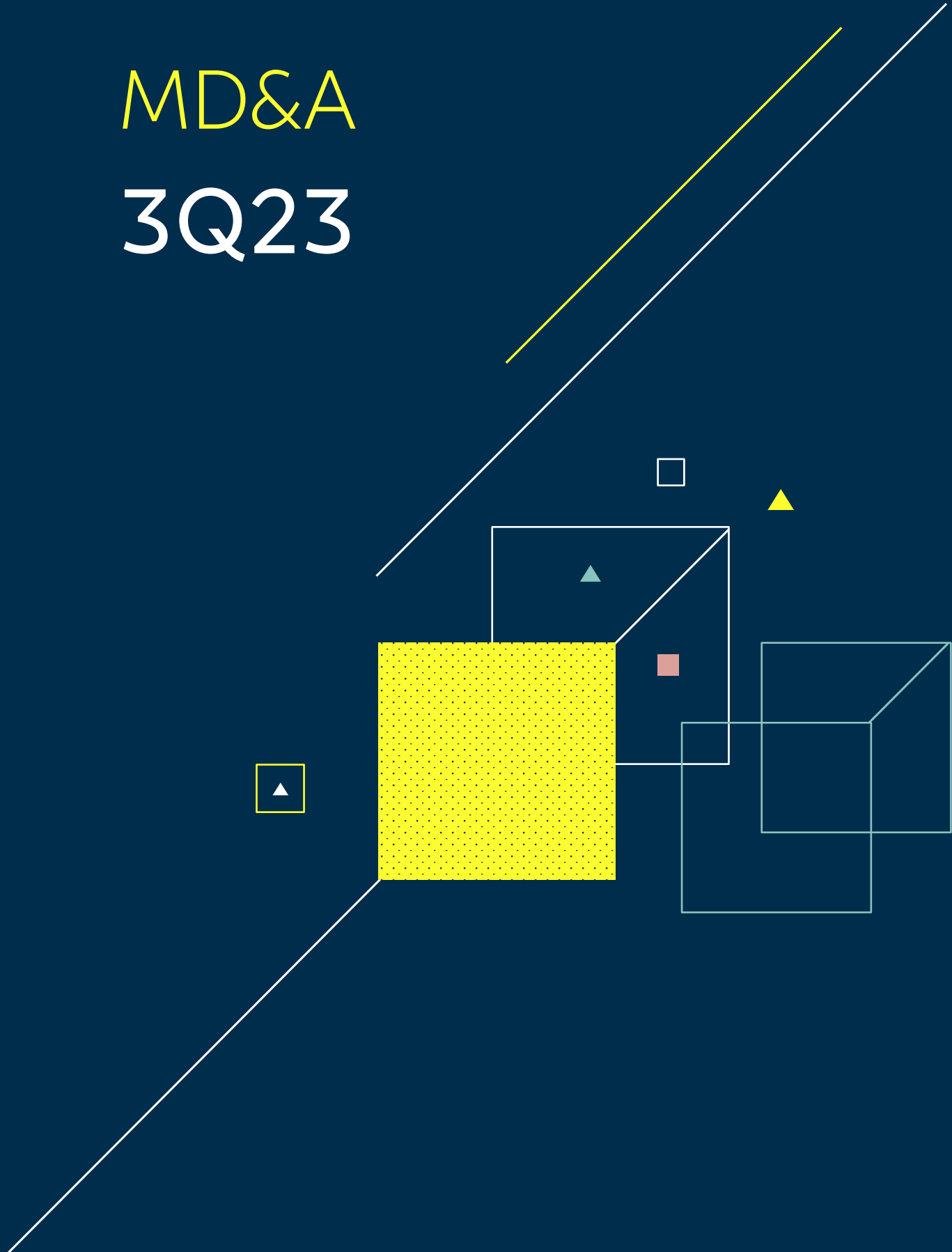


MD&A

3Q23



## ■ PRESENTATION

The Management Discussion and Analysis – MD&A presents the economic and financial status of BB Seguridade Participações S.A. (BB Seguridade). Directed to financial analysts, shareholders and investors, this quarterly report provides an analysis of economic and financial indicators of BB Seguridade, stocks' performance and other aspects considered relevant for the assessment of the company's achievements.

The consolidated financial statements were prepared in compliance with the International Financial Reporting Standards – IFRS.

On the other hand, the analysis provided on this report are based on the accounting standards adopted by insurance regulators in Brazil – Susep and ANS –, except when otherwise mentioned.

## ■ ON-LINE ACCESS

This MD&A is available at BB Seguridade's IR website, where additional information about the Company is also available such as: corporate structure, corporate governance, historical data, among other important information for shareholders and investors. The company's website can be accessed through [www.bbseguridaderi.com.br](http://www.bbseguridaderi.com.br).

This report makes references and statements about expectations, expected synergies, growth estimates, earnings forecasts and future strategies regarding BB Seguridade. Such statements are based on current expectations, estimates and projections of the Management about future events and financial trends that may affect the businesses that the company is involved in.

These forward looking statements are not guarantee of future performance and involve risks and uncertainties that could overextend the control of the management, and thus can result in balances and values different from those anticipated and discussed in this report. The expectations and projections depend on market conditions (technological changes, competitive constraints on products, prices, etc.), on the country's macroeconomic performance (interest and exchange rates, political and economic changes, inflation, changes in tax rules, etc.) and on international markets.

Future expectations based on this report should consider the risks and uncertainties that involve BB Seguridade's businesses. BB Seguridade has no responsibility to update any estimate contained either in this report or in previously published reports.

Tables and charts in this report show, in addition to the accounting balances, financial and managerial figures. The relative variation rates are calculated before the rounding procedure in R\$ million. The rounding method used follows the rules established by Resolution 886/66 of IBGE's Foundation: if the decimal number is equal or greater than 0.5, it increases by one unit, if the decimal number is less than 0.5, there is no increase.

## 3Q23 Earnings Conference Call

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**November 6<sup>th</sup>, 2023**

Portuguese with simultaneous translation into English

Time: 11:00 AM (Brasilia time)  
09:00 AM (EST)

Livestream via ZOOM platform

To register for the event and receive the connection information, access [Zoom id](#) or the investor relations website [www.bbseguridaderi.com.br/en](http://www.bbseguridaderi.com.br/en)

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# 1. SUMMARY

## ■ NET INCOME ANALYSIS

The Brazilian Securities and Exchange Commission – CVM Rule No. 42/2021 made it mandatory for Brazilian Public-held companies the adoption of the principles of IFRS 17 standards for the recognition, measurement, presentation, and disclosure of insurance contracts as of January 1, 2023. Thus, since the 1Q23, the audited financial statements of BB Seguridade follows the new accounting standards of IFRS 17, particularly regarding the recognition of the equity investment balance and results arising from Brasilseg, Brasilprev and Brasil dental that operate insurance contracts within the new accounting standards.

On the other hand, the Brazilian insurance regulators, namely Superintendência de Seguros Privados – Susep and National Supplementary Health Insurance Agency – ANS, have not adopted the IFRS 17 for their sectors and, therefore, the insurance and health insurance companies shall comply with the former standard (IFRS 4), both for recognition, measurement, presentation, and disclosure of financial information, as well as for provisions, liquidity and capital management, including the regulatory capital, that weigh the shareholders' remuneration policies.

For the reason set forth herein, except when otherwise mentioned, the analysis on this report are based on managerial information prepared according to IFRS 4, which are not audited at the holding level. For information purposes, Chapter 6 of this document presents the audited financial statements in accordance with IFRS 17 of the holding co., Brasilseg and Brasilprev so that the stakeholders can get used to the new reporting models. This information does not rule out the need of reading the explanatory notes to the audited financial statements to understand the accounting practices and impacts on the transition and on the recognition of insurance contracts' income.

Finally, it should be noted that, due to operational issues, as of January 2023, the accounting recognition of the investment in Brasil dental will be carried out with a delay of one month. Thus, 3Q23 contains information related to June, July and August, immaterially impacting the comparison with 3Q22 earnings.

Table 1 – Income statement of the holding

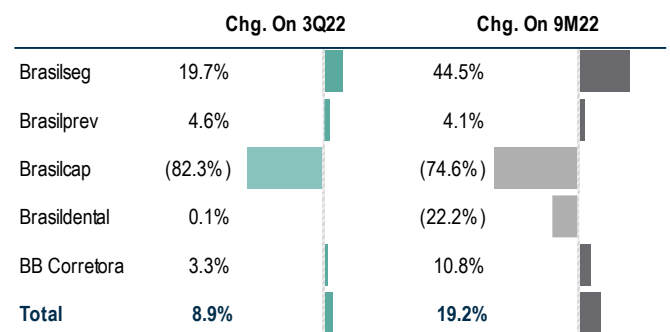
R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Equity income</b>	<b>1,648,550</b>	<b>1,835,739</b>	<b>2,038,548</b>	<b>23.7</b>	<b>11.0</b>	<b>4,235,022</b>	<b>5,637,978</b>	<b>33.1</b>
Underwriting and accumulation businesses	883,131	1,108,531	1,235,335	39.9	11.4	2,256,001	3,396,438	50.6
Brasilseg	636,121	724,236	786,181	23.6	8.6	1,445,518	2,189,033	51.4
Brasilprev	217,118	337,195	396,048	82.4	17.5	691,325	1,061,982	53.6
Brasilcap	25,002	42,358	48,667	94.7	14.9	103,241	132,880	28.7
Brasil dental	4,890	4,741	4,439	(9.2)	(6.4)	15,918	12,543	(21.2)
Distribution businesses	750,605	706,795	790,833	5.4	11.9	1,957,719	2,205,339	12.6
Other	14,814	20,413	12,380	(16.4)	(39.4)	21,302	36,200	69.9
<b>G&amp;A expenses</b>	<b>(5,542)</b>	<b>(5,592)</b>	<b>(5,943)</b>	<b>7.2</b>	<b>6.3</b>	<b>(17,433)</b>	<b>(20,478)</b>	<b>17.5</b>
<b>Net investment income</b>	<b>10,673</b>	<b>11,119</b>	<b>31,850</b>	<b>198.4</b>	<b>186.4</b>	<b>21,894</b>	<b>48,760</b>	<b>122.7</b>
<b>Earnings before taxes and profit sharing</b>	<b>1,653,681</b>	<b>1,841,267</b>	<b>2,064,454</b>	<b>24.8</b>	<b>12.1</b>	<b>4,239,484</b>	<b>5,666,260</b>	<b>33.7</b>
Taxes	(1,501)	(233)	(7,659)	410.2	-	(1,501)	(7,892)	425.7
<b>Net income</b>	<b>1,652,180</b>	<b>1,841,034</b>	<b>2,056,795</b>	<b>24.5</b>	<b>11.7</b>	<b>4,237,982</b>	<b>5,658,368</b>	<b>33.5</b>

In **3Q23**, BB Seguridade's **net income** amounted to R\$2.1 billion (+24.5% YoY). The key highlights contributing to the increment of R\$404.6 million in the results were as follows:

- **Brasilprev (+R\$178.9 million)**: sustained by the improvement in financial results, primarily explained by the reduction in the cost of liabilities linked to traditional plan reserves;
- **Brasilseg (+R\$150.1 million)**: driven by the growth in earned premiums and an increase in financial results;
- **BB Corretora (+R\$40.2 million)**: led by the growth in brokerage revenues and, to a lesser extent, the increase in financial results; and
- **Brasilcap (+R\$23.7 million)**: attributed to the growth in financial results, stemming from the expansion of the average balance of earning assets and an improvement in the interest margin.

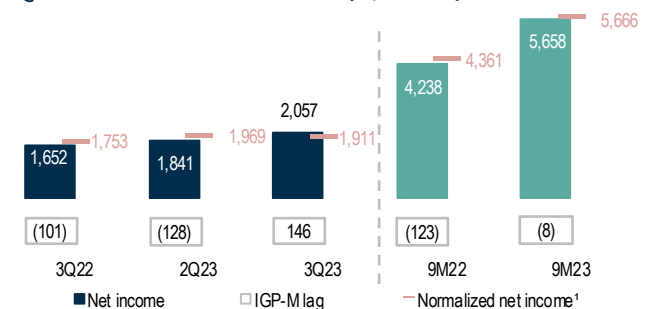
For the **9M23**, **net income** increased by R\$1.4 billion (+33.5%), reaching R\$5.7 billion. The most significant variations by business line were:

- **Brasilseg (+R\$743.5 million)**: supported by a decrease in loss ratio, the growth of earned premiums and an increase in financial results;
- **Brasilprev (+R\$370.7 million)**: driven by the reduction in the cost of liabilities linked to traditional plan reserves;
- **BB Corretora (+R\$247.6 million)**: due to an increase in brokerage revenues and an uptick in financial results; and
- **Brasilcap (+R\$29.6 million)**: sustained by the growth in financial results, with an expansion of the average balance of assets and an improvement in the interest margin.

Figure 1 – Non-interest operating results<sup>1</sup>

<sup>1</sup>Non-interest operating results before taxes, weighted by the equity stake

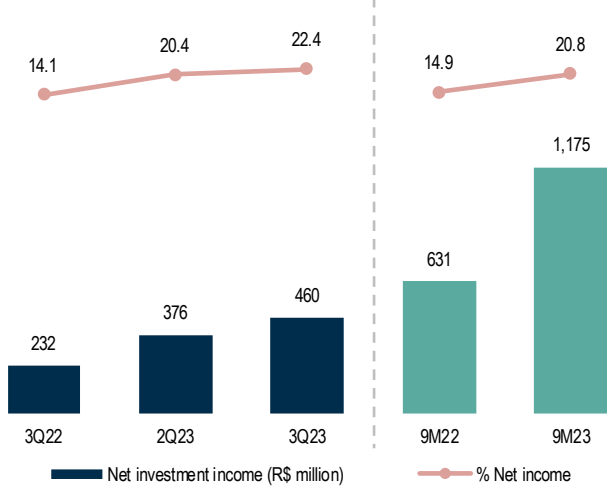
Figure 2 – Normalized net income (R\$ million)



1. Net income excluding the impacts of the one-month lag in the IGP-M accrual on liabilities.

## NET INVESTMENT INCOME ANALYSIS

Figure 3 – Consolidated net investment income



In **3Q23**, the combined net investment income of BB Seguridade and its investees reached R\$460.2 million (+98.0% YoY). The deflation of the IGP-M and the positive variation of the IPCA significantly contributed to the improvement of Brasilprev's financial result. This, combined with the expansion of the average balance of financial assets in other group companies, were the main factors responsible for the growth in net investment income compared to the same period last year.

In **9M23**, the combined financial result of the group's companies grew by 86.1% YoY. The performance is attributed to the same factors that drove the quarterly result, in addition to the rise in the Selic interest rate.

Figure 4 – Inflation rate (%)

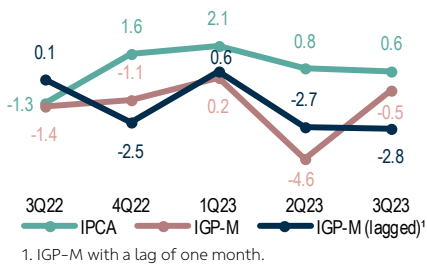


Figure 5 – Average Selic rate (%)

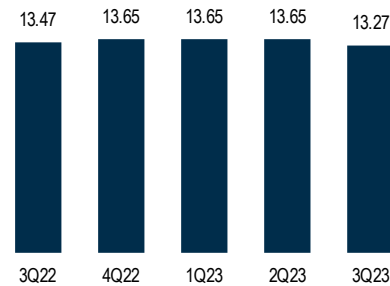


Figure 6 – Forward yield curve (%)

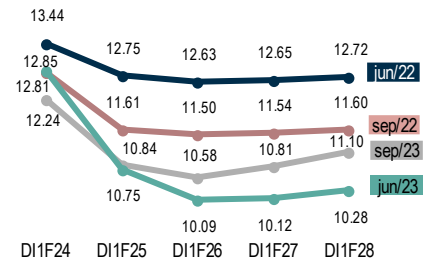


Figure 7 – Financial investments (%)

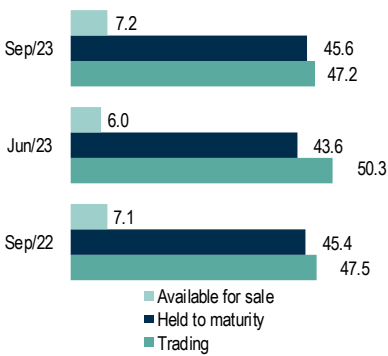


Figure 8 – Financial investments by index (%)

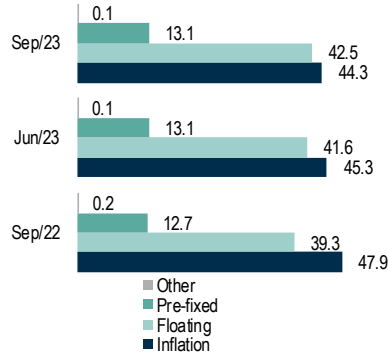
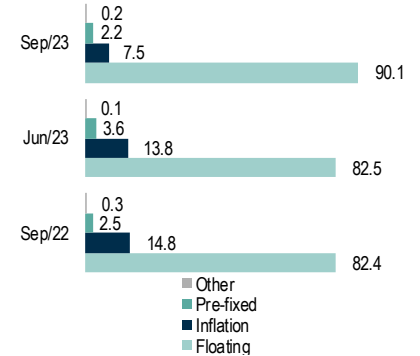


Figure 9 – Trading portfolio by index (%)



## ■ 2023 GUIDANCE

In **9M23**, the **non-interest operating result (ex-holdings)** grew by 19.2% compared to 9M22, surpassing the annual growth range of the guidance. Meanwhile, **Brasilseg's premiums written** and the **pension reserves - PGBL and VGBL** - performed in line with the estimated ranges.

The deviation in the variation of the non-interest operating result (ex-holdings) was already expected in 9M23 due to the high concentration of retained rural insurance claims at the beginning of 2022, with an expectation of convergence to the estimated range in the last quarter of the year.

It's important to note that all comparisons are being made based on the accounting standards adopted by the Superintendência de Seguros Privados - Susep and the Agência Nacional de Saúde Suplementar - ANS, which do not consider the effects of the new accounting standard IFRS 17, in effect from January/2023.

Figure 10 – 2023 estimates

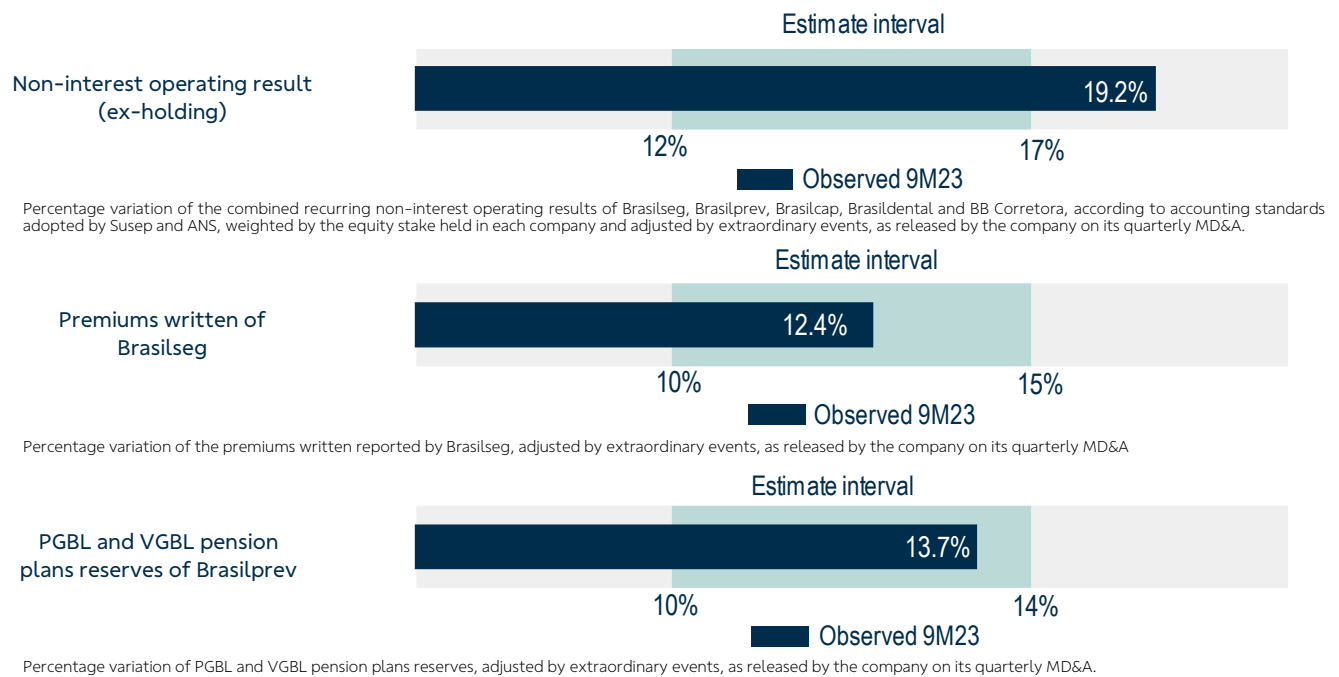


Table 2 – Breakdown of the managerial non-interest operating result by company

R\$ thousand	9 Months Flow		Chg. %
	9M22	9M23	On 9M22
<b>Non-interest operating result</b>	<b>5,539,715</b>	<b>6,603,304</b>	<b>19.2</b>
Brasilseg	1,667,998	2,409,986	44.5
Brasilprev	1,116,156	1,161,592	4.1
Brasilcap	15,671	3,979	(74.6)
Brasildental	21,692	16,877	(22.2)
BB Corretora	2,718,198	3,010,870	10.8

## SUMMARY OF INVESTEE'S PERFORMANCES

Brasilseg | Insurance (for further details, please refer to the page 23)

Table 3 – Summarized income statement

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
Premiums written	5,022,255	3,942,284	5,432,673	8.2	37.8	11,646,161	13,094,813	12.4
Changes in technical reserves and premiums ceded	(2,219,530)	(815,812)	(2,184,880)	(1.6)	167.8	(3,810,389)	(3,674,992)	(3.6)
<b>Retained earned premiums</b>	<b>2,802,725</b>	<b>3,126,472</b>	<b>3,247,793</b>	<b>15.9</b>	<b>3.9</b>	<b>7,835,772</b>	<b>9,419,821</b>	<b>20.2</b>
Retained claims	(747,624)	(880,113)	(868,424)	16.2	(1.3)	(2,561,304)	(2,639,355)	3.0
Retained acquisition costs	(818,880)	(867,619)	(894,853)	9.3	3.1	(2,265,693)	(2,592,336)	14.4
G&A	(272,308)	(334,063)	(326,672)	20.0	(2.2)	(784,774)	(967,113)	23.2
Other	(7)	(1,496)	(3,938)	-	163.3	294	(7,273)	-
<b>Non-interest operating result</b>	<b>963,907</b>	<b>1,043,181</b>	<b>1,153,906</b>	<b>19.7</b>	<b>10.6</b>	<b>2,224,294</b>	<b>3,213,743</b>	<b>44.5</b>
Net investment income	218,882	218,746	262,994	20.2	20.2	532,114	704,745	32.4
<b>Earnings before taxes and profit sharing</b>	<b>1,182,789</b>	<b>1,261,927</b>	<b>1,416,900</b>	<b>19.8</b>	<b>12.3</b>	<b>2,756,409</b>	<b>3,918,488</b>	<b>42.2</b>
Taxes and profit sharing	(329,605)	(291,012)	(363,383)	10.2	24.9	(814,066)	(983,977)	20.9
<b>Net income</b>	<b>853,184</b>	<b>970,915</b>	<b>1,053,517</b>	<b>23.5</b>	<b>8.5</b>	<b>1,942,343</b>	<b>2,934,511</b>	<b>51.1</b>

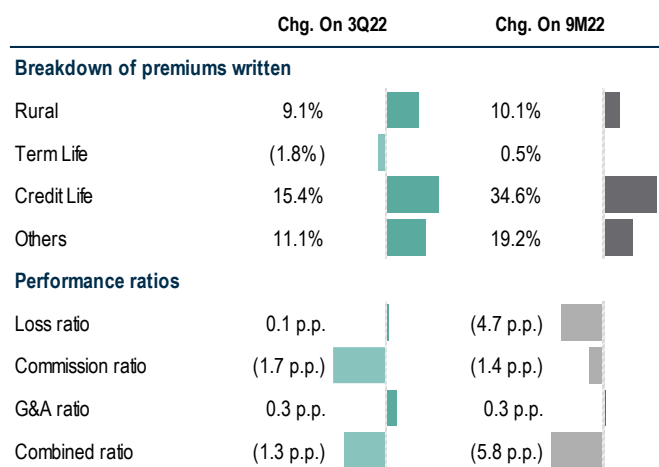
In **3Q23**, the **net income** of the insurance operation increased by 23.5% YoY, driven by the growth of **retained earned premiums** (+15.9%) and the evolution of the **net investment income** (+20.2%), due to the expansion of both the balance and the average return of investments.

