capital Tier I, of which 12.4% of Core Capital and 0.7% of Additional Tier I. Capital Tier II ended at 1.1%.

Basel Ratio (R$ mln)	1Q22	4Q22	1Q23	Var % 1Q23/4Q22	Var % 1Q23/1Q22
Total Capital	**12,081**	**11,361**	**11,244**	**-1.0**	**-6.9**
Tier I Capital	11,310	10,446	10,352	-0.9	-8.5
Common Equity Tier I	9,847	9,908	9,791	-1.2	-0.6
Additional Tier I	1,464	537	561	4.3	-61.7
Tier II Capital	771	916	892	-2.6	15.7
Risk Weighted Assets (RWA)	**75,517**	**79,549**	**79,277**	**-0.3**	**5.0**
Credit risk	67,967	71,566	72,513	1.3	6.7
Market risk	602	687	661	-3.8	9.8
Operational risk	6,948	7,295	6,103	-16.3	-12.2
Minimum Capital Requirement	**6,041**	**6,364**	**6,342**	**-0.3**	**5.0**
Tier I Capital Ratio	**15.0%**	**13.1%**	**13.1%**	**-0.1 p.p.**	**-1.9 p.p.**
Common Equity Tier I Ratio (CET1)	13.0%	12.5%	12.4%	-0.1 p.p.	-0.7 p.p.
Additional Tier I Ratio	1.9%	0.7%	0.7%	0.0 p.p.	-1.2 p.p.
Tier II Capital Ratio	**1.0%**	**1.2%**	**1.1%**	**0.0 p.p.**	**0.1 p.p.**
Basel Ratio (Capital/RWA)	**16.0%**	**14.3%**	**14.2%**	**-0.1 p.p.**	**-1.8 p.p.**

In the quarterly comparison, the Basel Ratio fell by 0.1 p.p., mainly explained by (i) generation of net income in the quarter, with an impact of +0.4 p.p.; (ii) Interest on capital (IoC) declaration, with an impact of -0.4 p.p.; (iii) higher prudential adjustments mainly related to tax credits, with an impact of -0.1 p.p..

Basel Ratio bridge 1Q23 vs 4Q22



Compared to 1Q22, the Basel Ratio decreased by 1.8 p.p., with a variation of -0.7 p.p. at CET1 and -1.2 p.p. in the Additional Tier I Capital, mainly driven by: (i) the exercise of the repurchase option of the perpetual subordinated debt instrument issued abroad, partially offset by the local issuance of the capital instrument carried out during 3Q22; (ii) profit generation in the period, partially offset by the IoC declaration, and; (iii) greater prudential adjustments and increase in risk-weighted assets. The increase of 0.1 p.p in Tier II Capital is mainly related to new issuances of subordinated debt that make up this Capital.

At the end of 1Q23, the minimum capital requirement was 10.50%, with 8.50% being the minimum for Capital Tier I and 7.00% for Core Capital (CET1).

/ Rating and Governance

Ratings

Banco BV is rated by 2 international rating agencies, Moody's and Standard and Poor's (S&P). It is important to note that the global scale rating is limited by Brazil's sovereign rating, currently at Ba2 (stable) by Moody's and BB- (stable) by S&P.

Rating agencies	Global scale	National scale	Perspective	Last update
Standard & Poor's	BB-	AAA	Stable	Apr/22
Moody's	Ba2	AA	Stable	Dec/22

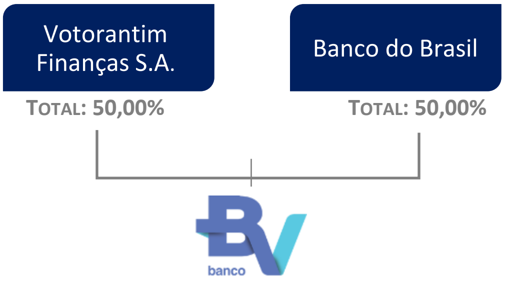
In April/22, S&P reaffirmed BV's rating on a national and global scale and recognized an improvement in its capital standards due to the reduction of the deferred tax assets (DTA), along with other attributes such as improved profitability.

Governance

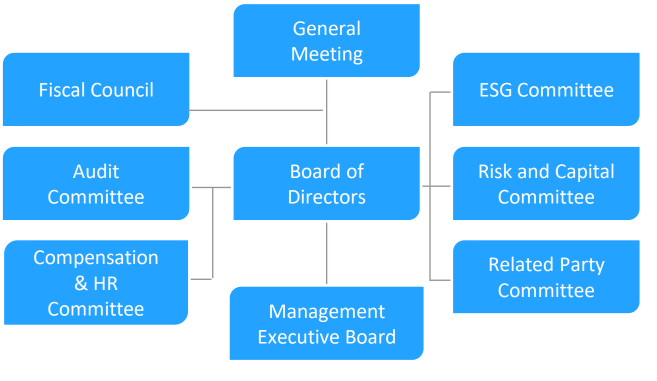
Banco BV has an organizational structure that follows the legislation and regulations in force in Brazil and is in line with the best market practices, committing itself to the principles of transparency, equity, accountability and corporate responsibility, as well as adopting standards of good practices in line with anti-corruption and social, environmental and climate responsibility laws.

We have a solid base of shareholders, formed by Votorantim Financeira S.A., the financial holding of Grupo Votorantim S.A., and Banco do Brasil S.A., one of the largest financial institutions in Brazil, with over 200 years of history.

Shareholding Structure



Governance Bodies



The shareholding structure of banco BV is shared between Votorantim Finanças and Banco do Brasil, which have equal participation in the Board of Directors. The Board of Directors is composed by 7 members, 3 of which are appointed by each of the controlling shareholders and 1 independent member. The body's decisions are taken by absolute majority, with no casting vote. At the General Meeting held in April 2023, the members appointed by the shareholders were elected, with mandate until the 2025's General Meeting, with the position of independent member not being temporarily filled, which will be filled in due course.

banco BV