**Premiums written** grew by 8.2% compared to 3Q22 (+37.8% QoQ), a dynamic led by the strong growth of **credit life for farmers** insurance (+45.0% YoY | +97.9% QoQ), driven by the increase in the average insured amount, and the good commercial performance of **credit life insurance** (+15.4% YoY | +20.3% QoQ), with increased credit penetration and reduced cancellations.

The **G&A ratio** increased by 0.3 p.p. YoY, influenced by the rise in other operating expenses, more concentrated in endomarketing and impairment losses.

**Year-to-date, net income** grew by 51.1% YoY, the result of a reduction in the **loss ratio** (-4.7 p.p.), the growth of **retained earned premiums** (+20.2%), and a higher **net investment income** (+32.4%).

Figure 11 – Key performance indicators





## Brasilprev | Pension plans (for further details, see page 44)

Table 4 – Summarized income statement

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Total revenue from pension and insurance</b>	<b>15,144,470</b>	<b>12,278,542</b>	<b>16,466,696</b>	<b>8.7</b>	<b>34.1</b>	<b>39,855,359</b>	<b>43,534,386</b>	<b>9.2</b>
Provision for benefits to be granted	(15,139,216)	(12,273,659)	(16,461,979)	8.7	34.1	(39,839,746)	(43,519,725)	9.2
<b>Net revenue from pension and insurance</b>	<b>5,254</b>	<b>4,883</b>	<b>4,717</b>	<b>(10.2)</b>	<b>(3.4)</b>	<b>15,613</b>	<b>14,661</b>	<b>(6.1)</b>
Management fee	836,248	830,012	893,318	6.8	7.6	2,436,283	2,561,871	5.2
Acquisition costs	(178,283)	(184,971)	(186,259)	4.5	0.7	(521,224)	(554,330)	6.4
Retained earned premiums	49,788	54,240	43,488	(12.7)	(19.8)	143,252	117,528	(18.0)
G&A	(171,725)	(177,913)	(191,103)	11.3	7.4	(505,344)	(527,348)	4.4
Other	(11,572)	(19,909)	(9,918)	(14.3)	(50.2)	(80,173)	(63,387)	(20.9)
<b>Non-interest operating result</b>	<b>529,709</b>	<b>506,342</b>	<b>554,243</b>	<b>4.6</b>	<b>9.5</b>	<b>1,488,406</b>	<b>1,548,995</b>	<b>4.1</b>
Net investment income	(34,835)	223,399	296,547	-	32.7	69,309	766,538	-
<b>Earnings before taxes and profit sharing</b>	<b>494,874</b>	<b>729,741</b>	<b>850,790</b>	<b>71.9</b>	<b>16.6</b>	<b>1,557,715</b>	<b>2,315,533</b>	<b>48.6</b>
Taxes and profit sharing	(205,365)	(291,418)	(323,186)	57.4	10.9	(635,888)	(911,259)	43.3
<b>Net income</b>	<b>289,509</b>	<b>438,323</b>	<b>527,604</b>	<b>82.2</b>	<b>20.4</b>	<b>921,827</b>	<b>1,404,273</b>	<b>52.3</b>

In **3Q23**, the **net income** of the pension operation grew 82.2% higher YoY, to R\$527.6 million, driven by the improvement in the **net investment income**. The deflation of the IGP-M, which significantly reduced the cost of the liabilities linked to traditional plans, was the main factor responsible for this growth, even though the negative impact of the mark-to-market related to the steepening forward yield curve, which amounted to -R\$73.5 million, partially offset the improvement.

The **non-interest operating result** grew by 4.6%, a consequence of a 6.8% increase in management fee revenues, driven by the expansion of 12.7% in **pension reserves** over the last 12 months. On the other hand, the **annualized average management fee rate** contracted by 0.04 p.p., influenced by a higher flow of investments directed towards more conservative products, leading to a lower share of multimarket funds in the total reserves, with 23.2% at the end of September 2023 (-5.0 p.p. on Sep/22 | -1.3 p.p. on Jun/23).

**Pension contributions** grew by 8.7% compared to 3Q22, totaling R\$16.5 billion, the highest quarterly volume in the historical series. The evolution of contributions, coupled with the sequential improvement in **redemption** (-2.4 p.p. YoY | -1.3 p.p. QoQ) and **portability** (-1.5 p.p. YoY | -0.2 p.p. QoQ) ratios, led to a **net inflow** of R\$5.1 billion, nearly three times higher than reported in the same period of 2022.

**Year-to-date, net income** grew by 52.3%, driven by the significantly higher net investment income as compared to the same period last year, reflecting the lower cost of liabilities, as mentioned in the quarterly analysis.

The **net inflow** accumulated until September 2023 was R\$7.3 billion, more than seven times higher the 9M22, driven by the increase in **contributions** (+9.2%), a reduction in the **redemption ratio** (-1.0 p.p.), and a decrease in the **portability ratio** (-1.2 p.p.).

Figure 12 – Key performance indicators

	3Q23	Chg. On 3Q22	9M23	Chg. On 9M22
Net inflows (R\$ billion)	5,107	187.8%	7,306	611.9%
Reserves (R\$ billion)	379	12.7%	-	-
Management fee (%)	0.95	(0.04 p.p.)	0.95	(0.05 p.p.)
Redemption ratio (%)	9.5	(2.4 p.p.)	10.7	(1.0 p.p.)
Portability ratio (%)	1.0	(1.5 p.p.)	1.2	(1.2 p.p.)
Cost to income ratio (%)	41.1	0.6 p.p.	42.5	(0.1 p.p.)

Year-to-date, **management fee revenues** grew by 5.2%, helped by the increase in the reserve balance, which more than offset the 0.05 p.p. reduction in the average management fee rate, explained by the lower representation of multimarket funds in the total assets under management, as mentioned in the quarterly analysis.

## Brasilcap | Premium Bonds (for further details, see page 57)

Table 5 - Summarized income statement

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Premium bonds collection</b>	<b>1,615,265</b>	<b>1,638,676</b>	<b>1,648,071</b>	<b>2.0</b>	<b>0.6</b>	<b>4,206,108</b>	<b>4,715,855</b>	<b>12.1</b>
Changes in provisions for redemption, lottery and bonus	(1,447,294)	(1,482,827)	(1,496,940)	3.4	1.0	(3,765,831)	(4,257,483)	13.1
<b>Revenue with load fee</b>	<b>167,970</b>	<b>155,849</b>	<b>151,131</b>	<b>(10.0)</b>	<b>(3.0)</b>	<b>440,277</b>	<b>458,373</b>	<b>4.1</b>
Result with lottery	2,326	11,128	19,012	-	70.9	15,820	36,548	131.0
Acquisition costs	(139,662)	(146,749)	(141,537)	1.3	(3.6)	(363,824)	(412,301)	13.3
G&A	(26,081)	(24,617)	(28,022)	7.4	13.8	(67,762)	(76,521)	12.9
Other	(974)	(556)	49	-	-	(1,004)	(140)	(86.1)
<b>Non-interest operating result</b>	<b>3,580</b>	<b>(4,945)</b>	<b>633</b>	<b>(82.3)</b>	<b>-</b>	<b>23,507</b>	<b>5,959</b>	<b>(74.6)</b>
Net investment income	62,600	110,756	124,462	98.8	12.4	240,121	330,261	37.5
<b>Earnings before taxes and profit sharing</b>	<b>66,179</b>	<b>105,811</b>	<b>125,095</b>	<b>89.0</b>	<b>18.2</b>	<b>263,628</b>	<b>336,221</b>	<b>27.5</b>
Taxes and profit sharing	(28,671)	(42,369)	(52,205)	82.1	23.2	(108,750)	(137,201)	26.2
<b>Net income</b>	<b>37,508</b>	<b>63,442</b>	<b>72,890</b>	<b>94.3</b>	<b>14.9</b>	<b>154,878</b>	<b>199,019</b>	<b>28.5</b>

In **3Q23**, the **net income** from the premium bonds operation was up 94.3% YoY, reaching R\$72.9 million. This performance is attributed to the nearly two-fold increase in the **net investment income**, with the expansion of the average balance of interest earning assets and an increase in the net interest margin (+1.6 p.p.).

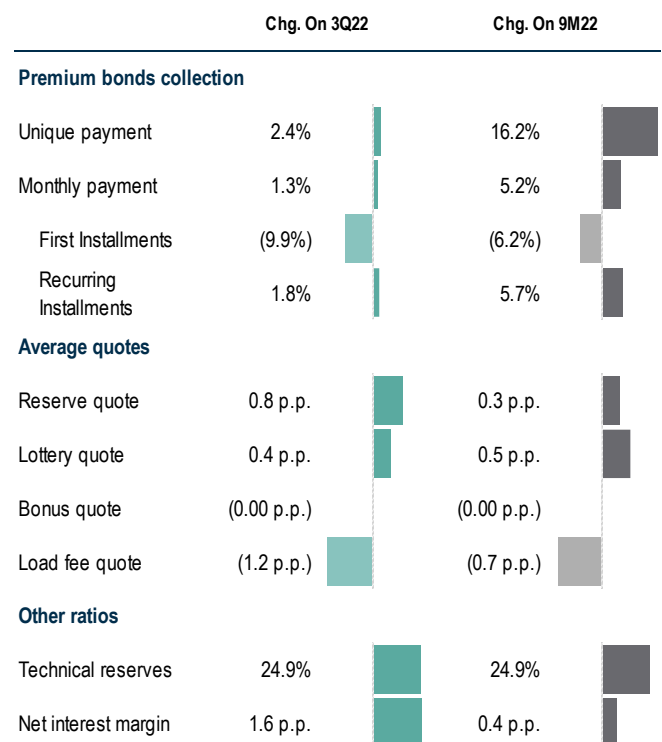
**Premium bonds collection** increased 2.0%, driven by the higher number of single-payment bonds sold. However, the **revenue with load fee** decreased by 10.0%, impacted by the higher share of single-payment bonds with shorter terms (12 and 24 months) in the total collection, as these products have lower load fees compared to the longer-term ones.

**Year-to-date**, the **net income** amounted to R\$199.0 million, 28.5% higher than reported in the same period of 2022. The performance was sustained by the growth of the **net investment income** (+37.5%), due to the expansion of the average balance of interest earning assets and an increase of 0.4 p.p. in the net interest margin.

The **premium bonds collection** increased 12.1%, driven by the expansion in the quantity of single-payment bonds sold (+92.3%) and the growth of the monthly payment bonds base, generating a higher level of recurrence in 9M23.

On the other hand, the **revenue with load fee** grew at a slower pace (+4.1%), reflecting the 0.7 p.p. reduction in the average load fee quote, which is justified by the higher share of single-payment bonds with shorter terms, as mentioned in the quarterly analysis.

Figure 13 – Key performance indicators



## BB Corretora | Brokerage (for further details, see page 74)

Table 6 - Summarized income statement

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Brokerage revenues</b>	<b>1,251,990</b>	<b>1,193,255</b>	<b>1,295,340</b>	<b>3.5</b>	<b>8.6</b>	<b>3,330,551</b>	<b>3,695,772</b>	<b>11.0</b>
G&A	(226,305)	(230,794)	(238,211)	5.3	3.2	(611,535)	(687,291)	12.4
Equity income	(615)	1,050	1,302	-	24.1	(819)	2,390	-
<b>Earnings before interest and taxes</b>	<b>1,025,071</b>	<b>963,511</b>	<b>1,058,432</b>	<b>3.3</b>	<b>9.9</b>	<b>2,718,198</b>	<b>3,010,870</b>	<b>10.8</b>
Net investment income	111,015	106,366	130,435	17.5	22.6	249,295	320,138	28.4
<b>Earnings before taxes</b>	<b>1,136,086</b>	<b>1,069,877</b>	<b>1,188,867</b>	<b>4.6</b>	<b>11.1</b>	<b>2,967,493</b>	<b>3,331,008</b>	<b>12.2</b>
Taxes	(385,481)	(363,081)	(398,034)	3.3	9.6	(1,009,774)	(1,125,669)	11.5
<b>Net income</b>	<b>750,605</b>	<b>706,795</b>	<b>790,833</b>	<b>5.4</b>	<b>11.9</b>	<b>1,957,719</b>	<b>2,205,339</b>	<b>12.6</b>

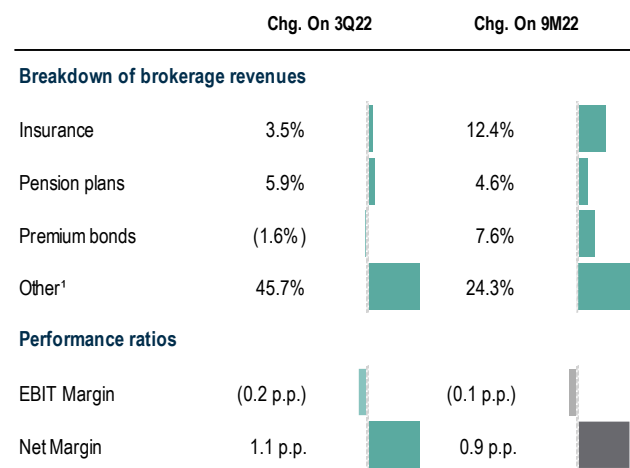
In **3Q23**, BB Corretora's **net income** increased by 5.4% YoY.

**Brokerage revenues** grew by 3.5%, primarily driven by strong commercial performance and the recognition of deferred commissions from insurance, especially in the rural and credit life segments. The pension operation also contributed to the expansion of brokerage revenues, with a 5.9% increase in commissions generated by pension plan's inflow. On the other hand, brokerage revenues from the sale of premium bonds decreased by 1.6%, even though the collection increased 2.0%. This behavior is explained by the higher concentration of short-term single-payment bonds (12 and 24 months) that pay lower commissions compared to longer-term bonds.

The **EBIT margin** decreased by 0.2 p.p., considering the higher expenses related to sponsorships and incentivized donations, as well as the provisioning for civil lawsuits contingencies, both impacting the line of other operating revenues and expenses.

**Year-to-date, net income** grew by 12.6%, a result of the increase in brokerage revenues (+11.0%), driven by sales growth in the main business lines, and the rise in the **net investment income** (+28.4%), justified by the higher average Selic interest rate.

Figure 14 – Key performance indicators



<sup>1</sup> Include dental plans and other revenues.

## ■ OTHER INFORMATION

Table 7 – Market share and ranking<sup>1</sup>

	Unit	Quarterly Flow			9 Months Flow	
		3Q22	2Q23	3Q23	9M22	9M23
<b>Life<sup>2</sup></b>						
Premiums written	R\$ thousand	960,957	925,059	943,848	2,706,311	2,718,837
Market-share	%	12.6	11.9	11.9	12.5	11.7
Ranking		1°	1°	1°	1°	1°
<b>Credit life</b>						
Premiums written	R\$ thousand	815,110	782,090	940,532	1,844,872	2,483,689
Market-share	%	17.4	19.3	21.8	14.7	19.4
Ranking		1°	1°	1°	2°	1°
<b>Mortgage life</b>						
Premiums written	R\$ thousand	74,878	79,178	79,898	221,407	235,968
Market-share	%	5.1	5.0	5.0	5.2	5.0
Ranking		6°	6°	6°	6°	6°
<b>Rural</b>						
Premiums written	R\$ thousand	2,899,839	1,871,650	3,163,335	6,176,963	6,797,823
Market-share	%	59.0	59.0	66.2	58.1	60.6
Ranking		1°	1°	1°	1°	1°
<b>Home</b>						
Premiums written	R\$ thousand	103,776	93,802	109,762	282,769	297,858
Market-share	%	7.6	7.0	7.4	7.7	7.2
Ranking		4°	6°	5°	5°	6°
<b>Commercial lines</b>						
Premiums written	R\$ thousand	165,078	183,804	190,298	404,639	546,350
Market-share	%	5.2	5.3	5.0	4.5	5.3
Ranking		5°	6°	5°	7°	5°
<b>Pension Plans</b>						
Technical reserves	R\$ thousand	336,261,334	365,830,270	379,019,363	-	-
Market-share	%	28.5	28.4	28.4	-	-
Ranking		1°	1°	1°	-	-
<b>Contributions</b>	R\$ thousand	15,144,470	12,278,542	16,466,696	39,855,359	43,534,386
Market-share	%	36.4	32.8	35.9	34.5	35.7
Ranking		1°	1°	1°	1°	1°
<b>Premium Bonds</b>						
Reserves	R\$ thousand	8,881,806	10,667,461	11,091,503	-	-
Market-share	%	24.8	27.4	28.2	-	-
Ranking		2°	1°	1°	-	-
Collections	R\$ thousand	1,615,265	1,638,676	1,648,071	4,206,108	4,715,855
Market-share	%	21.6	22.3	21.3	20.0	21.3
Ranking		2°	1°	1°	2°	1°

1. Source: Susep – data as of August/2023.

2. Market share considering only premiums written for risk coverage, excluding premiums for accumulation components (dotal and life insurance).

Table 8 – Stocks | Breakdown of the shareholders' base

	Shareholders	Shares	Participation
Banco do Brasil	1	1,325,000,000	66.3%
Treasury Stocks	1	9,076,032	0.5%
Free Float	443,179	665,923,968	33.3%
Foreign investors	947	424,961,495	21.2%
Companies	3,744	81,177,229	4.1%
Individuals	438,488	159,785,244	8.0%
<b>Total</b>	<b>443,181</b>	<b>2,000,000,000</b>	<b>100.0%</b>

Table 9 – Stocks | Performance

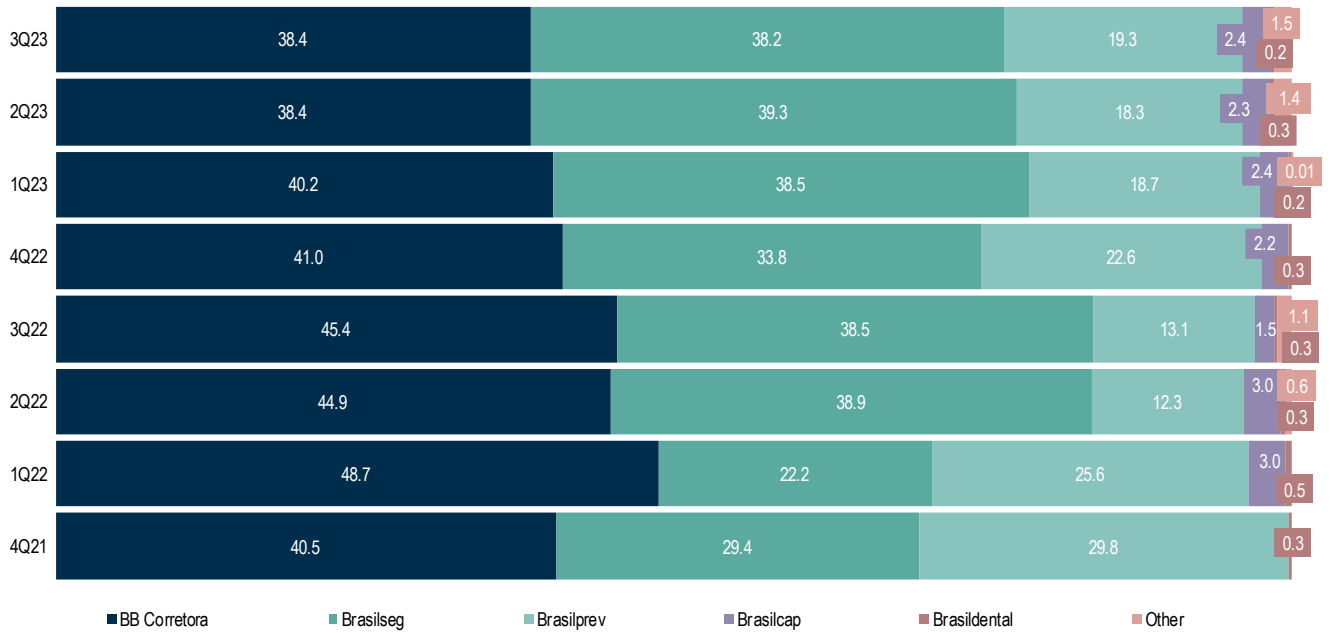
	Unit	Quarterly Flow				
		3Q22	4Q22	1Q23	2Q23	3Q23
<b>Stock's performance</b>						
Earnings per share	R\$	0.83	0.90	0.88	0.92	1.03
Dividends per share	R\$	1.03	-	1.84	-	1.61
Equity per share	R\$	4.73	3.80	4.69	4.03	3.78
Closing price	R\$	26.57	33.71	32.51	30.77	31.21
Annualized dividend yield <sup>1</sup>	%	8.39	7.16	9.89	10.12	11.92
Market capitalization	R\$ million	53,140	67,420	65,020	61,540	62,420
<b>Ratios</b>						
P/E (12 month trailing)	x	9.72	11.15	9.81	8.72	8.36
P/BV	x	5.62	8.88	6.93	7.63	8.25
<b>Business data</b>						
Number of trades carried out		1,137,379	1,474,019	1,296,891	1,242,152	920,454
Average daily volume traded	R\$ million	153	212	203	203	154
Average daily volume traded - B3	R\$ million	22,563	26,927	20,956	22,584	19,741
Share on B3's average volume	%	0.68	0.79	0.97	0.90	0.78

1. Dividend yield calculated considering the dividends reported in the last 12 months divided by the average stock price in the same period.

## 2. EARNINGS ANALYSIS

### ■ EARNINGS BREAKDOWN

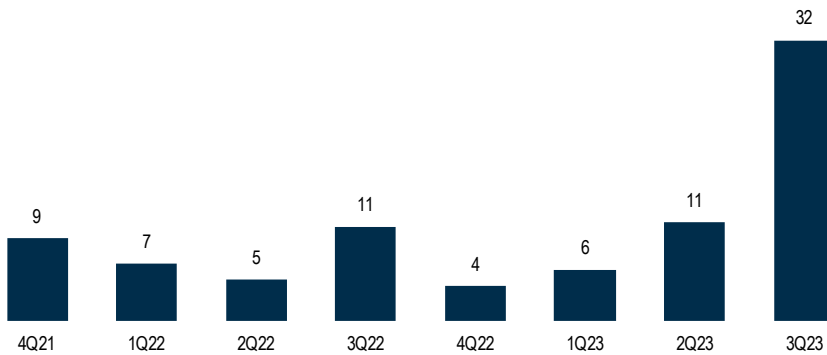
Figure 15 – Earnings Analysis | Breakdown<sup>1</sup> (%)



1. Does not consider the individual results from BB Seguridade and BB Seguros holdings and, when negative, the affiliates.

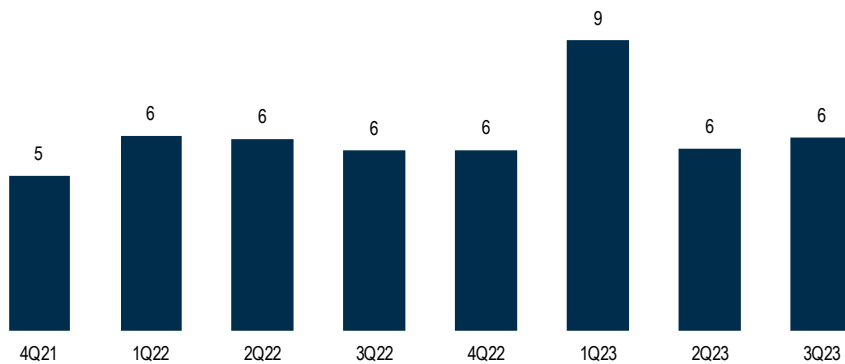
### ■ NET INVESTMENT INCOME OF THE HOLDING COMPANY

Figure 16 – Earnings Analysis | Net investment income (R\$ million)



## ■ GENERAL AND ADMINISTRATIVE EXPENSES OF THE HOLDING COMPANY

Figure 17 – Earnings Analysis | General and Administrative expenses (R\$ million)



### QUARTERLY ANALYSIS

In **3Q23**, the general and administrative expenses of the holding increased by R\$401 thousand (+7.2%) compared to the same period in 2022. The increment is mainly due to:

- higher tax expenses, a consequence of the increase in the holding's financial revenues due to the expansion of the average balance of investments; and
- an increase in administrative expenses, primarily driven by the significant rise in the "other administrative expenses" line, considering the costs related to brokerage and fees generated in the execution of the share buyback program launched in August/2023, as well as higher expenses for specialized technical services and business travel.

On the other hand, personnel expenses decreased by 21.7%, following the revision of cost sharing percentages between the holdings and BB Corretora, offsetting some of the effects mentioned above.

The consolidated expenses of the holdings and BB Corretora were R\$8.9 million higher YoY (+20.3%). The increase in the comparison is largely explained by:

- growth in administrative expenses, with a higher volume of donations and incentivized sponsorships at BB Corretora, as well as the growth in expenses related to data processing and sales;
- a higher volume of provisions for civil lawsuits, impacting the line of other operating expenses;
- the growth of personnel expenses, attributed to the collective bargaining agreement and the expansion of the headcount; and
- higher expenses related to taxes on financial revenues, driven by the expansion of the average investment balance (+22.6%).

Some of the effects mentioned above were offset by the end of the provisioning at BB Seguros for the adjustment of the prices paid by MAPFRE to buy Braslveículos due to the non-achievement of the sales targets in auto insurance in the bancassurance channel, after reviewing the agreement in December/2022. This expense had negatively impacted the 3Q22 by R\$6.9 million.

### YEAR-TO-DATE ANALYSIS

In **9M23**, the general and administrative expenses of the holding were R\$3.0 million higher YoY. This movement is largely explained by:

- higher tax expenses on financial revenues, in line with the increase in the taxable income; and
- an increase in administrative expenses primarily due to the following factors: the higher annual fee of the stock exchange for maintaining the listing of company's shares, costs related to brokerage and fees generated in the execution of the company's share buyback program, and increased expenses for specialized technical services and business travel.

Year-to-date the consolidated expenses of the group increased by R\$30.3 million. The variation on 9M22 is mainly justified by:

- higher administrative expenses due to increased spending on incentivized donations, campaigns for the sales force and data processing;
- an increase in tax expenses on financial revenues, in line with the growth in the taxable income, driven by the expansion of the average investment balance and the rise in the Selic rate; and
- a growth in personnel expenses for the same reasons mentioned in the quarterly analysis.

On the other hand, part of these effects was offset by the end of the provisioning at BB Seguros for the adjustment of the prices paid by MAPFRE for Brasilveículos acquisition, which had negatively impacted the expenses of 9M22 by R\$19.5 million.

Table 10 – Earnings Analysis | General and administrative expenses

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Administrative expenses</b>	<b>(1,007)</b>	<b>(1,652)</b>	<b>(1,173)</b>	<b>16.5</b>	<b>(29.0)</b>	<b>(3,901)</b>	<b>(4,009)</b>	<b>2.8</b>
Specialized technical services	(168)	(428)	(209)	24.2	(51.3)	(518)	(695)	34.3
Location and operation	(274)	(275)	(243)	(11.3)	(11.6)	(901)	(839)	(7.0)
Communication	(11)	(18)	(13)	23.9	(28.4)	(560)	(44)	(92.1)
Other administrative expenses	(554)	(931)	(708)	27.9	(23.9)	(1,922)	(2,431)	26.5
<b>Personnel expenses</b>	<b>(3,810)</b>	<b>(3,207)</b>	<b>(2,985)</b>	<b>(21.7)</b>	<b>(6.9)</b>	<b>(10,727)</b>	<b>(9,832)</b>	<b>(8.3)</b>
Compensation	(1,955)	(1,736)	(1,578)	(19.3)	(9.1)	(5,574)	(5,187)	(6.9)
Welfare benefits	(1,097)	(957)	(879)	(19.9)	(8.1)	(3,072)	(2,973)	(3.2)
Other compensation	(372)	(236)	(239)	(35.8)	1.2	(1,098)	(776)	(29.3)
Benefits	(385)	(278)	(290)	(24.9)	4.0	(984)	(896)	(9.0)
<b>Tax expenses</b>	<b>(684)</b>	<b>(625)</b>	<b>(1,614)</b>	<b>136.0</b>	<b>158.1</b>	<b>(2,616)</b>	<b>(6,320)</b>	<b>141.6</b>
COFINS	(550)	(459)	(1,370)	149.0	198.2	(2,122)	(5,315)	150.5
PIS/Pasep	(106)	(75)	(233)	119.5	211.7	(371)	(886)	139.0
IOF	(23)	(1)	(10)	(57.0)	-	(29)	(13)	(55.0)
Other	(5)	(90)	(2)	(64.1)	(97.9)	(94)	(106)	13.1
<b>Other operating income (expenses)</b>	<b>(41)</b>	<b>(107)</b>	<b>(170)</b>	<b>315.4</b>	<b>58.7</b>	<b>(190)</b>	<b>(317)</b>	<b>67.5</b>
<b>G&amp;A expenses</b>	<b>(5,542)</b>	<b>(5,592)</b>	<b>(5,943)</b>	<b>7.2</b>	<b>6.3</b>	<b>(17,433)</b>	<b>(20,478)</b>	<b>17.5</b>



### 3. BALANCE SHEET ANALYSIS

Table 11 – Balance Sheet Analysis | Balance sheet

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Assets</b>	<b>9,471,723</b>	<b>11,284,556</b>	<b>9,949,026</b>	<b>5.0</b>	<b>(11.8)</b>
Cash and cash equivalents	59,078	1,050,803	386,940	-	(63.2)
Financial assets marked to market	17,707	17,732	18,841	6.4	6.3
Investments	9,290,015	7,862,602	9,415,430	1.4	19.7
Current tax assets	87,486	109,230	112,485	28.6	3.0
Deferred tax assets	10	48	91	-	89.6
Dividends receivable	-	2,228,680	-	-	-
Other assets	12,795	11,653	11,592	(9.4)	(0.5)
Intangible	4,632	3,808	3,647	(21.3)	(4.2)
<b>Liabilities</b>	<b>10,832</b>	<b>3,220,982</b>	<b>37,425</b>	<b>245.5</b>	<b>(98.8)</b>
Provision for fiscal, civil and tax contingencies	28	142	268	-	88.7
Statutory obligation	307	3,210,299	287	(6.4)	(100.0)
Current tax liabilities	538	37	1,125	109.0	-
Other liabilities	9,959	10,504	35,745	258.9	240.3
<b>Shareholders' equity</b>	<b>9,460,891</b>	<b>8,063,574</b>	<b>9,911,601</b>	<b>4.8</b>	<b>22.9</b>
Capital	6,269,692	6,269,692	6,269,692	(0.0)	-
Reserves	1,251,571	1,554,030	1,554,034	24.2	0.0
Treasury shares	(80,344)	(79,758)	(261,432)	225.4	227.8
Other accumulated comprehensive income	(149,392)	(71,939)	(99,057)	(33.7)	37.7
Retained earnings	2,169,364	391,549	2,448,364	12.9	-

## ■ INVESTMENTS

Table 12 – Balance Sheet Analysis | Direct investments

R\$ thousand	Activity	Accounting treatment	Total ownership (%)	Investment balance		
			Sep/23	Sep/22	Jun/23	Sep/23
<b>Insurance, Pension Plans and Premium Bonds</b>						
BB Seguros Participações	Holding	(1)	100.0	8,532,710	7,856,512	8,618,644
<b>Insurance Brokerage</b>						
BB Corretora de Seguros e Adm. de Bens	Insurance Broker	(1)	100.0	757,305	6,090	796,785

Note: (1) Controlled companies, fully consolidated.

Table 13 – Balance Sheet Analysis | BB Seguros Participações' investments

R\$ thousand	Activity	Accounting treatment	Total ownership (%)	Investment balance		
			Sep/23	Sep/22	Jun/23	Sep/23
<b>Insurance</b>						
<b>Brasilseg</b>	Holding	(1)	74.99	2,382,446	2,661,979	2,836,234
Brasilseg Companhia de Seguros	Insurance					
Aliança do Brasil Seguros	Insurance					
<b>Pension Plans</b>						
<b>Brasilprev</b>	Insurance/ Pension Plans	(1)	74.99	4,317,876	4,816,047	4,607,992
<b>Health</b>						
<b>Brasildental</b>	Health	(1)	74.99	18,297	16,809	15,248
<b>Premium Bonds</b>						
<b>Brasilcap</b>	Premium Bonds	(1)	66.77	538,010	554,499	567,480

Note: (1) Affiliated companies, booked by the equity method.

Table 14 – Balance Sheet Analysis | BB Corretora's investments

R\$ thousand	Activity	Accounting treatment	Total ownership (%)	Investment balance		
			Sep/23	Sep/22	Jun/23	Sep/23
<b>Insurance brokerage</b>						
<b>Ciclic</b>	Digital Broker	(1)	74.99	1,722	2,346	3,510

Note: (1) Affiliated company, booked by the equity method.

## ■ SHAREHOLDER'S EQUITY

Table 15 – Balance Sheet Analysis | Statement of changes in equity

R\$ thousand	Capital	Capital Reserve	Legal and statutory reserve	Treasury stock	Retained earnings (losses)	Accumulated other comprehensive income	Total
<b>Balance on December 31, 2021</b>	<b>3,396,767</b>	<b>1,508</b>	<b>4,122,925</b>	<b>(81,320)</b>	<b>-</b>	<b>(158,464)</b>	<b>7,281,416</b>
Paid-in capital increase with earnings reserve	2,872,925	-	(2,872,925)	-	-	-	-
Transactions with stock payments	-	63	-	976	-	-	1,039
Other comprehensive income	-	-	-	-	-	9,072	9,072
Dividends lapsed	-	-	-	-	79	-	79
Net income for the period	-	-	-	-	4,237,982	-	4,237,982
Intermediary dividends paid	-	-	-	-	(2,068,697)	-	(2,068,697)
<b>Balance on September 30, 2022</b>	<b>6,269,692</b>	<b>1,571</b>	<b>1,250,000</b>	<b>(80,344)</b>	<b>2,169,364</b>	<b>(149,392)</b>	<b>9,460,891</b>
<b>Changes in the Period</b>	<b>2,872,925</b>	<b>63</b>	<b>(2,872,925)</b>	<b>976</b>	<b>2,169,364</b>	<b>9,072</b>	<b>2,179,475</b>
<b>Balance on December 31, 2022</b>	<b>6,269,692</b>	<b>1,571</b>	<b>1,552,229</b>	<b>(80,344)</b>	<b>-</b>	<b>(147,047)</b>	<b>7,596,101</b>
Shares buyback	-	-	-	(181,684)	-	-	(181,684)
Transactions with stock payments	-	234	-	596	-	-	830
Other comprehensive income	-	-	-	-	-	47,990	47,990
Dividends lapsed	-	-	-	-	72	-	72
Net income for the period	-	-	-	-	5,658,342	-	5,658,342
Intermediary dividends paid	-	-	-	-	(3,210,050)	-	(3,210,050)
<b>Balance on September 30, 2023</b>	<b>6,269,692</b>	<b>1,805</b>	<b>1,552,229</b>	<b>(261,432)</b>	<b>2,448,364</b>	<b>(99,057)</b>	<b>9,911,601</b>
<b>Changes in the Period</b>	<b>-</b>	<b>234</b>	<b>-</b>	<b>(181,088)</b>	<b>2,448,364</b>	<b>47,990</b>	<b>2,315,500</b>

## 4. UNDERWRITING AND ACCUMULATION

### ■ BRASILSEG

BB Seguridade offers life, mortgage life, rural, home and commercial lines insurance through its affiliate company Brasilseg, a company established under a 20-year term partnership with MAPFRE, which started in 2011 and was restructured in 2018. BB Seguridade holds, through BB Seguros, a 74.99% economic stake in Brasilseg, composed of 100% of the preferred shares and 49.99% of the common shares. The segments in which Brasilseg operates is dominated by the Brazilian banks, what reflects the strong association of this kind of products with the bancassurance channel.

The following items show a brief description of the main products offered by Brasilseg:

- a) **Term life insurance** is a product focused on individuals which assures financial protection to the beneficiaries, chosen by the policyholder, in case of death (natural or accidental), or permanent disability of the insured. If a claim occurs, the insurance company pays the amount agreed in the insurance policy to the beneficiary. Differently from the products sold in other countries, the life insurance sold by Brasilseg is a term life insurance without accumulation. If the customer fails to make the monthly payments, the coverage is suspended without any amount being reverted to the policyholder.
- b) **Credit life insurance** is a life insurance policy intended to pay off a borrower's loan in case of death of the insured. This type of product is designed to protect both the lender and the insured dependents, preventing them to inherit this liability via property succession process. This product is already quite widespread in Brazil and it is expected to grow with the expansion of the loan portfolio. The main beneficiary of this type of product is the lender.
- c) **Mortgage life insurance** is an insurance policy related to mortgage. In case of death or disability of the insured, the insurance policy guarantees the pre-payment of loan balance. A mortgage life insurance also protects against physical damage to the insured property. The premium is calculated on a monthly basis and varies according to the outstanding loan balance and the borrower's age.
- d) **Rural insurance** encompasses a group of three main products: (i) the crop insurance, which protects the farmers from weather hazards and from the loss of revenue in cases of falling prices of the crop; (ii) the rural lien insurance, which protects the asset given as collateral for a rural loan; and (iii) the credit life for farmers insurance, which is an insurance designed for farmers intended to pay off the rural loan in case the insured dies.
- e) **Home insurance** encompasses a set of coverages intended for the protection of individual homes against damages caused by fire, lightning and explosion, and may also include additional coverages against theft, electric damage, physical damage to the property, windstorm, hail rain, among others. This product can also include assistances and benefits according to the plan hired.
- f) **Corporate/Commercial lines** consist of products designed to protect the assets of companies against damage to the building and its contents, such as machinery, furniture, utensils, goods and raw materials, excluding large risks.

## ■ PENSION PLANS

BB Seguridade operates in the private pension plans segment through its affiliate Brasilprev in partnership with the American company Principal Financial Group (PFG). Brasilprev was established in 1993 as a partnership between Banco do Brasil and a group of insurance companies. After going through a series of corporate restructuring, within 1999–2000, PFG, through its subsidiary in Brazil, Principal Financial Group do Brasil, acquired an economic stake in the company and established a partnership with Banco do Brasil. In 2010, Banco do Brasil, through BB Seguros, and PFG renewed their partnership, extending it for 23 years more. As a result of this new agreement, BB Seguros increased its stake in Brasilprev from 49.99% to 74.99%. Pension plans are growing in popularity in Brazil, due to increasing life expectancy, level of financial education, tax benefits and the pension reform held in 2019.

Brasilprev has two main sources of revenue: the management fee on assets under management and the premiums paid to cover risks.

The following topics provide a brief description of the products offered by Brasilprev:

- a) **Free Benefit Generator Plan (PGBL)** is recommended for people who fill their income tax statement in the complete form, as the contributions are tax deductible up to the limit of 12% of the annual gross taxable income. In this modality, in case of redemption or benefit received, income taxes are calculated on the amount redeemed or income received.

In Brazil, there are two alternatives for an individual to present the tax statements, the simple form or the complete form. In the complete form, a Brazilian citizen can inform not only the income but also deductible expenses, such as expenses with healthcare, education, investments in PGBL, and other. In addition, the participant may choose to be taxed either in the progressive tax system or in the regressive tax system when buying a pension plan.

In the progressive tax system, the annuity is taxed when money is received according to the “Tabela Progressiva Mensal” (Monthly Progressive Table) made available by the Brazilian Internal Revenue Service. The tax brackets can vary from zero to 27.5% according to the annual wages with adjustment in the income tax declaration. Redemptions are taxed at 15% in anticipation regardless the amount redeemed, with adjustment in the income tax statement according to the Monthly Progressive Table.

In the regressive tax system, in the event of redemption or annuity received, tax is withheld and is definitive, with no possibility of adjustment in the annual tax statement. The rates are determined by the length of stay of each inflow in the plan, starting at 35%, with gradual reduction every two years, reaching a level of 10% after 10 years.

- b) **Free Benefit Generator Life Plan (VGBL)** is recommended for those who fill their income tax statement in the simplified form or is exempt, since the contributions are not tax deductible. As in PGBL, the customer can choose either the progressive or the regressive tax system. In VGBL, in case of redemption or annuity received, income tax will be charged on interest earned only. The main advantage of the VGBL is its simplicity of the process related to the inheritance transmission, being suitable for customers who wish to make a succession planning. In this product, the customer can determine who will be the beneficiaries after his death and, unlike other assets, funds invested in VGBL are not part of the inventory, which is a process with legal costs and attorney's fees that can consume from 6% to 20% of the wealth received by the heirs.
- c) **Traditional Plan** guarantees a fixed interest of 6% plus inflation (IGP-M) or Taxa Referencial (TR) per year. These plans are no longer sold.

## ■ PREMIUM BONDS

BB Seguridade offers premium bonds through its affiliate company Brasilcap, in a partnership with Icatu and Aliança da Bahia. Premium bonds are very peculiar to the Brazilian market, but there are also quite similar products in United Kingdom and in other countries.

Premium bonds are mainly sold through the bancassurance channel and it is an alternative way to accumulate reserves, with term and interest rate previously determined, entitling the bondholder to participate in lotteries. Premiums are distributed through periodic draws, being most frequent the usage of a combination of numbers in pre-determined series, based on the Brazilian Official Lottery.

Depending on the type of premium bond and the payment method chosen, the load fee and lottery quotas can exceed 10% of the amount collected. The amount intended to cover lottery, administrative expenses, and operational and acquisition costs is covered by these quotas.

In case of early redemption, the bondholder must obey a grace period (12 months in most products). Beyond the grace period, penalties will be applied if the bondholder decides for early redemption, which will decrease as the bond approaches to maturity.

## ■ DENTAL INSURANCE

BB Seguridade offers dental insurance through its affiliate company Brasildental. The Company was established in 2014, by a 20-year term partnership with Odontoprev. In this partnership BB Seguridade holds a 74.99% economic stake, being 49.99% of the common shares.

Brasildental's dental insurance plans are sold under the BB Dental brand, with exclusivity of the bancassurance channel of Banco do Brasil, to individuals and companies, and counts on a wide network of specialized clinics and professionals all over the country.

The following sections show a deeper analysis of the controlled and affiliate companies of BB Seguridade including income statement, balance sheet and performance ratios.

It is worth mentioning that these information are influenced by the investor company accounting entries, e.g., changes in goodwill. Therefore, the statements are not necessarily reconcilable with those published by the Companies.

## 4.1 BRASILSEG

### ■ EARNINGS ANALYSIS

The table below presents a managerial income statement considering the reallocation of the reinsurance result to the other lines that comprise the income statement. This reallocation enables the analysis of the performance indicators net of reinsurance coverage.

Table 16 – Brasilseg | Income statement

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Premiums written</b>	<b>5,022,255</b>	<b>3,942,284</b>	<b>5,432,673</b>	<b>8.2</b>	<b>37.8</b>	<b>11,646,161</b>	<b>13,094,813</b>	<b>12.4</b>
Premiums ceded to reinsurance	(1,257,969)	(664,064)	(1,182,647)	(6.0)	78.1	(2,584,100)	(2,534,894)	(1.9)
<b>Retained premiums</b>	<b>3,764,286</b>	<b>3,278,220</b>	<b>4,250,025</b>	<b>12.9</b>	<b>29.6</b>	<b>9,062,061</b>	<b>10,559,919</b>	<b>16.5</b>
Changes in technical reserves - premiums	(961,561)	(151,748)	(1,002,233)	4.2	-	(1,226,290)	(1,140,098)	(7.0)
<b>Retained earned premiums</b>	<b>2,802,725</b>	<b>3,126,472</b>	<b>3,247,793</b>	<b>15.9</b>	<b>3.9</b>	<b>7,835,772</b>	<b>9,419,821</b>	<b>20.2</b>
Retained claims	(747,624)	(880,113)	(868,424)	16.2	(1.3)	(2,561,304)	(2,639,355)	3.0
Retained acquisition costs	(818,880)	(867,619)	(894,853)	9.3	3.1	(2,265,693)	(2,592,336)	14.4
<b>Underwriting result</b>	<b>1,236,221</b>	<b>1,378,740</b>	<b>1,484,516</b>	<b>20.1</b>	<b>7.7</b>	<b>3,008,774</b>	<b>4,188,130</b>	<b>39.2</b>
Administrative expenses	(146,102)	(169,428)	(165,628)	13.4	(2.2)	(422,196)	(497,546)	17.8
Tax expenses	(112,204)	(119,733)	(128,671)	14.7	7.5	(282,990)	(364,243)	28.7
Other operating income (expenses)	(14,002)	(44,902)	(32,373)	131.2	(27.9)	(79,588)	(105,324)	32.3
Equity income	-	(1,483)	(3,916)	-	164.1	51	(7,310)	-
Gains or losses on non-current assets	(7)	(13)	(22)	228.2	74.0	243	37	(84.6)
<b>Non-interest operating result</b>	<b>963,907</b>	<b>1,043,181</b>	<b>1,153,906</b>	<b>19.7</b>	<b>10.6</b>	<b>2,224,294</b>	<b>3,213,743</b>	<b>44.5</b>
<b>Net investment income</b>	<b>218,882</b>	<b>218,746</b>	<b>262,994</b>	<b>20.2</b>	<b>20.2</b>	<b>532,114</b>	<b>704,745</b>	<b>32.4</b>
Financial income	259,524	284,394	305,963	17.9	7.6	690,566	899,884	30.3
Financial expenses	(40,642)	(65,648)	(42,969)	5.7	(34.5)	(158,451)	(195,139)	23.2
<b>Earnings before taxes and profit sharing</b>	<b>1,182,789</b>	<b>1,261,927</b>	<b>1,416,900</b>	<b>19.8</b>	<b>12.3</b>	<b>2,756,409</b>	<b>3,918,488</b>	<b>42.2</b>
Taxes	(322,581)	(278,565)	(355,464)	10.2	27.6	(794,210)	(959,910)	20.9
Profit sharing	(7,024)	(12,446)	(7,919)	12.7	(36.4)	(19,856)	(24,067)	21.2
<b>Net income</b>	<b>853,184</b>	<b>970,915</b>	<b>1,053,517</b>	<b>23.5</b>	<b>8.5</b>	<b>1,942,343</b>	<b>2,934,511</b>	<b>51.1</b>

**Retained premiums** = Premiums written + premiums ceded to reinsurance

**Changes in technical reserves – premiums** = Changes in technical provisions + changes in technical provisions on reinsured operations

**Retained claims** = Incurred claims – recovery of indemnity claims – recovery of claims expenses – changes in provisions for claims IBNR – salvages and reimbursed assets – changes in provision for claims IBNER provisions for claims to be settled – changes of expenses related to IBNR – changes in estimates for salvages and reimbursed assets – provisions for claims to be settled

**Retained acquisition costs** = acquisition costs – commission return + revenue with reinsurance commissions

## NET INCOME

Figure 18 – Brasilseg | Net income (R\$ million)

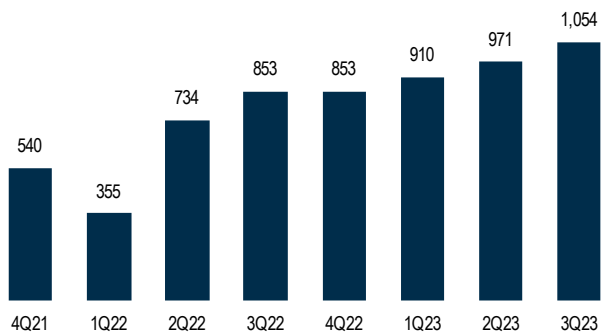
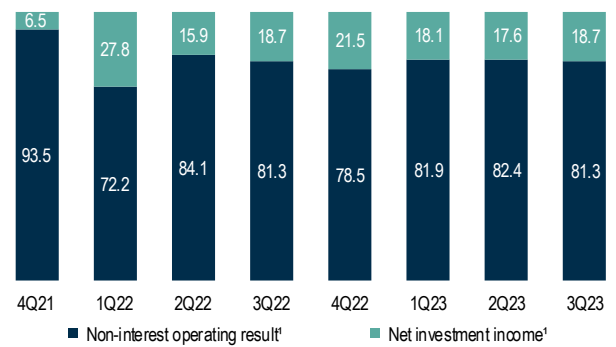


Figure 19 – Brasilseg | Net income breakdown (%)



1. Net of taxes considering the Company's effective tax rate.

Table 17 – Brasilseg | Managerial performance ratios<sup>1</sup>

%	Quarterly Flow		Chg. (p.p.)		9 Months Flow		Chg. (p.p.)	
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Performance ratios</b>								
Loss ratio	26.7	28.2	26.7	0.1	(1.4)	32.7	28.0	(4.7)
Commission ratio	29.2	27.8	27.6	(1.7)	(0.2)	28.9	27.5	(1.4)
G&A ratio	9.7	10.7	10.1	0.3	(0.6)	10.0	10.3	0.3
Combined ratio	65.6	66.6	64.3	(1.3)	(2.2)	71.6	65.8	(5.8)
<b>Other ratios</b>								
Expanded combined ratio	60.9	62.2	59.5	(1.3)	(2.7)	67.1	61.2	(5.8)
Income tax rate	27.3	22.1	25.1	(2.2)	3.0	28.8	24.5	(4.3)

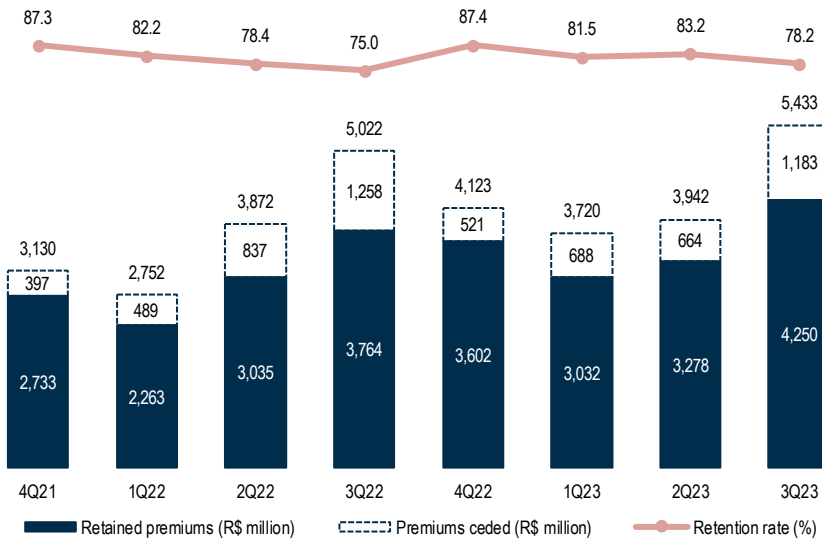
1. Performance ratios calculated based on the managerial income statement, considering the reinsurance effects.



■ NON-INTEREST OPERATING RESULT ANALYSIS

PREMIUMS WRITTEN

Figure 20 – Brasilseg | Premiums written



QUARTERLY ANALYSIS

In **3Q23**, **premiums written** increased by 8.2% compared to 3Q22 (+37.8% QoQ), with growth primarily driven by **rural insurance** (+9.1% YoY | +69.0% QoQ), mainly due to an increase in the average premium in the **credit life for farmers** (+45.0% YoY | +97.9% QoQ). On the other hand, **crop insurance** decreased by 5.4% YoY (+90.9% QoQ) due to lower demand and a decline in the average insured amount. **Rural lien insurance** declined 5.0% YoY (+5.9% QoQ) due to a decrease in the average insured amount, primarily explained by (i) depreciation in the prices of agricultural machinery given as collateral; and (ii) a decrease in the value of crops used as collateral for rural credit, reflecting the drop in commodity prices.

**Credit life insurance** (+15.4% YoY | +20.3% QoQ) showed strong commercial performance due to increased credit penetration and reduced cancellations. In the quarter, premiums written for the **commercial lines** (+15.3%), **home** (+5.8%), and **mortgage life** (+6.7%) also contributed to the growth compared to the same period last year.

However, **term life insurance** premiums decreased by 1.8%, impacted by the deflation of the IGP-M pegged to the annual policy adjustments. On the other hand, new sales and the lower churn rate of the product improved compared to the 3Q22.

YEAR-TO-DATE ANALYSIS

In **9M23**, **premiums written** increased by 12.4%, driven by growth across all business segments: credit life (+34.6%), rural (+10.1%), commercial lines (+35.0%), home (+5.3%), mortgage life (+6.6%), and term life (+0.5%).

Table 18 – Brasilseg | Breakdown of premiums written

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
Life	960,957	925,059	943,848	(1.8)	2.0	2,706,311	2,718,837	0.5
Credit Life	815,110	782,090	940,532	15.4	20.3	1,844,872	2,483,689	34.6
Mortgage Life	74,878	79,178	79,898	6.7	0.9	221,407	235,968	6.6
Rural	2,899,839	1,871,650	3,163,335	9.1	69.0	6,176,963	6,797,823	10.1
Crop	1,519,598	753,178	1,437,532	(5.4)	90.9	3,107,906	3,016,255	(2.9)
Rural lien	563,875	506,063	535,962	(5.0)	5.9	1,224,251	1,443,343	17.9
Credit life for farmers	789,530	578,517	1,145,163	45.0	97.9	1,773,783	2,217,377	25.0
Others	26,837	33,892	44,678	66.5	31.8	71,024	120,848	70.2
Home	103,776	93,802	109,762	5.8	17.0	282,769	297,858	5.3
Commercial lines	165,078	183,804	190,298	15.3	3.5	404,639	546,350	35.0
Large risks	2,031	6,219	4,673	130.1	(24.9)	7,596	12,871	69.4
Other	585	483	326	(44.2)	(32.5)	1,603	1,416	(11.6)
<b>Total</b>	<b>5,022,255</b>	<b>3,942,284</b>	<b>5,432,673</b>	<b>8.2</b>	<b>37.8</b>	<b>11,646,161</b>	<b>13,094,813</b>	<b>12.4</b>

Table 19 – Brasilseg | Breakdown of retained premiums

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
Life	957,281	925,864	943,340	(1.5)	1.9	2,699,911	2,719,285	0.7
Credit Life	812,589	782,967	939,609	15.6	20.0	1,840,555	2,482,087	34.9
Mortgage Life	71,990	78,639	80,303	11.5	2.1	218,549	236,376	8.2
Rural	1,658,469	1,210,312	1,986,721	19.8	64.1	3,615,757	4,275,411	18.2
Crop	309,107	110,502	284,306	(8.0)	157.3	601,367	557,926	(7.2)
Rural lien	551,584	506,019	535,178	(3.0)	5.8	1,214,252	1,440,251	18.6
Credit life for farmers	786,732	576,914	1,146,397	45.7	98.7	1,767,696	2,216,353	25.4
Others	11,047	16,877	20,839	88.6	23.5	32,442	60,882	87.7
Home	102,122	93,802	109,779	7.5	17.0	281,114	297,874	6.0
Commercial lines	159,229	182,918	185,317	16.4	1.3	399,630	537,660	34.5
Large risks	2,021	3,236	4,631	129.1	43.1	4,942	9,810	98.5
Other	585	483	326	(44.2)	(32.5)	1,603	1,416	(11.6)
<b>Total</b>	<b>3,764,286</b>	<b>3,278,220</b>	<b>4,250,025</b>	<b>12.9</b>	<b>29.6</b>	<b>9,062,061</b>	<b>10,559,919</b>	<b>16.5</b>

Figure 21 – Brasilseg | Breakdown of premiums written (%)

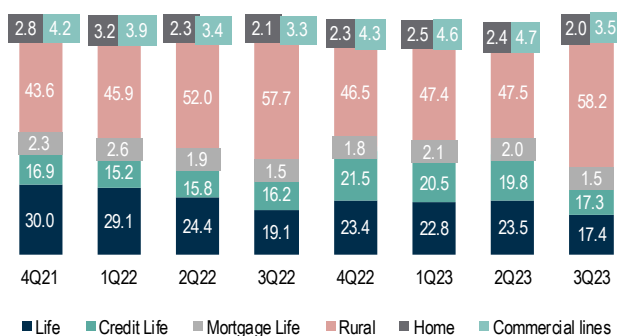
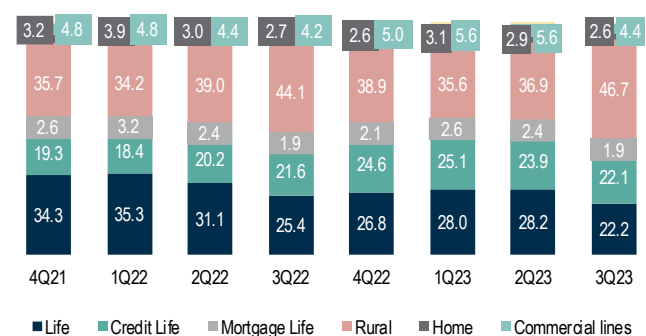


Figure 22 – Brasilseg | Breakdown of retained premiums (%)



## CHANGES IN TECHNICAL RESERVES – PREMIUMS

Table 20 – Brasilseg | Changes in technical reserves – premiums

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
Provision for unearned premiums	(1,546,006)	(14,546)	(1,413,069)	(8.6)	-	(2,048,801)	(1,295,574)	(36.8)
Provision for technical surplus	(1,410)	(1,287)	(856)	(39.3)	(33.5)	(3,653)	(3,299)	(9.7)
Complementary provisions of contributions	-	(7,206)	(1,494)	-	(79.3)	(3,178)	(8,701)	173.8
<b>Change in technical reserves - premiums</b>	<b>(1,547,416)</b>	<b>(23,039)</b>	<b>(1,415,419)</b>	<b>(8.5)</b>	<b>-</b>	<b>(2,055,631)</b>	<b>(1,307,574)</b>	<b>(36.4)</b>

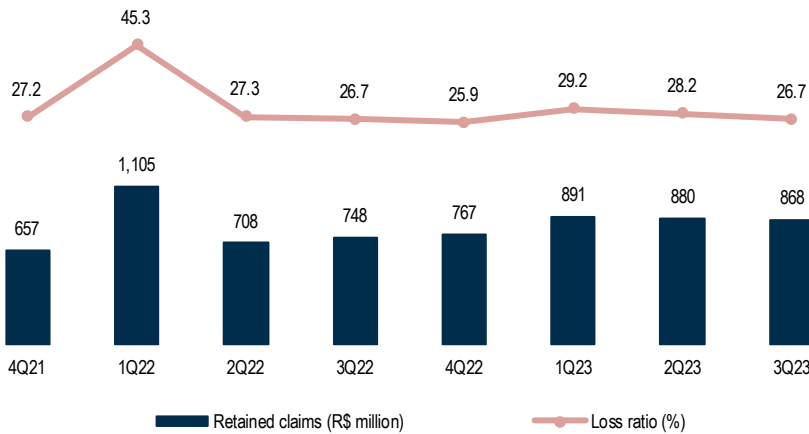
## RETAINED EARNED PREMIUMS

Table 21 – Brasilseg | Breakdown of retained earned premiums

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
Life	905,524	904,614	917,720	1.3	1.4	2,649,533	2,722,044	2.7
Credit Life	511,269	569,623	631,901	23.6	10.9	1,423,623	1,764,738	24.0
Mortgage Life	74,201	77,136	79,297	6.9	2.8	219,128	233,266	6.5
Rural	1,092,863	1,328,301	1,372,583	25.6	3.3	2,951,437	3,962,064	34.2
Crop	160,078	184,104	163,254	2.0	(11.3)	413,556	533,493	29.0
Rural lien	374,816	484,241	491,428	31.1	1.5	1,008,033	1,417,281	40.6
Credit life for farmers	548,083	642,904	699,906	27.7	8.9	1,504,330	1,963,916	30.6
Others	9,886	17,053	17,994	82.0	5.5	25,517	47,374	85.7
Home	83,847	85,827	92,754	10.6	8.1	240,618	266,531	10.8
Commercial lines	133,191	158,824	150,938	13.3	(5.0)	346,899	464,414	33.9
Large risks	1,232	1,660	2,252	82.8	35.6	2,915	5,340	83.2
Other	596	487	348	(41.6)	(28.5)	1,620	1,423	(12.2)
<b>Total</b>	<b>2,802,725</b>	<b>3,126,472</b>	<b>3,247,793</b>	<b>15.9</b>	<b>3.9</b>	<b>7,835,772</b>	<b>9,419,821</b>	<b>20.2</b>

## RETAINED CLAIMS

Figure 23 – Brasilseg | Retained claims



### QUARTERLY ANALYSIS

In **3Q23**, the **loss ratio** marginally increased 0.1 p.p. YoY, to 26.7%. The main movements in loss ratio during this period were as follows:

- increase in credit life insurance (+4.3 p.p.), as the loss ratio was favorably impacted in 3Q22 by the reversal of Incurred But Not Reported (IBNR) claims in the amount of R\$83.8 million;
- elevation in term life insurance (+3.9 p.p.), resulting from claims with higher severity in 3Q23;
- the rise in rural lien insurance (+2.1 p.p.), explained by higher severity of claims, with the main reasons being damage to assets used as collateral and deviation of stored products; and
- deterioration in the commercial lines (+4.5 p.p.), due to increased severity in corporate insurance, with significant impacts from fires, and higher claim frequency in products such as machinery insurance and warranty breakage insurance.

These effects were offset by:

- reduction in crop insurance (-33.4 p.p.), due to a decrease in claim frequency and severity for weather-related claims;
- decrease in credit life for farmers insurance (-1.3 p.p.), driven by a significant growth of retained earned premiums (+27.7%) and a decrease in claim severity; and
- reductions in home insurance (-6.4 p.p.), attributed to a lower volume of home assistance expenses, and mortgage life insurance (-4.3 p.p.), due to a decrease in claim frequency.

### YEAR-TO-DATE ANALYSIS

In **9M23**, the **loss ratio** decreased by 4.7 p.p. YoY, with improvement in the crop insurance segment (-113.7 p.p.), driven by a decrease in claim frequency. This was particularly high in 1Q22 due to drought caused by the La Niña phenomenon, affecting the states of Rio Grande do Sul, Paraná and Mato Grosso do Sul.

On the other hand, home insurance had an increase of 7.3 p.p., due to a higher volume of home assistances than expected in 1H23. In the commercial lines segment, the loss ratio worsened by 11.3 p.p., for the same reasons explained in the quarterly analysis.

Table 22 – Brasilseg | Breakdown of retained claims

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Incurred claims</b>	<b>(985,659)</b>	<b>(946,053)</b>	<b>(908,707)</b>	<b>(7.8)</b>	<b>(3.9)</b>	<b>(4,993,677)</b>	<b>(3,391,699)</b>	<b>(32.1)</b>
Expenses with claims	(972,188)	(837,612)	(882,910)	(9.2)	5.4	(4,863,276)	(3,157,939)	(35.1)
Changes in provisions for claims IBNR and IBNER	17,755	(79,595)	7,936	(55.3)	-	(68,208)	(138,749)	103.4
Recovery of claims - Coinsurance and reinsurance	239,070	67,117	41,408	(82.7)	(38.3)	2,439,776	756,645	(69.0)
Salvage and Reimbursements	14,381	15,784	10,612	(26.2)	(32.8)	35,414	37,707	6.5
Assistance services	(46,910)	(45,833)	(45,786)	(2.4)	(0.1)	(105,814)	(137,776)	30.2
Other	269	26	315	17.2	-	805	757	(6.0)
<b>Retained claims</b>	<b>(747,624)</b>	<b>(880,113)</b>	<b>(868,424)</b>	<b>16.2</b>	<b>(1.3)</b>	<b>(2,561,304)</b>	<b>(2,639,355)</b>	<b>3.0</b>

Figure 24 – Life Insurance | Loss ratio (%)

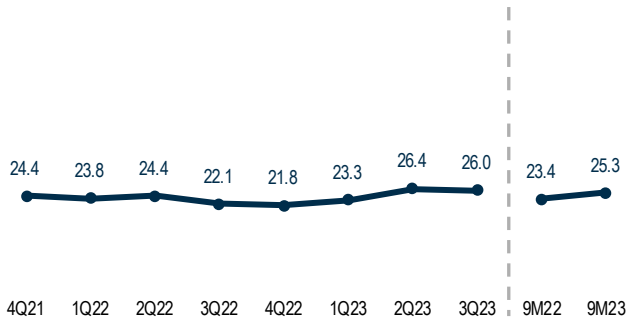


Figure 25 – Credit life insurance | Loss ratio (%)

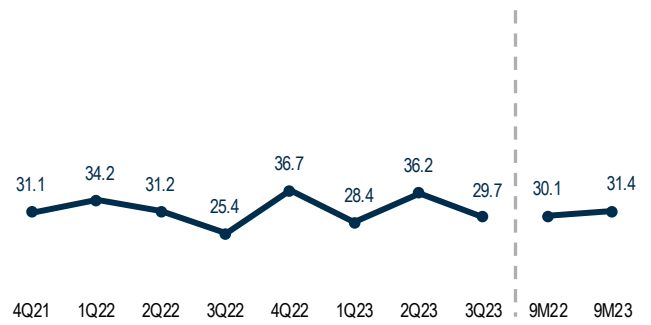


Figure 26 – Mortgage life | Loss ratio (%)

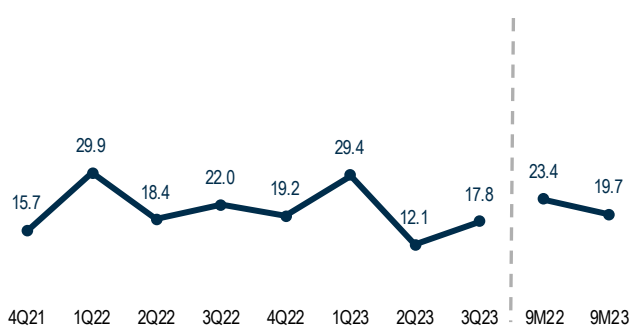


Figure 27 – Home insurance | Loss ratio (%)

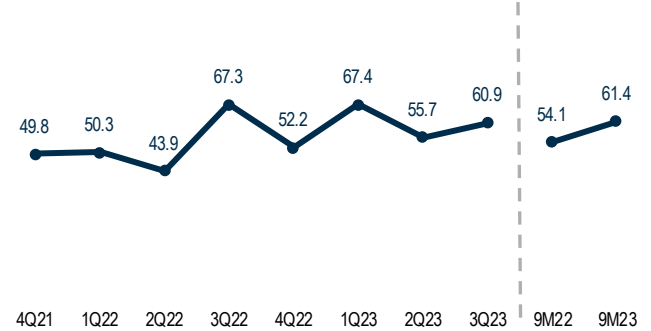


Figure 28 – Commercial lines insurance | Loss ratio (%)

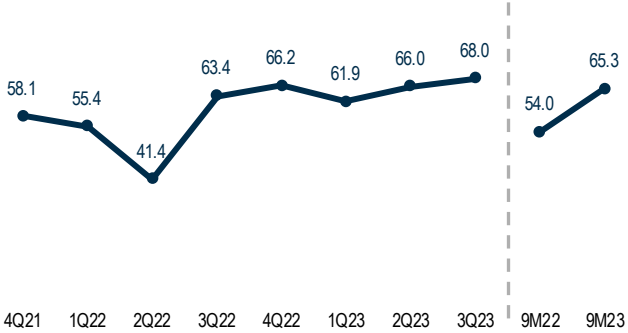


Figure 29 – Rural | Loss ratio (%)

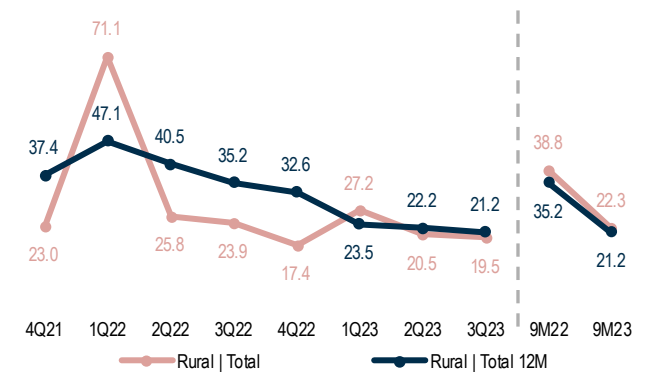


Figure 30 – Crop insurance | Loss ratio (%)

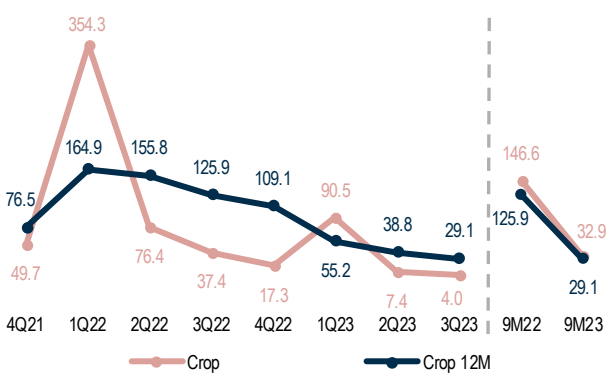
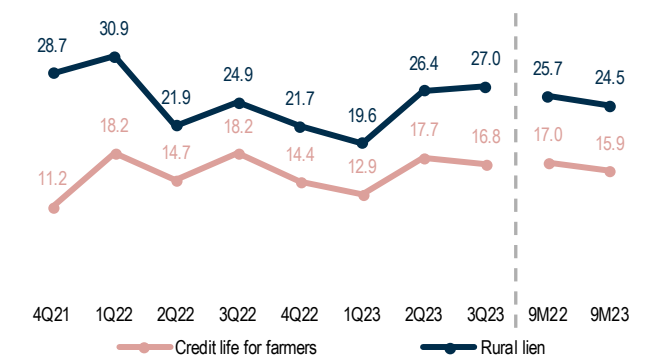


Figure 31 – Credit life for farmers and rural lien insurance | Loss ratio (%)



## RETAINED ACQUISITION COSTS

Figure 32 – Brasilseg | Retained acquisition costs

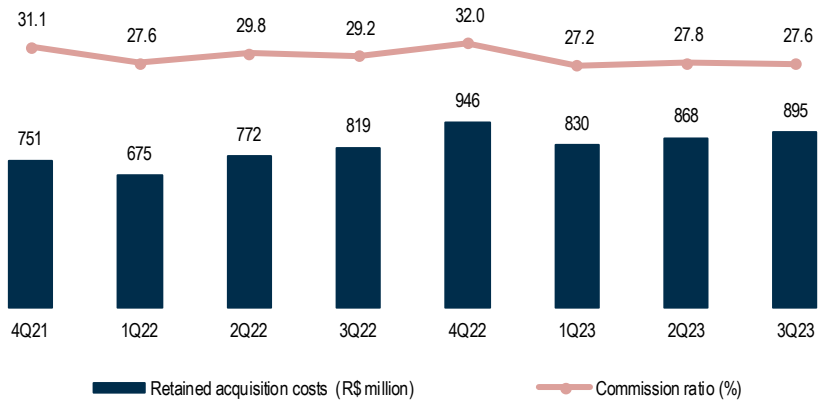


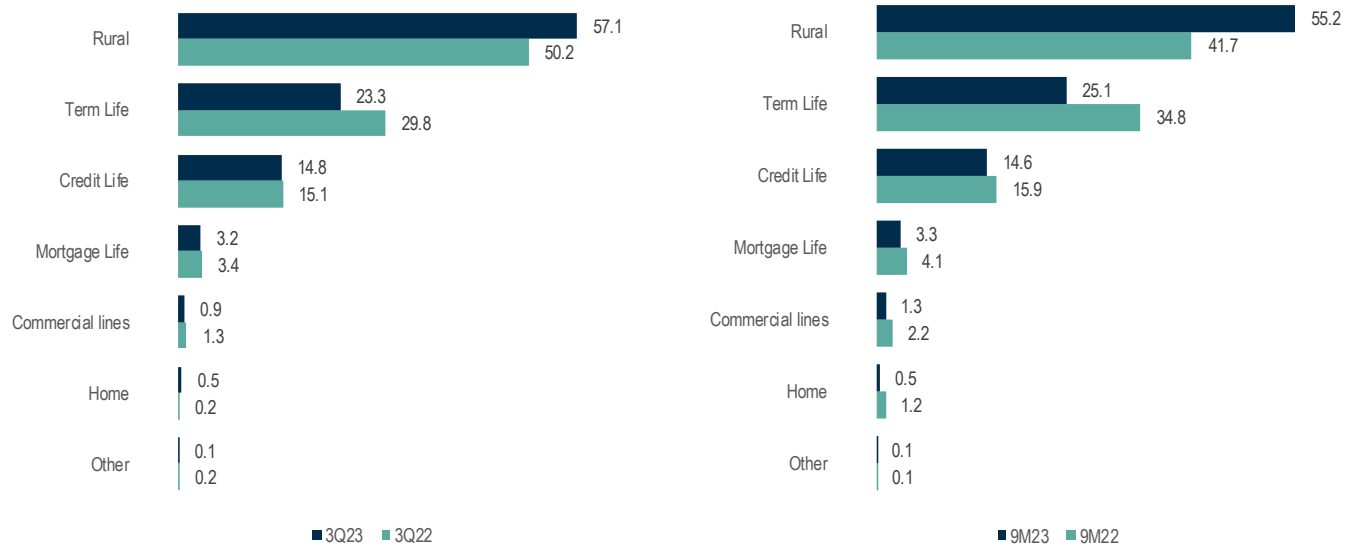
Table 23 – Brasilseg | Retained acquisition costs

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Acquisition costs</b>	<b>(954,946)</b>	<b>(1,011,476)</b>	<b>(1,043,085)</b>	<b>9.2</b>	<b>3.1</b>	<b>(2,647,418)</b>	<b>(3,036,177)</b>	<b>14.7</b>
Commission charged on premiums written	(1,198,652)	(1,122,474)	(1,425,388)	18.9	27.0	(2,882,355)	(3,551,821)	23.2
Revenue with reinsurance commission	136,066	143,857	148,233	8.9	3.0	381,726	443,841	16.3
Commissions recovered - Coinsurance	3,225	3,942	4,344	34.7	10.2	13,677	14,425	5.5
Change in deferred acquisition costs	341,248	286,078	529,657	55.2	85.1	457,710	1,034,127	125.9
Other acquisition costs	(100,767)	(179,021)	(151,699)	50.5	(15.3)	(236,450)	(532,908)	125.4
<b>Retained acquisition costs</b>	<b>(818,880)</b>	<b>(867,619)</b>	<b>(894,853)</b>	<b>9.3</b>	<b>3.1</b>	<b>(2,265,693)</b>	<b>(2,592,336)</b>	<b>14.4</b>



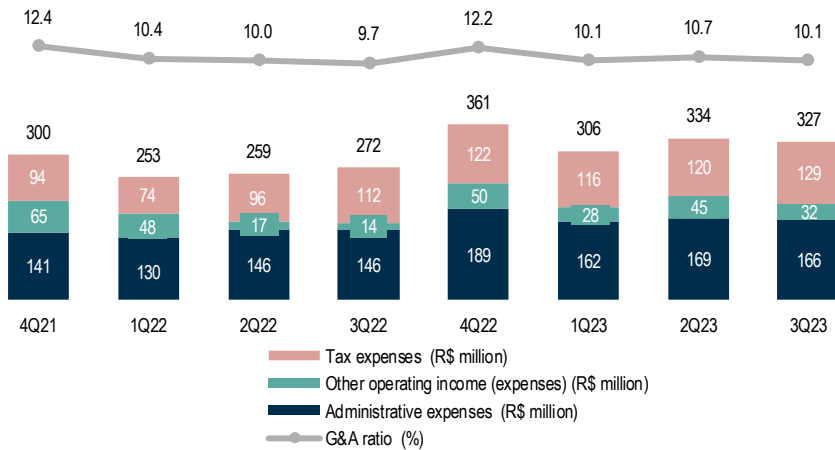
## UNDERWRITING RESULT

Figure 33 – Brasilseg | Breakdown of underwriting result by segment (%)



## GENERAL &amp; ADMINISTRATIVE EXPENSES

Figure 34 – Brasilseg | G&amp;A expenses



## QUARTERLY ANALYSIS

In **3Q23**, the **G&A ratio** increased by 0.3 p.p. YoY.

**Administrative expenses** went up by 13.4%, driven by (i) personnel expenses (+15.7%), attributed to a higher headcount and increased provisions to address new labor-related lawsuits, (ii) third-party services (+6.4%), led by spendings with CRM software licenses and the addition of new services such as cloud service monitoring and consulting, and (iii) location and operation (+14.3%), mainly driven by higher amortization costs.

The **other operating income and expenses** reported a negative balance 131.2% larger. This was mostly due to increased expenses in the impairment line, which went from a positive balance of R\$4.3 million in 3Q22 to a negative balance of R\$1.0 million in 3Q23, as well as higher endomarketing expenses (+58.6%) related to sales-boosting campaigns. Additionally, in the Fund for the Stabilization of Rural Insurance (FESR) line, the 3Q22 experienced a recovery of values for claims covered by the fund, resulting in a positive balance of R\$3.5 million during that period. In contrast, 3Q23 reported a zero balance in this category, as the insurer stopped underwriting policies with fund coverage.

**Tax expenses** followed the movement of taxable income and increased by 14.7% YoY.

## YEAR-TO-DATE ANALYSIS

In **9M23**, the **G&A ratio** increased by 0.3 p.p. YoY.

The **administrative expenses** grew 17.8%, primarily due to increased personnel expenses (+20.8%), third-party services (+16.3%), and location and operation (+10.6%), driven by the same factors mentioned in the quarterly analysis.

**Other operating income and expenses** reported a negative balance 32.3% higher, mainly due to increased impairment expenses (+R\$16.4 million) and higher endomarketing expenses (+R\$16.4 million). These effects were partially offset by reduced expenses related to the Fund for the Stabilization of Rural Insurance (-R\$15.1 million).

**Tax expenses** increased by 28.7%, aligning with the expansion of the taxable income.

Table 24 – Brasileseg | General &amp; Administrative expenses

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Administrative expenses</b>	<b>(146,102)</b>	<b>(169,428)</b>	<b>(165,628)</b>	<b>13.4</b>	<b>(2.2)</b>	<b>(422,196)</b>	<b>(497,546)</b>	<b>17.8</b>
Personnel	(68,362)	(76,253)	(79,101)	15.7	3.7	(197,674)	(238,748)	20.8
Outsourcing	(52,247)	(63,812)	(55,589)	6.4	(12.9)	(147,021)	(170,963)	16.3
Location and operation	(22,497)	(25,571)	(25,714)	14.3	0.6	(67,681)	(74,831)	10.6
Institutional advertisement and publicity	(2,365)	(2,902)	(3,651)	54.4	25.8	(5,534)	(9,320)	68.4
Publications	(12)	(19)	(27)	119.1	37.4	(397)	(482)	21.5
Other administrative expenses	(619)	(871)	(1,545)	149.5	77.5	(3,888)	(3,200)	(17.7)
<b>Other operating income (expenses)</b>	<b>(14,002)</b>	<b>(44,902)</b>	<b>(32,373)</b>	<b>131.2</b>	<b>(27.9)</b>	<b>(79,588)</b>	<b>(105,324)</b>	<b>32.3</b>
FESR contributions	3,489	(12,473)	-	-	-	(27,546)	(12,473)	(54.7)
Charging expenses	(989)	(1,260)	(1,123)	13.6	(10.9)	(2,941)	(3,585)	21.9
Civil contingencies	(2,798)	(4,297)	(4,617)	65.0	7.5	(8,743)	(13,187)	50.8
Expenses with events	(1,436)	(380)	(1,536)	7.0	304.4	(3,048)	(2,298)	(24.6)
Endomarketing	(8,913)	(16,935)	(14,134)	58.6	(16.5)	(28,428)	(44,794)	57.6
Impairment	4,308	(3,909)	(1,017)	-	(74.0)	8,146	(8,295)	-
Other operating income (expenses)	(7,663)	(5,648)	(9,945)	29.8	76.1	(17,028)	(20,692)	21.5
<b>Tax expenses</b>	<b>(112,204)</b>	<b>(119,733)</b>	<b>(128,671)</b>	<b>14.7</b>	<b>7.5</b>	<b>(282,990)</b>	<b>(364,243)</b>	<b>28.7</b>
COFINS	(93,461)	(100,179)	(107,337)	14.8	7.1	(234,314)	(304,018)	29.7
PIS	(15,479)	(16,440)	(17,670)	14.2	7.5	(38,506)	(50,029)	29.9
Inspection fee	(2,248)	(2,248)	(2,248)	-	(0.0)	(6,744)	(6,744)	-
Other tax expenses	(1,016)	(866)	(1,416)	39.4	63.5	(3,426)	(3,452)	0.8
<b>G&amp;A</b>	<b>(272,308)</b>	<b>(334,063)</b>	<b>(326,672)</b>	<b>20.0</b>	<b>(2.2)</b>	<b>(784,774)</b>	<b>(967,113)</b>	<b>23.2</b>

## ■ NET INVESTMENT INCOME

Figure 35 – Brasilseg | Net investment income (R\$ million)

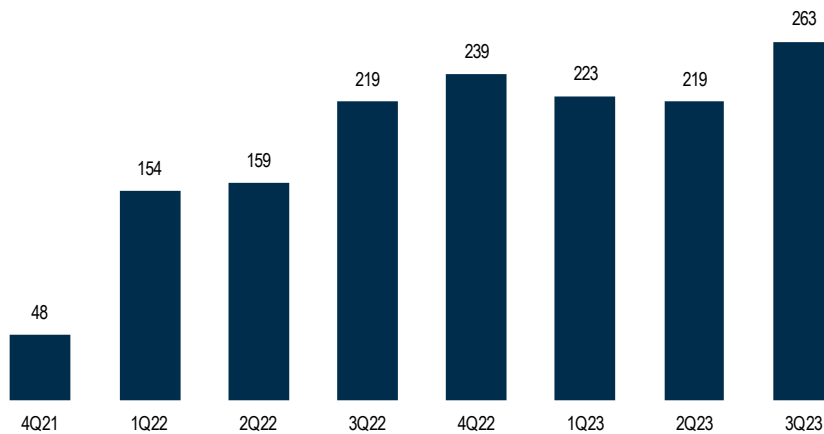


Table 25 – Brasilseg | Financial income and expenses<sup>1</sup>

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Adjusted interest revenues</b>	<b>243,436</b>	<b>273,767</b>	<b>300,140</b>	<b>23.3</b>	<b>9.6</b>	<b>686,975</b>	<b>866,254</b>	<b>26.1</b>
Revenues with mark to market financial investments	240,447	251,471	283,617	18.0	12.8	587,856	812,375	38.2
Revenues with held to maturity financial investments	(772)	-	-	-	-	67,464	64	(99.9)
Judicial deposits	6,242	7,833	9,640	54.5	23.1	18,768	25,862	37.8
Receivables from insurance and reinsurance operations	(2,480)	14,463	6,883	-	(52.4)	12,888	27,953	116.9
<b>Adjusted interest expenses</b>	<b>(9,502)</b>	<b>(42,748)</b>	<b>(25,140)</b>	<b>164.6</b>	<b>(41.2)</b>	<b>(112,327)</b>	<b>(121,426)</b>	<b>8.1</b>
Pending claims - Administrative	2,237	(373)	483	(78.4)	-	1,148	208	(81.9)
Pending claims - Judicial	(3,744)	(24,845)	(10,943)	192.3	(56.0)	(86,597)	(77,751)	(10.2)
Judicial provisions	(4,960)	(16,208)	(13,226)	166.7	(18.4)	(23,636)	(39,767)	68.2
Obligations with insurance and reinsurance operations	(3,035)	(1,323)	(1,455)	(52.1)	10.0	(3,241)	(4,115)	27.0
<b>Net interest income</b>	<b>233,934</b>	<b>231,019</b>	<b>275,000</b>	<b>17.6</b>	<b>19.0</b>	<b>574,648</b>	<b>744,829</b>	<b>29.6</b>

1. Managerial view.

### QUARTERLY ANALYSIS

In **3Q23**, **net interest income** grew R\$41.1 million (+17.6%) YoY, primarily due to both the increased balance and average rate of interest earning assets.

**Adjusted interest revenues** increased by R\$56.7 million (+23.3%), primarily explained by:

- a rise of R\$43.2 million (+18.0%) in revenues from marked to market investments, driven by the expansion in the average balance. This increase was partially offset by the decline in the average interest rate, which was influenced by the decrease in the Selic; and
- growth of R\$9.4 million in revenues with receivables from insurance and reinsurance operations, attributable to an increase in the average interest rate resulting from the inflation of 0.01% in the INPC rate in 3Q23 compared to the deflation of -0.29% recorded in 3Q22.

**Adjusted interest expenses** increased by R\$15.6 million (+164.6%) compared to the same period in 2022, primarily due to:

- a rise of R\$8.3 million (+166.7%) in expenses related to legal provisions. This was mainly due to the revision of civil lawsuits with the reduction of loss probability leading to the

reversal of provisions in 3Q22, with counterpart in both the interest expenses and G&A expenses; and

- an increase of R\$7.2 million (+192.3%) in expenses for judicial claims to be settled. This was largely attributed to the higher average interest rate caused by the inflation of +0.01% in the INPC in 3Q23 compared to the deflation of -0.29% in 3Q22.

#### YEAR-TO-DATE ANALYSIS

In **9M23**, **net interest income** increased by R\$170.2 million (+29.6%) YoY.

**Adjusted interest revenues** grew by R\$179.3 million (+26.1%), with R\$102.6 million arising from the increase in the average yield rate (+1.4 p.p.) led by the higher Selic rate, and another R\$76.7 million arising from the expansion of the average balance of interest earning assets.

On the other hand, **adjusted interest expenses** increased by R\$9.1 million (+8.1%), mainly due to the growth in the average balances of provisions for judicial claims to be settled, legal provisions, and debts related to insurance and reinsurance operations. This effect was partially offset by the lower average interest rate of provisions for judicial claims to be settled, due to the decrease in the inflation index that adjusts this provision (INPC), with the negative offsetting of the increased average interest rate for legal provisions influenced by the higher Selic rate in the period.

Table 26 – Brasilseg | Quarterly figures – Volume and rate analysis

R\$ thousand	3Q23/3Q22		
	Average volume	Average rate	Net change
<b>Earning assets</b>			
Mark to Market financial investments	53,725	(10,556)	43,170
Held to maturity financial investments	772	-	772
Judicial deposits	207	3,192	3,399
Receivables from insurance and reinsurance operations	(8,590)	17,953	9,363
<b>Total<sup>1</sup></b>	<b>16,387</b>	<b>40,317</b>	<b>56,704</b>
<b>Interest bearing liabilities</b>			
Pending claims - Administrative	(262)	(1,492)	(1,754)
Pending claims - Judicial	(954)	(6,245)	(7,199)
Judicial provisions	(814)	(7,452)	(8,266)
Obligations with insurance and reinsurance operations	(779)	2,360	1,581
<b>Total<sup>1</sup></b>	<b>3,208</b>	<b>(18,846)</b>	<b>(15,638)</b>

1. Calculated with the same methodology of the parts. Due to the different weights of the elements which compose it, the total does not reflect the sum of the parts.

Table 27 – Brasilseg | Quarterly figures - Earning assets - average balance and interest rates

R\$ million	3Q22			3Q23		
	Average balance	Interest revenues	Annualized rate (%)	Average balance	Interest revenues	Annualized rate (%)
<b>Earning assets</b>						
Mark to Market financial investments	7,809	240	12.5	9,634	284	12.1
Held to maturity financial investments	542	(1)	(0.6)	-	-	-
Judicial deposits	818	6	3.0	836	10	4.6
Receivables from insurance and reinsurance operations	1,258	(2)	(0.8)	560	7	4.9
<b>Total</b>	<b>10,428</b>	<b>243</b>	<b>9.4</b>	<b>11,030</b>	<b>300</b>	<b>11.1</b>

Table 28 – Brasilseg | Quarterly figures - Interest bearing liabilities - average balance and interest rates

R\$ million	3Q22			3Q23		
	Average balance	Interest expenses	Annualized rate (%)	Average balance	Interest expenses	Annualized rate (%)
<b>Interest bearing liabilities</b>						
Pending claims - Administrative	2,274	2	(0.4)	1,475	0	(0.1)
Pending claims - Judicial	839	(4)	1.7	919	(11)	4.6
Judicial provisions	704	(5)	2.7	750	(13)	6.8
Obligations with insurance and reinsurance operations	190	(3)	6.1	408	(1)	1.4
<b>Total</b>	<b>4,006</b>	<b>(10)</b>	<b>0.9</b>	<b>3,553</b>	<b>(25)</b>	<b>2.8</b>

Table 29 – Brasilseg | Year-to-date figures – Volume and rate analysis

R\$ thousand	9M23/9M22		
	Average volume	Average rate	Net change
<b>Earning assets</b>			
Mark to Market financial investments	147,954	76,565	224,520
Held to maturity financial investments	(363)	(67,037)	(67,400)
Judicial deposits	447	6,647	7,094
Receivables from insurance and reinsurance operations	(19,909)	34,974	15,065
<b>Total<sup>1</sup></b>	<b>76,667</b>	<b>102,613</b>	<b>179,279</b>
<b>Interest bearing liabilities</b>			
Pending claims - Administrative	(72)	(867)	(940)
Pending claims - Judicial	(7,957)	16,803	8,846
Judicial provisions	(2,097)	(14,034)	(16,131)
Obligations with insurance and reinsurance operations	(2,215)	1,341	(874)
<b>Total<sup>1</sup></b>	<b>5,179</b>	<b>(14,278)</b>	<b>(9,099)</b>

1. Calculated with the same methodology of the parts. Due to the different weights of the elements which compose it, the total does not reflect the sum of the parts.

Table 30 – Brasilseg | Year-to-date figures – Earning assets – average balance and interest rates

R\$ million	9M22			9M23		
	Average balance	Interest revenues	Annualized rate (%)	Average balance	Interest revenues	Annualized rate (%)
<b>Earning assets</b>						
Mark to Market financial investments	7,935	588	10.0	9,702	812	11.4
Held to maturity financial investments	522	67	17.6	79	0	0.1
Judicial deposits	818	19	3.1	832	26	4.2
Receivables from insurance and reinsurance operations	852	13	2.0	498	28	7.6
<b>Total</b>	<b>10,127</b>	<b>687</b>	<b>9.1</b>	<b>11,110</b>	<b>866</b>	<b>10.6</b>

Table 31 – Brasilseg | Year-to-date figures – Interest bearing liabilities – average balance and interest rates

R\$ million	9M22			9M23		
	Average balance	Interest expenses	Annualized rate (%)	Average balance	Interest expenses	Annualized rate (%)
<b>Interest bearing liabilities</b>						
Pending claims - Administrative	1,832	1	(0.1)	1,358	0	(0.0)
Pending claims - Judicial	799	(87)	14.2	890	(78)	11.5
Judicial provisions	695	(24)	4.5	734	(40)	7.2
Obligations with insurance and reinsurance operations	172	(3)	2.5	373	(4)	1.5
<b>Total</b>	<b>3,498</b>	<b>(112)</b>	<b>4.3</b>	<b>3,355</b>	<b>(121)</b>	<b>4.8</b>

Table 32 – Brasilseg | Financial investment portfolio

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Trading</b>	<b>7,014,100</b>	<b>7,336,976</b>	<b>9,162,106</b>	<b>30.6</b>	<b>24.9</b>
Pre-fixed	82,091	618,770	383,998	367.8	(37.9)
Floating	6,903,010	6,716,988	8,745,189	26.7	30.2
Other	29,000	1,219	32,919	13.5	-
<b>Available for sale</b>	<b>1,710,006</b>	<b>1,500,216</b>	<b>1,269,462</b>	<b>(25.8)</b>	<b>(15.4)</b>
Pre-fixed	1,292,923	1,063,186	846,958	(34.5)	(20.3)
Floating	15,792	11,426	-	-	-
Inflation	401,291	425,603	422,504	5.3	(0.7)
<b>Held to maturity securities</b>	<b>153,323</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Pre-fixed	153,323	-	-	-	-
<b>Total</b>	<b>8,877,430</b>	<b>8,837,192</b>	<b>10,431,568</b>	<b>17.5</b>	<b>18.0</b>

Figure 36 – Brasilseg | Breakdown of financial investments by index (%)

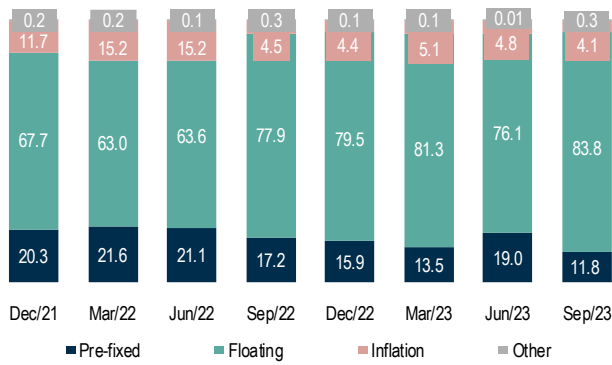
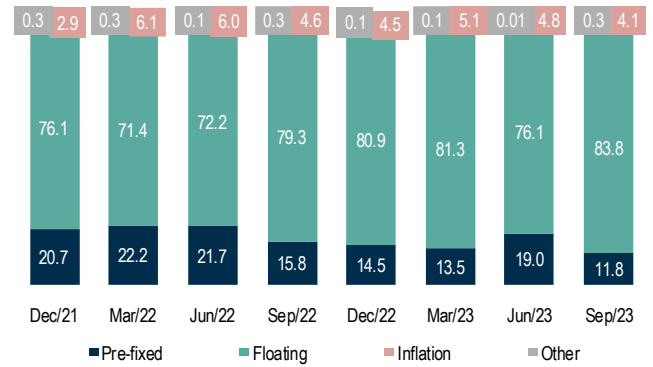


Figure 37 – Brasilseg | Breakdown of mark to market financial investments by index (%)





## ■ BALANCE SHEET ANALYSIS

Table 33 – Brasilseg | Balance sheet

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Assets</b>	<b>22,948,449</b>	<b>23,042,899</b>	<b>25,468,139</b>	<b>11.0</b>	<b>10.5</b>
Cash	13,862	7,627	5,438	(60.8)	(28.7)
Financial assets	8,877,430	8,837,192	10,431,568	17.5	18.0
Receivables from insurance and reinsurance operations	5,556,607	5,272,260	5,520,294	(0.7)	4.7
Reinsurance and retrocession - technical reserves	2,634,043	2,066,236	2,149,878	(18.4)	4.0
Securities and credits receivable	1,258,145	1,321,554	1,317,931	4.8	(0.3)
Other	281,694	281,691	275,730	(2.1)	(2.1)
Prepaid expenses	12,174	23,267	20,435	67.9	(12.2)
Deferred costs	3,650,131	4,374,859	4,904,516	34.4	12.1
Investments	312,318	404,827	349,481	11.9	(13.7)
Fixed assets	46,452	42,323	45,186	(2.7)	6.8
Intangible	305,594	411,062	447,682	46.5	8.9
<b>Liabilities</b>	<b>20,491,015</b>	<b>20,132,213</b>	<b>22,370,770</b>	<b>9.2</b>	<b>11.1</b>
Accounts payable	674,706	634,641	886,524	31.4	39.7
Obligations with insurance and reinsurance operations	3,154,599	2,641,434	3,372,835	6.9	27.7
Technical reserves - insurance	15,524,241	15,744,452	16,973,560	9.3	7.8
Third party deposits	82,374	21,509	23,441	(71.5)	9.0
Other liabilities	1,055,096	1,090,177	1,114,409	5.6	2.2
<b>Shareholders' equity</b>	<b>2,457,433</b>	<b>2,910,687</b>	<b>3,097,369</b>	<b>26.0</b>	<b>6.4</b>

Table 34 – Brasilseg | Receivables from insurance and reinsurance operations

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
Receivable premiums	4,594,698	4,732,304	5,109,241	11.2	8.0
Operations with insurance companies	31,409	40,380	45,462	44.7	12.6
Premiums	3,477	6,912	3,090	(11.1)	(55.3)
Claims paid	5,901	8,831	9,667	63.8	9.5
Other receivables	22,030	24,636	32,704	48.5	32.7
Operations with reinsurance companies	448,662	336,025	168,871	(62.4)	(49.7)
Claims paid	448,661	335,931	168,871	(62.4)	(49.7)
Other receivables	0	94	0	-	(99.9)
Other operating receivables	576,103	302,545	327,504	(43.2)	8.2
Impairment	(94,264)	(138,993)	(130,784)	38.7	(5.9)
<b>Receivables from insurance and reinsurance operations</b>	<b>5,556,607</b>	<b>5,272,260</b>	<b>5,520,294</b>	<b>(0.7)</b>	<b>4.7</b>

Table 35 – Brasilseg | Reinsurance and retrocession – technical reserves

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
Deferred premiums - PPNG	1,441,384	1,062,470	1,393,915	(3.3)	31.2
Deferred premiums - RVNE	32,984	46,859	48,655	47.5	3.8
IBNR claims	146,822	198,429	208,243	41.8	4.9
Pending claims	998,061	742,267	478,742	(52.0)	(35.5)
Provision for related expenses	14,793	16,211	20,324	37.4	25.4
<b>Reinsurance and retrocession - technical reserves</b>	<b>2,634,043</b>	<b>2,066,236</b>	<b>2,149,878</b>	<b>(18.4)</b>	<b>4.0</b>

Table 36 – Brasilseg | Securities and credit receivable

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
Securities and credits receivable	8,400	34,559	27,042	221.9	(21.8)
Other tax and social security receivables	121,762	163,056	130,578	7.2	(19.9)
Receivable tax and social security - tax loss	132	284	279	111.3	(1.8)
Receivable tax and social security - temporary adjustments	295,762	281,463	284,193	(3.9)	1.0
Tax and judicial deposits	813,152	830,380	842,082	3.6	1.4
Other receivables	24,071	16,946	38,892	61.6	129.5
Impairment	(5,134)	(5,134)	(5,134)	-	-
<b>Securities and credits receivable</b>	<b>1,258,145</b>	<b>1,321,554</b>	<b>1,317,931</b>	<b>4.8</b>	<b>(0.3)</b>

Table 37 – Brasilseg | Accounts payable

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
Payable liabilities	120,210	129,813	172,942	43.9	33.2
Deferred taxes	93	0	76	(17.6)	-
Social securities and taxes payable	52,364	58,535	64,885	23.9	10.8
Labor charges	27,260	29,182	32,823	20.4	12.5
Taxes and contributions	422,735	410,005	596,859	41.2	45.6
Other accounts payable	52,044	7,107	18,940	(63.6)	166.5
<b>Accounts payable</b>	<b>674,706</b>	<b>634,641</b>	<b>886,524</b>	<b>31.4</b>	<b>39.7</b>

Table 38 – Brasilseg | Obligations with insurance and reinsurance operations

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
Premiums to return	26,801	26,862	27,742	3.5	3.3
Operations with insurance companies	11,961	19,368	20,647	72.6	6.6
Operations with reinsurance companies	1,380,105	752,529	1,195,547	(13.4)	58.9
Insurance and reinsurance brokers	1,580,709	1,758,935	1,961,553	24.1	11.5
Other operating obligations	155,023	83,740	167,346	7.9	99.8
<b>Obligations with insurance and reinsurance operations</b>	<b>3,154,599</b>	<b>2,641,434</b>	<b>3,372,835</b>	<b>6.9</b>	<b>27.7</b>

## ■ SOLVENCY

Table 39 – Brasilseg | Solvency

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Brasilseg Companhia de Seguros</b>					
<b>Adjusted shareholders' equity (a)</b>	<b>2,125,402</b>	<b>2,233,047</b>	<b>2,362,565</b>	<b>11.2</b>	<b>5.8</b>
<b>Minimum capital required (b)</b>	<b>1,495,026</b>	<b>1,699,981</b>	<b>1,730,483</b>	<b>15.7</b>	<b>1.8</b>
Additional capital for underwriting risk	1,314,696	1,508,863	1,540,022	17.1	2.1
Additional capital for credit risk	209,907	200,444	198,519	(5.4)	(1.0)
Additional capital for market risk	39,072	48,459	48,459	24.0	-
Additional capital for operating risk	52,889	68,095	68,775	30.0	1.0
Benefit of correlation between risks	(121,537)	(125,880)	(125,292)	3.1	(0.5)
<b>Capital adequacy (a) - (b)</b>	<b>630,375</b>	<b>533,066</b>	<b>632,082</b>	<b>0.3</b>	<b>18.6</b>
<b>Solvency ratio (a) / (b) - %</b>	<b>142.2</b>	<b>131.4</b>	<b>136.5</b>	<b>-5.6 p.p.</b>	<b>5.2 p.p.</b>
<b>Aliança do Brasil Seguros</b>					
<b>Adjusted shareholders' equity (a)</b>	<b>281,315</b>	<b>312,503</b>	<b>333,010</b>	<b>18.4</b>	<b>6.6</b>
<b>Minimum capital required (b)</b>	<b>156,170</b>	<b>196,965</b>	<b>195,774</b>	<b>25.4</b>	<b>(0.6)</b>
Additional capital for underwriting risk	140,124	179,016	178,897	27.7	(0.1)
Additional capital for credit risk	12,468	13,606	11,852	(4.9)	(12.9)
Additional capital for market risk	8,705	8,677	8,677	(0.3)	-
Additional capital for operating risk	6,915	8,342	8,243	19.2	(1.2)
Benefit of correlation between risks	(12,042)	(12,676)	(11,895)	(1.2)	(6.2)
<b>Capital adequacy (a) - (b)</b>	<b>125,146</b>	<b>115,538</b>	<b>137,236</b>	<b>9.7</b>	<b>18.8</b>
<b>Solvency ratio (a) / (b) - %</b>	<b>180.1</b>	<b>158.7</b>	<b>170.1</b>	<b>-10.0 p.p.</b>	<b>11.4 p.p.</b>
<b>Total Brasilseg</b>					
<b>Adjusted shareholders' equity (a)</b>	<b>2,406,717</b>	<b>2,545,550</b>	<b>2,695,575</b>	<b>12.0</b>	<b>5.9</b>
<b>Minimum capital required (b)</b>	<b>1,651,196</b>	<b>1,896,945</b>	<b>1,926,256</b>	<b>16.7</b>	<b>1.5</b>
Additional capital for underwriting risk	1,454,819	1,687,879	1,718,918	18.2	1.8
Additional capital for credit risk	222,376	214,050	210,370	(5.4)	(1.7)
Additional capital for market risk	47,776	57,136	57,136	19.6	-
Additional capital for operating risk	59,803	76,437	77,019	28.8	0.8
Benefit of correlation between risks	(133,579)	(138,557)	(137,187)	2.7	(1.0)
<b>Capital adequacy (a) - (b)</b>	<b>755,521</b>	<b>648,605</b>	<b>769,318</b>	<b>1.8</b>	<b>18.6</b>
<b>Solvency ratio (a) / (b) - %</b>	<b>145.8</b>	<b>134.2</b>	<b>139.9</b>	<b>-5.8 p.p.</b>	<b>5.7 p.p.</b>

## 4.2 BRASILPREV

### ■ EARNINGS ANALYSIS

Table 40 – Brasilprev | Income statement

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Total revenue from pension and insurance</b>	<b>15,144,470</b>	<b>12,278,542</b>	<b>16,466,696</b>	<b>8.7</b>	<b>34.1</b>	<b>39,855,359</b>	<b>43,534,386</b>	<b>9.2</b>
Provision for benefits to be granted	(15,139,216)	(12,273,659)	(16,461,979)	8.7	34.1	(39,839,746)	(43,519,725)	9.2
<b>Net revenue from pension and insurance</b>	<b>5,254</b>	<b>4,883</b>	<b>4,717</b>	<b>(10.2)</b>	<b>(3.4)</b>	<b>15,613</b>	<b>14,661</b>	<b>(6.1)</b>
Management fee	836,248	830,012	893,318	6.8	7.6	2,436,283	2,561,871	5.2
Changes in other technical reserves	(4,065)	(5,241)	(2,602)	(36.0)	(50.4)	(5,177)	(9,118)	76.1
Expenses with benefits, redemptions and claims	(7,508)	(14,657)	(7,317)	(2.6)	(50.1)	(74,963)	(54,284)	(27.6)
Acquisition costs	(178,283)	(184,971)	(186,259)	4.5	0.7	(521,224)	(554,330)	6.4
Retained earned premiums	49,788	54,240	43,488	(12.7)	(19.8)	143,252	117,528	(18.0)
Administrative expenses	(90,941)	(107,077)	(103,582)	13.9	(3.3)	(262,877)	(307,738)	17.1
Tax expenses	(66,682)	(70,181)	(71,595)	7.4	2.0	(190,954)	(207,014)	8.4
Other operating income (expenses)	(14,101)	(655)	(15,926)	12.9	-	(51,514)	(12,596)	(75.5)
Gains or losses on non-current assets	1	(10)	0	(90.0)	-	(32)	16	-
<b>Non-interest operating result</b>	<b>529,709</b>	<b>506,342</b>	<b>554,243</b>	<b>4.6</b>	<b>9.5</b>	<b>1,488,406</b>	<b>1,548,995</b>	<b>4.1</b>
<b>Net investment income</b>	<b>(34,835)</b>	<b>223,399</b>	<b>296,547</b>	<b>-</b>	<b>32.7</b>	<b>69,309</b>	<b>766,538</b>	<b>-</b>
Financial income	9,195,938	11,629,848	8,688,028	(5.5)	(25.3)	22,611,130	29,612,530	31.0
Financial expenses	(9,230,773)	(11,406,449)	(8,391,481)	(9.1)	(26.4)	(22,541,822)	(28,845,992)	28.0
<b>Earnings before taxes and profit sharing</b>	<b>494,874</b>	<b>729,741</b>	<b>850,790</b>	<b>71.9</b>	<b>16.6</b>	<b>1,557,715</b>	<b>2,315,533</b>	<b>48.6</b>
Taxes	(200,156)	(286,897)	(318,701)	59.2	11.1	(623,210)	(901,245)	44.6
Profitsharing	(5,209)	(4,521)	(4,485)	(13.9)	(0.8)	(12,678)	(10,015)	(21.0)
<b>Net income</b>	<b>289,509</b>	<b>438,323</b>	<b>527,604</b>	<b>82.2</b>	<b>20.4</b>	<b>921,827</b>	<b>1,404,273</b>	<b>52.3</b>

## NET INCOME

Figure 38 – Brasilprev | Net income (R\$ million)

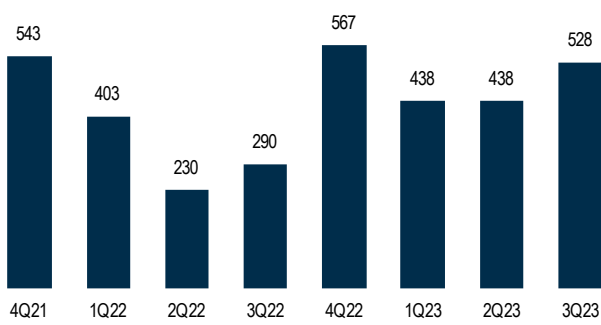
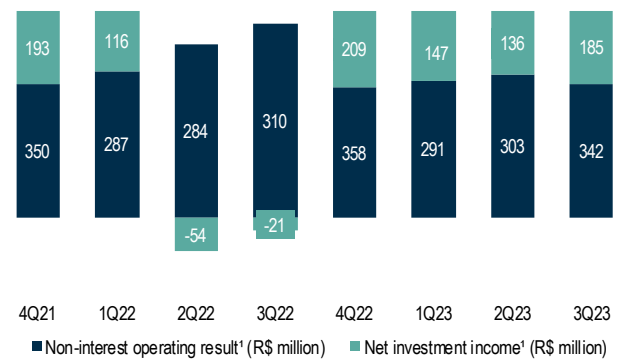


Figure 39 – Brasilprev | Net income breakdown



1. Net of taxes considering the effective tax rate

Table 41 – Brasilprev | Performance ratios

%	Quarterly Flow			Chg. (p.p.)		9 Months Flow		Chg. (p.p.)
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
Commission ratio	1.2	1.5	1.1	(0.0)	(0.4)	1.3	1.3	(0.0)
Management fee	0.98	0.96	0.95	(0.04)	(0.01)	1.00	0.95	(0.05)
Redemption ratio	11.9	10.8	9.5	(2.4)	(1.3)	11.6	10.7	(1.0)
Portability ratio	2.4	1.1	1.0	(1.5)	(0.2)	2.4	1.2	(1.2)
Cost to income ratio	40.6	43.1	41.1	0.6	(1.9)	42.6	42.5	(0.1)
Income tax rate	40.4	39.3	37.5	(3.0)	(1.9)	40.0	38.9	(1.1)

■ RESULT WITH PENSION PLANS AND INSURANCE ANALYSIS

CONTRIBUTIONS

Figure 40 – Brasilprev | Contributions (R\$ million)

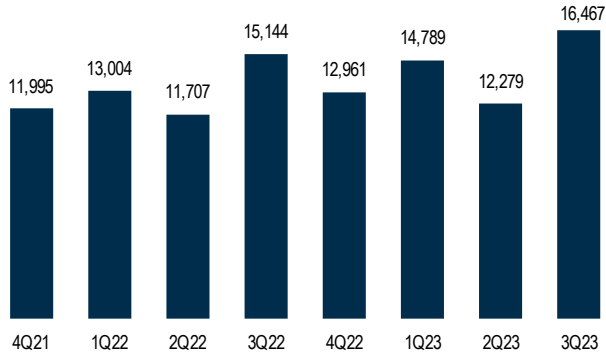
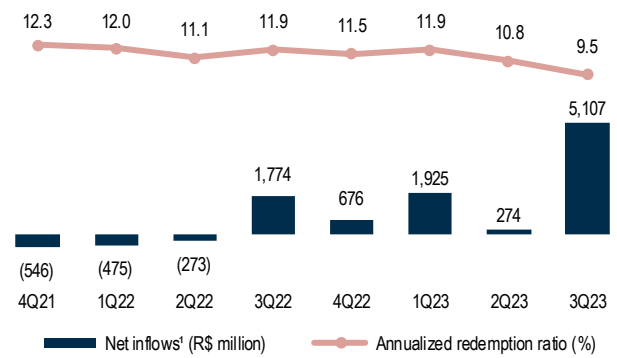


Figure 41 – Brasilprev | Net inflows and redemption ratio



1. Source: Quantum Axis

Figure 42 – Brasilprev | Contributions breakdown (%)

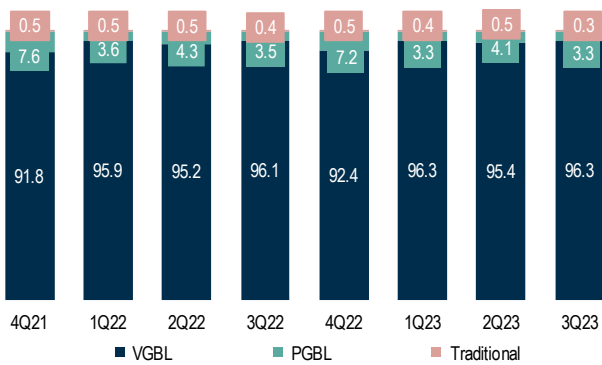
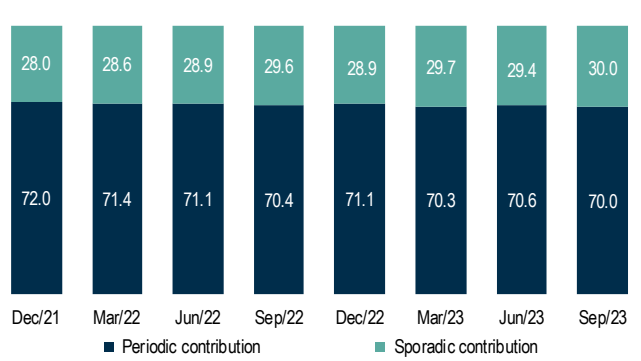


Figure 43 – Brasilprev | Pension plans outstanding (%)



## TECHNICAL RESERVES

Figure 44 – Brasilprev | Technical reserves (R\$ billion)

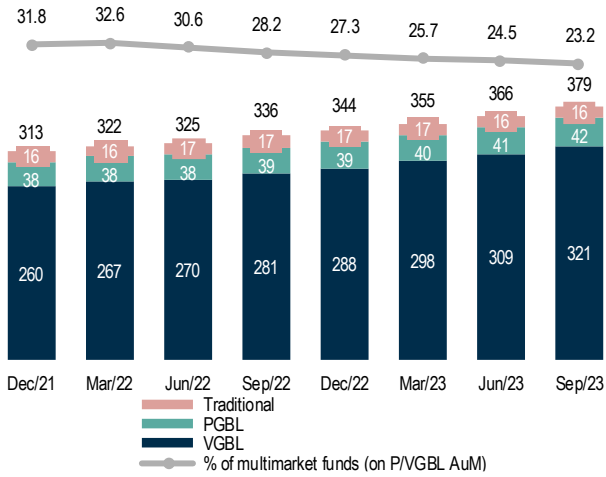


Figure 45 – Brasilprev | Technical reserves (%)

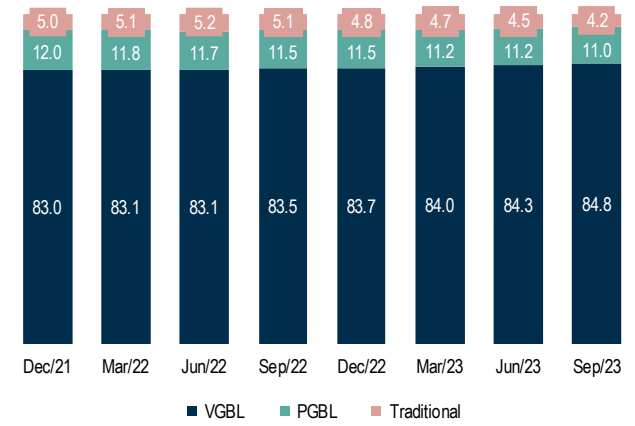


Figure 46 – Brasilprev | Plans (thousand)

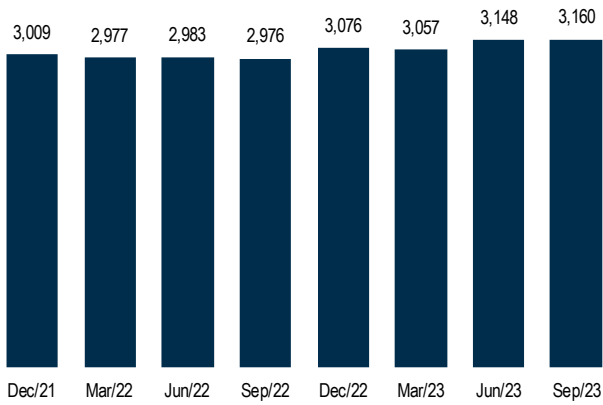


Figure 47 – Brasilprev | CPFs (thousand)

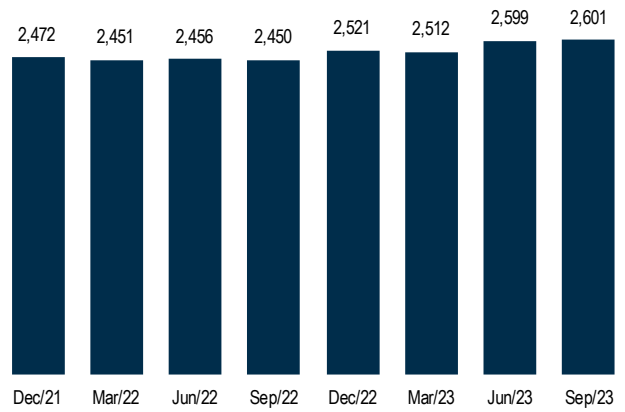


Table 42 – Brasilprev | Changes in technical reserves and provisions for insurance and pension plans

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Benefits to be granted</b>					
<b>Initial balance</b>	<b>317,929,210</b>	<b>346,909,907</b>	<b>358,130,743</b>	<b>12.6</b>	<b>3.2</b>
Constitution	2,454,368	538,607	5,279,916	115.1	-
Reversal	(822,899)	(606,817)	(583,484)	(29.1)	(3.8)
Restatement	9,126,468	11,289,045	8,271,691	(9.4)	(26.7)
<b>Final balance</b>	<b>328,687,147</b>	<b>358,130,743</b>	<b>371,098,866</b>	<b>12.9</b>	<b>3.6</b>
<b>Benefits granted</b>					
<b>Initial balance</b>	<b>5,932,211</b>	<b>6,135,428</b>	<b>6,202,884</b>	<b>4.6</b>	<b>1.1</b>
Constitution	20,055	3,113,888	56,567	182.1	(98.2)
Reversal	(21,841)	(3,065,115)	(9,265)	(57.6)	(99.7)
Restatement	71,377	18,683	48,185	(32.5)	157.9
<b>Final balance</b>	<b>6,001,803</b>	<b>6,202,884</b>	<b>6,298,371</b>	<b>4.9</b>	<b>1.5</b>
<b>Other provisions</b>					
<b>Initial balance</b>	<b>1,607,083</b>	<b>1,546,657</b>	<b>1,496,644</b>	<b>(6.9)</b>	<b>(3.2)</b>
Constitution	1,184,681	395,955	1,711,613	44.5	332.3
Reversal	(1,265,985)	(479,902)	(1,622,709)	28.2	238.1
Restatement	46,605	33,935	36,578	(21.5)	7.8
<b>Final balance</b>	<b>1,572,384</b>	<b>1,496,644</b>	<b>1,622,127</b>	<b>3.2</b>	<b>8.4</b>
<b>Total Provisions</b>	<b>336,261,334</b>	<b>365,830,271</b>	<b>379,019,364</b>	<b>12.7</b>	<b>3.6</b>

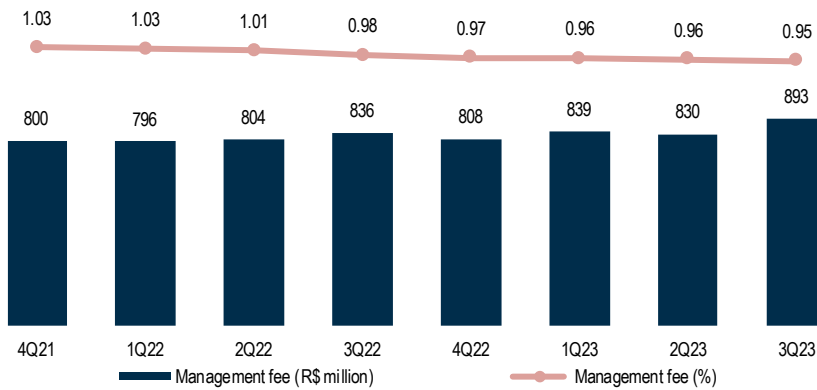
Table 43 – Brasilprev | Changes in technical reserves and provisions for insurance and pension plans by product

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>P VGBL Reserves</b>					
<b>Initial balance</b>	<b>308,426,970</b>	<b>337,832,050</b>	<b>349,430,759</b>	<b>13.3</b>	<b>3.4</b>
Constitution	3,147,431	1,053,325	6,377,215	102.6	-
Reversal	(1,308,256)	(898,150)	(1,186,905)	(9.3)	32.1
Restatement	8,948,574	11,443,534	8,411,497	(6.0)	(26.5)
<b>Final balance</b>	<b>319,214,719</b>	<b>349,430,759</b>	<b>363,032,565</b>	<b>13.7</b>	<b>3.9</b>
<b>Traditional Reserves</b>					
<b>Initial balance</b>	<b>17,041,534</b>	<b>16,759,942</b>	<b>16,399,512</b>	<b>(3.8)</b>	<b>(2.2)</b>
Constitution	511,674	2,995,126	670,882	31.1	(77.6)
Reversal	(802,470)	(3,253,683)	(1,028,553)	28.2	(68.4)
Restatement	295,877	(101,872)	(55,043)	-	(46.0)
<b>Final balance</b>	<b>17,046,615</b>	<b>16,399,512</b>	<b>15,986,798</b>	<b>(6.2)</b>	<b>(2.5)</b>
<b>Total Provisions</b>	<b>336,261,334</b>	<b>365,830,271</b>	<b>379,019,364</b>	<b>12.7</b>	<b>3.6</b>



## MANAGEMENT FEE

Figure 48 – Brasilprev | Management fee

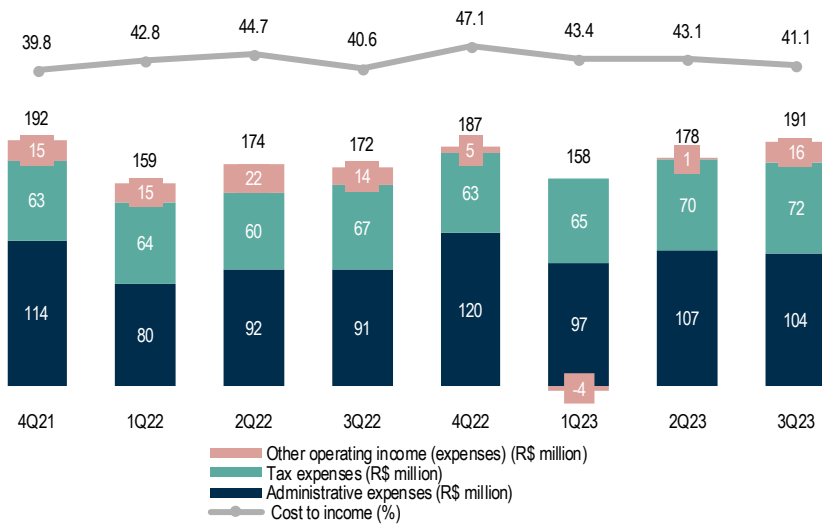
Table 44 – Brasilprev | Management fee breakdown<sup>1,2</sup>

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
Management fee	836,248	830,012	893,318	6.8	7.6	2,436,283	2,561,871	5.2
Average volume of reserves	330,660,364	359,913,413	373,106,575	12.8	3.7	323,815,498	360,834,868	11.4
Working days	65	61	64	-1 w.d.	3 w.d.	189	188	-1 w.d.
<b>Annualized average management fee (%)</b>	<b>0.98</b>	<b>0.96</b>	<b>0.95</b>	<b>(0.04) p.p.</b>	<b>(0.01) p.p.</b>	<b>1.00</b>	<b>0.95</b>	<b>(0.05) p.p.</b>

1. Management fee annualized considering the total of 252 working days.  
 2. Working days calculated based on the holidays table provided by ANBIMA.

GENERAL & ADMINISTRATIVE EXPENSES

Figure 49 – Brasilprev | G&A expenses and cost to income ratio



QUARTERLY ANALYSIS

In **3Q23**, **general and administrative expenses** increased by 11.3% YoY, resulting in a 0.6 p.p. deterioration in the cost-to-income ratio.

**Administrative expenses** registered a rise of 13.9%, mainly due to:

- increased personnel expenses, driven by collective bargaining agreements, health insurance price adjustments, and payment of extra working hours;
- growth in location and operation costs, mainly attributed to higher expenses related to travel and accommodations, as well as software amortization;
- rise in third-party service costs, influenced by technology expenses (including cybersecurity, licenses, and software) and digital projects; and
- an increase in marketing expenses, a result of a higher volume of incentivized sponsorships during the quarter.

Furthermore, **other operating income and expenses** showed a 12.9% increase compared to the same period in 2022. This rise is primarily explained by the growth of "other operating income and expenses" line due to the constitution of benefit granted provision (R\$23.0 million) for plans where participants outlived the initial life expectation at the time of converting savings to monthly income.

During the quarter, it was reversed R\$13.5 million from the provision for loan losses related to plans with contributions to cover risks, due to the write-off of policies overdue for more than 90 days, resulting in a negative impact on earned premiums.

**Tax expenses** increased by 7.4% due to the growth in the taxable income during the quarter.

YEAR-TO-DATE ANALYSIS

In **9M23**, **general and administrative expenses** increased by 4.4%, while the cost-to-income ratio improved 0.1 p.p. YoY.

**Administrative expenses** increased by 17.1%, driven by higher personnel costs, location and operation, marketing, and third-party service expenses, for the same reasons mentioned in the quarterly analysis.

Conversely, the negative balance of **other operating income and expenses** decreased by 75.5%, mostly due to the reversal of the provision for loan losses (R\$51.3 million) resulting from the write-off of policies overdue for more than 90 days, negatively impacting earned premiums.

**Tax expenses** also increased by 8.4% due to the expansion of the taxable income.

Table 45 – Brasilprev | G&amp;A expenses

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Administrative expenses</b>	<b>(90,941)</b>	<b>(107,077)</b>	<b>(103,582)</b>	<b>13.9</b>	<b>(3.3)</b>	<b>(262,877)</b>	<b>(307,738)</b>	<b>17.1</b>
Personnel	(42,566)	(47,319)	(47,282)	11.1	(0.1)	(124,451)	(140,131)	12.6
Outsourcing	(25,995)	(31,133)	(28,376)	9.2	(8.9)	(75,833)	(83,098)	9.6
Location and operation	(15,511)	(19,739)	(19,911)	28.4	0.9	(46,799)	(58,497)	25.0
Marketing	(6,172)	(8,118)	(7,561)	22.5	(6.9)	(13,792)	(22,675)	64.4
Other	(697)	(768)	(452)	(35.2)	(41.1)	(2,002)	(3,337)	66.7
<b>Other operating income (expenses)</b>	<b>(14,101)</b>	<b>(655)</b>	<b>(15,926)</b>	<b>12.9</b>	<b>-</b>	<b>(51,514)</b>	<b>(12,596)</b>	<b>(75.5)</b>
Expenses on sales incentive	(3,174)	(9,416)	(4,540)	43.0	(51.8)	(21,320)	(23,143)	8.6
Charging expenses	(5,625)	(5,536)	(5,839)	3.8	5.5	(15,152)	(16,934)	11.8
Contingencies	(1,388)	(4,234)	388	-	-	(3,100)	(6,871)	121.6
Provision for losses on receivables	(3,921)	2,793	7,655	-	174.1	(10,601)	33,759	-
Other operating income (expenses)	7	15,738	(13,590)	-	-	(1,341)	593	-
<b>Tax expenses</b>	<b>(66,682)</b>	<b>(70,181)</b>	<b>(71,595)</b>	<b>7.4</b>	<b>2.0</b>	<b>(190,954)</b>	<b>(207,014)</b>	<b>8.4</b>
Federal and municipal taxes	(17,099)	(17,337)	(18,336)	7.2	5.8	(50,192)	(52,823)	5.2
COFINS	(41,268)	(44,078)	(44,610)	8.1	1.2	(117,187)	(128,611)	9.7
PIS/PASEP	(6,706)	(7,163)	(7,249)	8.1	1.2	(19,043)	(20,899)	9.7
Inspection fee	(1,295)	(1,295)	(1,296)	0.1	0.1	(3,885)	(3,886)	0.0
Other tax expenses	(314)	(308)	(104)	(66.9)	(66.2)	(647)	(795)	23.0
<b>General and administrative expenses</b>	<b>(171,725)</b>	<b>(177,913)</b>	<b>(191,103)</b>	<b>11.3</b>	<b>7.4</b>	<b>(505,343)</b>	<b>(527,348)</b>	<b>4.4</b>

Table 46 – Brasilprev | Cost to income ratio

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Revenues - [ a ]</b>	<b>891,289</b>	<b>889,135</b>	<b>941,524</b>	<b>5.6</b>	<b>5.9</b>	<b>2,595,147</b>	<b>2,694,060</b>	<b>3.8</b>
Net revenue from pension and insurance	5,254	4,883	4,717	(10.2)	(3.4)	15,613	14,661	(6.1)
Management fee	836,248	830,012	893,318	6.8	7.6	2,436,283	2,561,871	5.2
Earned premiums	49,788	54,240	43,488	(12.7)	(19.8)	143,252	117,528	(18.0)
<b>Expenses - [ b ]</b>	<b>361,581</b>	<b>382,783</b>	<b>387,281</b>	<b>7.1</b>	<b>1.2</b>	<b>1,106,709</b>	<b>1,145,080</b>	<b>3.5</b>
Changes in other technical reserves	4,065	5,241	2,602	(36.0)	(50.4)	5,177	9,118	76.1
Expenses with benefits, redemptions and claims	7,508	14,657	7,317	(2.6)	(50.1)	74,963	54,284	(27.6)
Acquisition costs	178,283	184,971	186,259	4.5	0.7	521,224	554,330	6.4
Administrative expenses	90,941	107,077	103,582	13.9	(3.3)	262,877	307,738	17.1
Tax expenses	66,682	70,181	71,595	7.4	2.0	190,954	207,014	8.4
Other operating income (expenses)	14,101	655	15,926	12.9	-	51,514	12,596	(75.5)
<b>Cost to income ratio (%) - [ b / a ]</b>	<b>40.6</b>	<b>43.1</b>	<b>41.1</b>	<b>0.6 p.p.</b>	<b>(1.9) p.p.</b>	<b>42.6</b>	<b>42.5</b>	<b>(0.1) p.p.</b>

## ■ NET INVESTMENT INCOME

Figure 50 – Brasilprev | Net investment income (R\$ million)

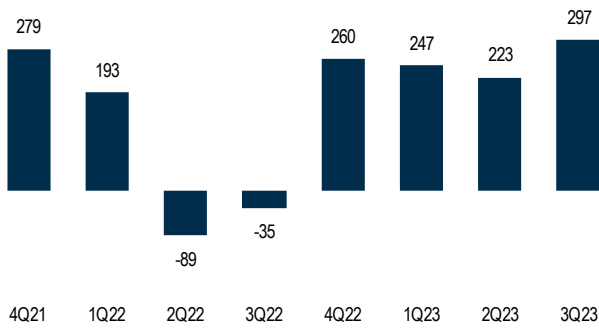
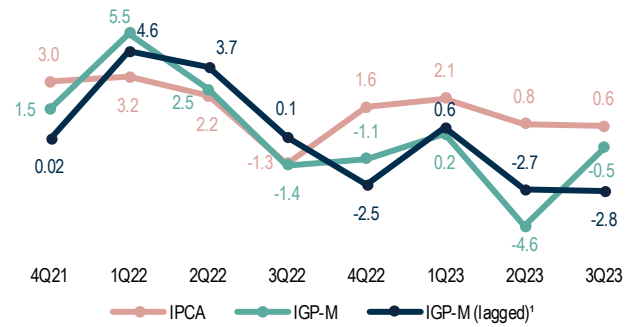


Figure 51 – Brasilprev | Inflation rates (%)



Source: IBGE and FGV.

1. Considering the IGP-M with a lag of one month, which is the average to accrual the interest bearing liabilities of Brasilprev's defined benefit plans.

Table 47 – Brasilprev | Financial income and expenses

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Adjusted interest revenues</b>	<b>255,058</b>	<b>222,638</b>	<b>295,055</b>	<b>15.7</b>	<b>32.5</b>	<b>2,203,659</b>	<b>1,173,364</b>	<b>(46.8)</b>
Revenues with mark to market financial investments	140,003	199,742	(40)	-	-	286,612	273,166	(4.7)
Revenues with held to maturity financial investments	115,055	22,896	295,095	156.5	-	1,917,047	900,198	(53.0)
<b>Adjusted interest expenses</b>	<b>(289,894)</b>	<b>761</b>	<b>1,492</b>	<b>-</b>	<b>96.0</b>	<b>(2,134,350)</b>	<b>(406,827)</b>	<b>(80.9)</b>
Interest accrual on technical reserves	(268,378)	21,478	22,379	-	4.2	(2,077,337)	(344,198)	(83.4)
Interest accrual on debentures	(21,516)	(20,717)	(20,887)	(2.9)	0.8	(57,013)	(62,629)	9.9
<b>Net investment income</b>	<b>(34,835)</b>	<b>223,399</b>	<b>296,547</b>	<b>-</b>	<b>32.7</b>	<b>69,309</b>	<b>766,538</b>	<b>-</b>

### QUARTERLY ANALYSIS

In **3Q23**, the **net investment income** was positive at R\$296.5 million, while in the same period of 2022, there was a financial loss of R\$34.8 million.

**Adjusted interest revenues** increased 15.7%, driven by the higher average rate of financial investments held to maturity. This improvement was mainly attributed to a lower IGP-M deflation (3Q23: -0.5% vs. 3Q22: -1.4%) and an increase in IPCA (3Q23: +0.6% vs. 3Q22: -1.3%) compared to the prior year. However, this positive performance was partially offset by the negative mark-to-market result of investments for trading, amounting to R\$73.5 million. This negative result was due to the steepening of the forward yield curve during the quarter, whereas in 3Q22, the mark-to-market result was positive at R\$110.4 million.

**Adjusted interest expenses**, on the other hand, ended the period with a positive balance of R\$1.5 million, compared to an expense of R\$290.0 million in 3Q22. This performance is attributed to the decrease in the cost of liabilities, resulting from the IGP-M deflation observed in the period from June to August of 2023 (-2.8%). In contrast, in the same period of 2022, the index experienced an increase of 0.1%.

## YEAR-TO-DATE ANALYSIS

The **net investment income reached** R\$766.5 million, compared to R\$69.3 million reported in the 9M22. This performance is largely explained by a decrease of 11.8 p.p. in the average yield on defined benefit plan liabilities. This reduction reflects the deflation of 4.9% in the IGP-M accumulated from December 2022 to August 2023, compared to an increase of 8.6% in the period from December 2021 to August 2022.

**Adjusted Interest revenues** reduced 46.8% due to the contraction in the yield of financial investments held-to-maturity. This decrease resulted from the deflation of IGP-M accumulated until September 2023 (9M23: -4.9% vs. 9M22: +6.6%) and the lower IPCA (9M23: +3.5% vs. 9M22: +4.1%).

Table 48 – Brasilprev | Quarterly figures - Volume and rate analysis

R\$ thousand	3Q23/3Q22		
	Average volume	Average rate	Net change
<b>Earning assets</b>			
Mark to market financial investments	(2)	(140,041)	(140,043)
Held to maturity financial investments	1,955	178,085	180,040
<b>Total<sup>1</sup></b>	<b>3,943</b>	<b>36,054</b>	<b>39,997</b>
<b>Interest bearing liabilities</b>			
Technical reserves	(1,001)	291,758	290,757
Debentures	(19)	648	629
<b>Total</b>	<b>(65)</b>	<b>291,450</b>	<b>291,386</b>

1. Calculated with the same methodology of the parts. Due to the different weights of the elements which compose it, the total does not reflect the sum of the parts.

Table 49 – Brasilprev | Quarterly figures - Earning assets - average balance and interest rates<sup>1</sup>

R\$ million	3Q22			3Q23		
	Average balance	Interest revenues	Annualized rate (%)	Average balance	Interest revenues	Annualized rate (%)
<b>Earning assets</b>						
Mark to market financial investments	5,043	140	11.2	5,243	(0)	(0.0)
Held to maturity financial investments	19,136	115	2.4	19,263	295	6.2
<b>Total</b>	<b>24,178</b>	<b>255</b>	<b>4.2</b>	<b>24,506</b>	<b>295</b>	<b>4.8</b>

1. Guaranteeing assets and free assets of Traditional plans and guaranteeing assets of the P/VGBL plans in the granting stage.

Table 50 – Brasilprev | Quarterly figures - Interest bearing liabilities - average balance and interest rates<sup>1</sup>

R\$ million	3Q22			3Q23		
	Average balance	Interest expenses	Annualized rate (%)	Average balance	Interest expenses	Annualized rate (%)
<b>Interest bearing liabilities</b>						
Technical reserves	19,203	(268)	5.3	18,380	22	(0.5)
Debentures	548	(22)	14.4	549	(21)	14.2
<b>Total</b>	<b>19,751</b>	<b>(290)</b>	<b>5.6</b>	<b>18,929</b>	<b>1</b>	<b>(0.0)</b>

1. Technical reserves of Traditional and P/VGBL plans in the granting stage.

Table 51 – Brasilprev | Year-to-date figures – Volume and rate analysis

R\$ thousand	9M23/9M22		
	Average volume	Average rate	Net change
<b>Earning assets</b>			
Mark to market financial investments	(13,457)	11	(13,446)
Held to maturity financial investments	46,958	(1,063,807)	(1,016,849)
<b>Total<sup>1</sup></b>	<b>36,795</b>	<b>(1,067,090)</b>	<b>(1,030,295)</b>
<b>Interest bearing liabilities</b>			
Technical reserves	2,783	1,730,357	1,733,139
Debentures	(56)	(5,561)	(5,616)
<b>Total</b>	<b>3,183</b>	<b>1,724,341</b>	<b>1,727,523</b>

1. Calculated with the same methodology of the parts. Due to the different weights of the elements which compose it, the total does not reflect the sum of the parts.

Table 52 – Brasilprev | Year-to-date figures – Earning assets – average balance and interest rates<sup>1</sup>

R\$ million	9M22			9M23		
	Average balance	Interest revenues	Annualized rate (%)	Average balance	Interest revenues	Annualized rate (%)
<b>Earning assets</b>						
Mark to market financial investments	5,225	287	7.4	4,980	273	7.4
Held to maturity financial investments	18,289	1,917	14.2	19,296	900	6.3
<b>Total</b>	<b>23,514</b>	<b>2,204</b>	<b>12.7</b>	<b>24,275</b>	<b>1,173</b>	<b>6.5</b>

1. Guaranteeing assets and free assets of Traditional plans and guaranteeing assets of the P/VGBL plans in the granting stage.

Table 53 – Brasilprev | Year-to-date figures – Interest bearing liabilities – average balance and interest rates<sup>1</sup>

R\$ million	9M22			9M23		
	Average balance	Interest expenses	Annualized rate (%)	Average balance	Interest expenses	Annualized rate (%)
<b>Interest bearing liabilities</b>						
Technical reserves	18,445	(2,077)	14.7	18,297	(344)	2.5
Debentures	548	(57)	13.6	549	(63)	15.0
<b>Total</b>	<b>18,993</b>	<b>(2,134)</b>	<b>14.7</b>	<b>18,846</b>	<b>(407)</b>	<b>2.9</b>

1. Technical reserves of Traditional and P/VGBL plans in the granting stage.

Table 54 – Brasilprev | Financial investments portfolio breakdown (except PGBL and VGBL funds)

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Held to maturity securities</b>	<b>18,914,657</b>	<b>18,955,469</b>	<b>19,570,886</b>	<b>3.5</b>	<b>3.2</b>
Pre-fixed	49,685	50,966	49,787	0.2	(2.3)
Inflation	18,864,972	18,904,503	19,521,099	3.5	3.3
<b>Mark to market securities</b>	<b>5,361,898</b>	<b>5,737,658</b>	<b>4,747,521</b>	<b>(11.5)</b>	<b>(17.3)</b>
Pre-fixed	254,779	315,189	154,458	(39.4)	(51.0)
Floating	1,775,106	1,842,739	1,814,257	2.2	(1.5)
Inflation	3,332,013	3,579,731	2,778,806	(16.6)	(22.4)
<b>Total</b>	<b>24,276,555</b>	<b>24,693,127</b>	<b>24,318,407</b>	<b>0.2</b>	<b>(1.5)</b>

Figure 52 – Brasilprev | Financial investments breakdown by index - except PGBL and VGBL funds (%)

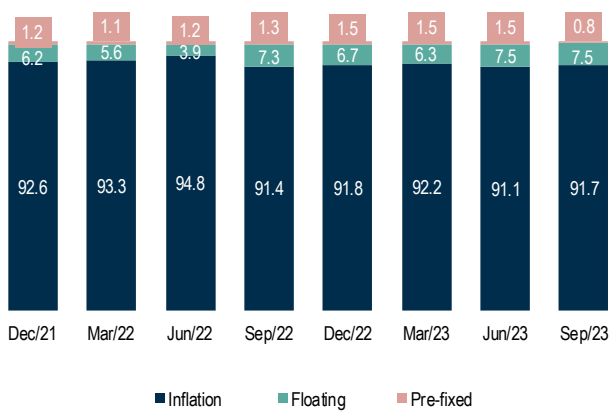
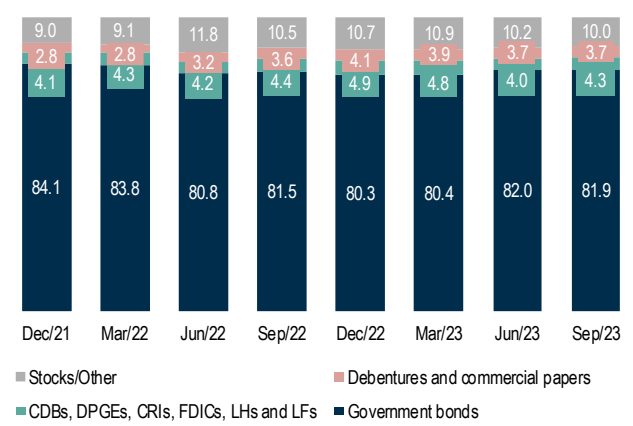


Figure 53 – Brasilprev | Assets allocation (%)



## ■ BALANCE SHEET ANALYSIS

Table 55 – Brasilprev | Balance sheet

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Assets</b>	<b>343,555,973</b>	<b>373,665,396</b>	<b>387,068,180</b>	<b>12.7</b>	<b>3.6</b>
Cash and cash equivalents	316,439	132,847	139,061	(56.1)	4.7
Financial assets	340,962,706	371,266,029	384,736,865	12.8	3.6
Receivables from insurance and reinsurance operations	3,288	9,307	9,248	181.3	(0.6)
Securities and credits receivable	553,280	533,372	405,249	(26.8)	(24.0)
Prepaid expenses	7,370	13,464	8,661	17.5	(35.7)
Deferred costs	1,433,595	1,430,188	1,494,424	4.2	4.5
Credits from private pension transactions	173	4,245	256	47.5	(94.0)
Other	38,808	36,073	34,687	(10.6)	(3.8)
Investments	75	75	75	-	-
Fixed assets	14,919	10,474	10,478	(29.8)	0.0
Intangible	225,319	229,322	229,175	1.7	(0.1)
<b>Liabilities</b>	<b>337,767,978</b>	<b>367,224,432</b>	<b>380,905,137</b>	<b>12.8</b>	<b>3.7</b>
Accounts payable	692,514	614,512	1,013,679	46.4	65.0
Debentures	548,214	548,580	548,701	0.1	0.0
Obligations with insurance and reinsurance operations	2,291	9,980	10,311	350.0	3.3
Debts from private pension transactions	5,085	1,723	1,485	(70.8)	(13.8)
Third party deposits	192,092	149,285	250,718	30.5	67.9
Technical reserves - insurance	280,686,078	308,537,077	321,470,025	14.5	4.2
Technical reserves - private pension	55,575,256	57,293,193	57,549,339	3.6	0.4
Other liabilities	66,446	70,081	60,880	(8.4)	(13.1)
<b>Shareholders' equity</b>	<b>5,787,995</b>	<b>6,440,965</b>	<b>6,163,042</b>	<b>6.5</b>	<b>(4.3)</b>

## ■ SOLVENCY

Table 56 – Brasilprev | Solvency<sup>1</sup>

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Adjusted shareholder's equity (a)</b>	<b>5,878,990</b>	<b>6,688,817</b>	<b>6,308,229</b>	<b>7.3</b>	<b>(5.7)</b>
<b>Minimum capital requirement (b)</b>	<b>3,036,309</b>	<b>3,198,855</b>	<b>3,164,367</b>	<b>4.2</b>	<b>(1.1)</b>
Additional capital for underwriting risk	1,923,549	2,219,936	2,165,645	12.6	(2.4)
Additional capital for credit risk	121,389	118,159	124,778	2.8	5.6
Additional capital for market risk	1,481,511	1,308,419	1,308,419	(11.7)	(0.0)
Additional capital for operating risk	269,009	292,664	303,215	12.7	3.6
Correlation risk reduction	(759,149)	(740,323)	(737,690)	(2.8)	(0.4)
<b>Capital adequacy (a) - (b)</b>	<b>2,842,681</b>	<b>3,489,962</b>	<b>3,143,862</b>	<b>10.6</b>	<b>(9.9)</b>
<b>Solvency ratio (a) / (b) - %</b>	<b>193.6</b>	<b>209.1</b>	<b>199.4</b>	<b>5.7 p.p.</b>	<b>-9.7 p.p.</b>

1. Information based on the accounting principles adopted by SUSEP.



## 4.3 BRASILCAP

### ■ EARNINGS ANALYSIS

The table below shows a managerial view built from the reallocation of expenses relates to the formation of Lottery and bonus provisions. This reallocation aims to isolate and present the revenue with load fee, which is the source used to cover general & administrative expenses and acquisition costs.

Table 57 – Brasilcap | Managerial income statement

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Premium bonds collection</b>	<b>1,615,265</b>	<b>1,638,676</b>	<b>1,648,071</b>	<b>2.0</b>	<b>0.6</b>	<b>4,206,108</b>	<b>4,715,855</b>	<b>12.1</b>
Changes in provisions for redemption	(1,427,497)	(1,454,752)	(1,469,439)	2.9	1.0	(3,712,882)	(4,175,917)	12.5
Changes in provisions for lottery and bonus	(19,798)	(28,075)	(27,500)	38.9	(2.0)	(52,950)	(81,566)	54.0
<b>Revenue with load fee</b>	<b>167,970</b>	<b>155,849</b>	<b>151,131</b>	<b>(10.0)</b>	<b>(3.0)</b>	<b>440,277</b>	<b>458,373</b>	<b>4.1</b>
Changes in other technical reserves	(974)	(560)	55	-	-	(743)	(133)	(82.1)
Result with lottery	2,326	11,128	19,012	-	70.9	15,820	36,548	131.0
Acquisition costs	(139,662)	(146,749)	(141,537)	1.3	(3.6)	(363,824)	(412,301)	13.3
Administrative expenses	(29,572)	(32,210)	(33,733)	14.1	4.7	(81,382)	(93,697)	15.1
Tax expenses	(10,746)	(10,013)	(10,123)	(5.8)	1.1	(28,181)	(29,549)	4.9
Other operating income (expenses)	14,236	17,607	15,834	11.2	(10.1)	41,801	46,725	11.8
Equity income	-	3	(6)	-	-	(261)	(7)	(97.3)
<b>Non-interest operating result</b>	<b>3,580</b>	<b>(4,945)</b>	<b>633</b>	<b>(82.3)</b>	<b>-</b>	<b>23,507</b>	<b>5,959</b>	<b>(74.6)</b>
<b>Net investment income</b>	<b>62,600</b>	<b>110,756</b>	<b>124,462</b>	<b>98.8</b>	<b>12.4</b>	<b>240,121</b>	<b>330,261</b>	<b>37.5</b>
Financial income	297,276	300,688	322,440	8.5	7.2	919,335	920,203	0.1
Financial expenses	(234,676)	(189,932)	(197,978)	(15.6)	4.2	(679,214)	(589,942)	(13.1)
<b>Earnings before taxes and profit sharing</b>	<b>66,179</b>	<b>105,811</b>	<b>125,095</b>	<b>89.0</b>	<b>18.2</b>	<b>263,628</b>	<b>336,221</b>	<b>27.5</b>
Taxes	(26,078)	(39,647)	(49,351)	89.2	24.5	(105,046)	(131,157)	24.9
Profit sharing	(2,593)	(2,722)	(2,853)	10.0	4.8	(3,704)	(6,044)	63.2
<b>Net income</b>	<b>37,508</b>	<b>63,442</b>	<b>72,890</b>	<b>94.3</b>	<b>14.9</b>	<b>154,878</b>	<b>199,019</b>	<b>28.5</b>

## NET INCOME

Figure 54 – Brasilcap | Net income (R\$ million)

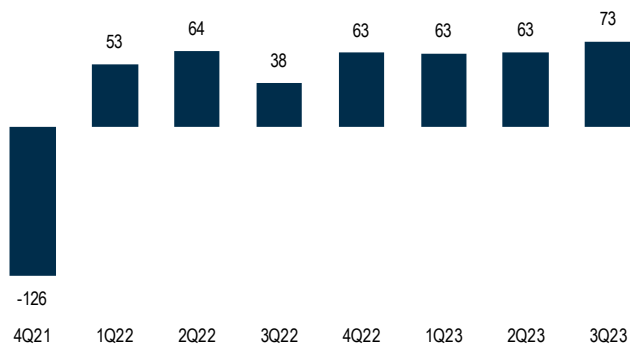
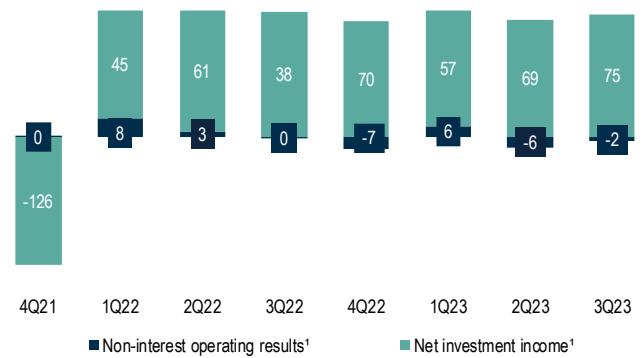


Figure 55 – Brasilcap | Net income breakdown (R\$ million)



1. Net of taxes considering the effective tax rate.

Table 58 – Brasilcap | Performance ratios

%	Quarterly Flow			Chg. (p.p.)		9 Months Flow		Chg. (p.p.)
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Average quotes</b>								
Reserve quote	88.4	88.8	89.2	0.8	0.4	88.3	88.6	0.3
Lottery quote	1.2	1.7	1.7	0.4	(0.0)	1.3	1.7	0.5
Bonus quote	0.00	-	-	(0.00)	-	0.00	0.00	(0.00)
Load fee quote	10.4	9.5	9.2	(1.2)	(0.3)	10.5	9.7	(0.7)
<b>Financial</b>								
Net interest margin (p.p.)	2.7	4.2	4.3	1.6	0.0	3.3	3.7	0.4
<b>Other</b>								
Premium bonds margin	1.9	(2.7)	0.4	(1.6)	3.0	4.8	1.1	(3.7)
Income tax rate	39.4	37.5	39.5	0.0	2.0	39.8	39.0	(0.8)

■ NON-INTEREST OPERATING RESULT ANALYSIS

PREMIUM BONDS COLLECTION

Figure 56 – Brasilcap | Collection (R\$ million)

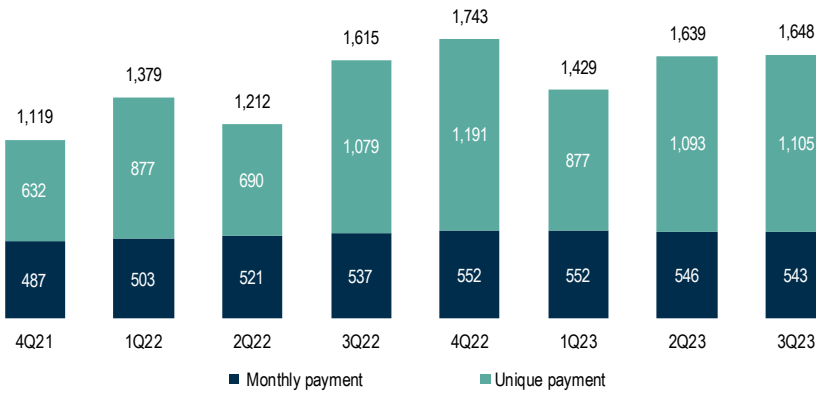


Figure 57 – Brasilcap | Collections by product (%)

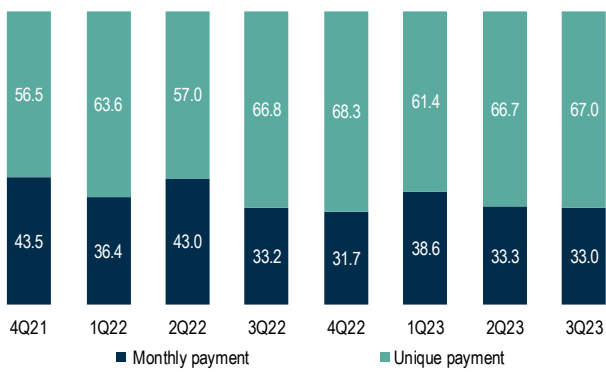
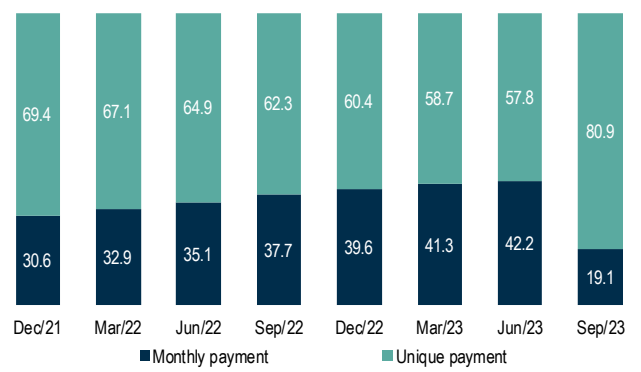


Figure 58 – Brasilcap | Bonds outstanding by product (%)



REVENUE WITH LOAD FEE

Figure 59 – Brasilcap | Revenue with load fee quote and average load fee quote

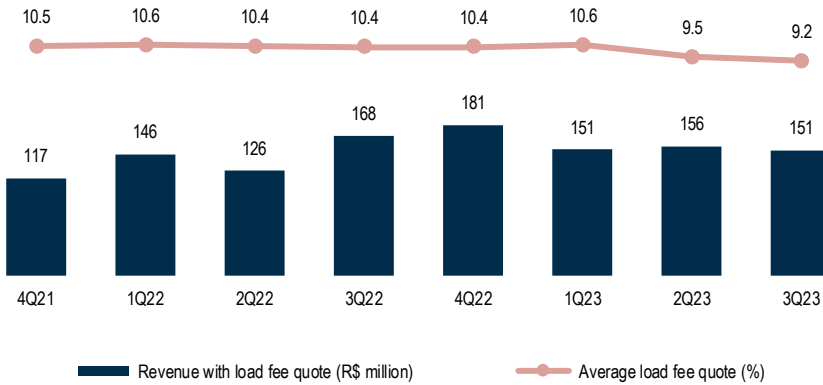


Figure 60 – Brasilcap | Changes in provisions for redemption and average reserve quote

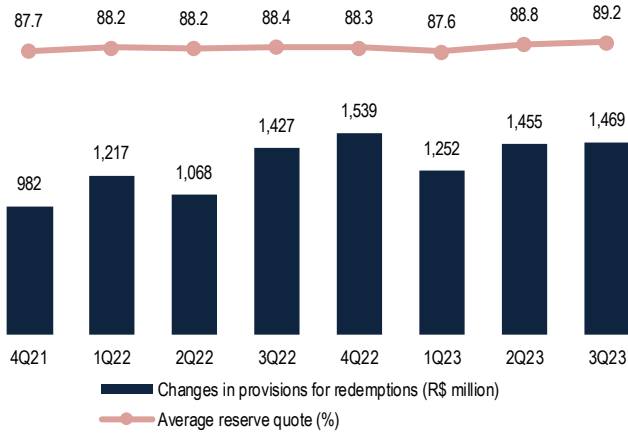


Figure 61 – Brasilcap | Changes in provisions for lottery and bonus and average lottery and bonus quotes

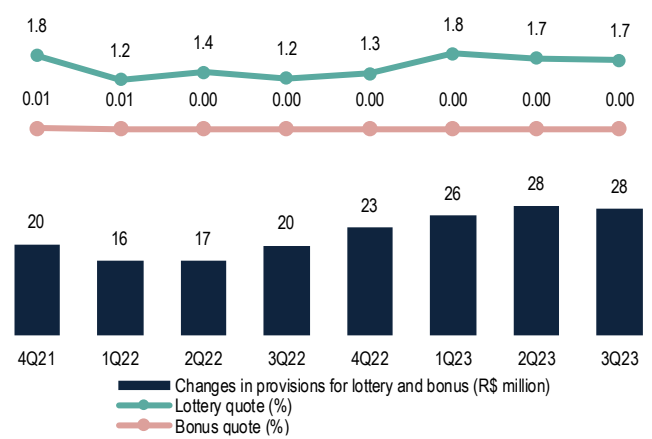


Table 59 – Brasilcap | Changes in premium bonds provision

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Premium bonds provision</b>					
<b>Initial balance</b>	<b>7,617,772</b>	<b>9,219,219</b>	<b>9,955,329</b>	<b>30.7</b>	<b>8.0</b>
Constitution	1,452,312	1,474,328	1,493,228	2.8	1.3
Cancellations	(26,038)	(21,411)	(25,786)	(1.0)	20.4
Transfers	(1,039,350)	(891,561)	(1,257,178)	21.0	41.0
Interest accrual	146,593	174,754	189,409	29.2	8.4
<b>Final balance</b>	<b>8,151,289</b>	<b>9,955,329</b>	<b>10,355,002</b>	<b>27.0</b>	<b>4.0</b>

Table 60 – Brasilcap | Changes in provisions for redemption<sup>1</sup>

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Provision for redemption</b>					
<b>Initial balance</b>	<b>609,664</b>	<b>624,255</b>	<b>610,985</b>	<b>0.2</b>	<b>(2.1)</b>
Constitution	1,217	1,830	1,998	64.2	9.2
Transfers	1,034,825	883,355	1,248,242	20.6	41.3
Payments	(1,014,840)	(892,043)	(1,219,452)	20.2	36.7
Interest accrual	3,651	3,140	3,270	(10.4)	4.1
Premium bonds penalty	3	6	3	(14.0)	(52.1)
Premium bonds expiration	(7,483)	(9,559)	(6,970)	(6.8)	(27.1)
<b>Final balance</b>	<b>627,037</b>	<b>610,985</b>	<b>638,075</b>	<b>1.8</b>	<b>4.4</b>

<sup>1</sup> Provision's flow does not pass through income statement

Table 61 – Brasilcap | Changes in provision for lottery to be held

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Provision for lottery to be held</b>					
<b>Initial balance</b>	<b>85,928</b>	<b>88,255</b>	<b>87,868</b>	<b>2.3</b>	<b>(0.4)</b>
Constitution	20,244	28,197	27,641	36.5	(2.0)
Reversal	(17,819)	(29,438)	(30,598)	71.7	3.9
Cancellations	(439)	(122)	(141)	(67.9)	15.8
Interest accrual	915	976	837	(8.6)	(14.2)
<b>Final balance</b>	<b>88,828</b>	<b>87,868</b>	<b>85,606</b>	<b>(3.6)</b>	<b>(2.6)</b>

Table 62 – Brasilcap | Changes in provision for draws to be paid

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Provision for draws to be paid</b>					
<b>Initial balance</b>	<b>8,632</b>	<b>10,182</b>	<b>9,526</b>	<b>10.4</b>	<b>(6.4)</b>
Constitution	15,492	18,288	11,228	(27.5)	(38.6)
Payments	(16,333)	(18,979)	(11,204)	(31.4)	(41.0)
Interest accrual	55	47	63	14.5	34.0
Premium bonds expiration	(65)	(12)	(16)	(76.1)	33.1
<b>Final balance</b>	<b>7,781</b>	<b>9,526</b>	<b>9,597</b>	<b>23.3</b>	<b>0.7</b>

## RESULT WITH LOTTERY

Figure 62 – Brasilcap | Result with lottery (R\$ million)

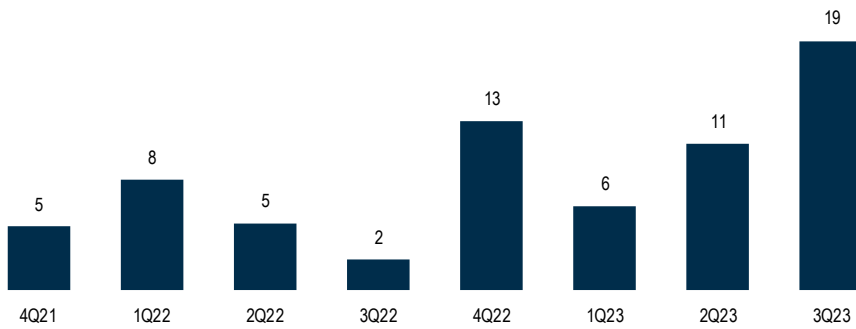
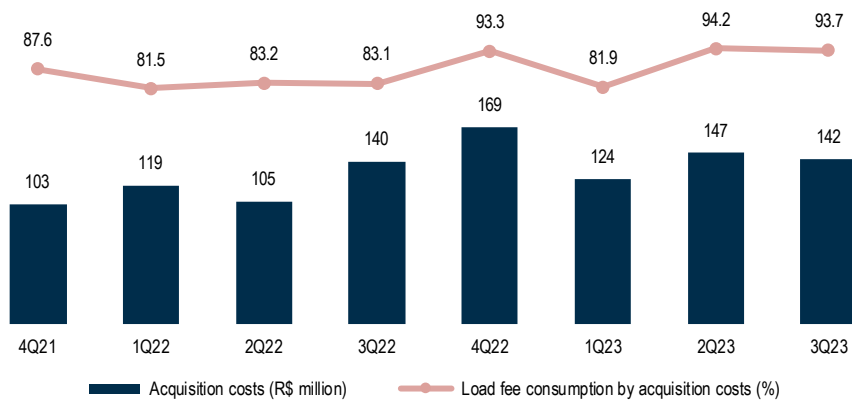


Table 63 – Brasilcap | Result with lottery

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
Result with lottery	2,326	11,128	19,012	-	70.9	15,820	36,548	131.0
Lottery provision reversal	17,819	29,438	30,598	71.7	3.9	57,668	84,734	46.9
Lottery expenses	(15,492)	(18,311)	(11,586)	(25.2)	(36.7)	(41,848)	(48,186)	15.1

## ACQUISITION COSTS

Figure 63 – Brasilcap | Acquisition costs



## QUARTERLY ANALYSIS

In **3Q23**, the **acquisition cost** increased by 1.3% YoY, a movement aligned to the 2.0% growth in collections. The sales cost line expanded by 35.9% due to higher spending on advertising, promotions and sales incentives within the bancassurance channel. However, the brokerage expenses did not keep pace with the collection growth and decreased by 2.3% YoY, driven by the reduction in the average commission, which was a result of a higher concentration of collections on short-term single-payment bonds (12 and 24 months) that pay lower commissions compared to longer-term bonds.

The increase in the total acquisition cost, combined with the decline in load fee revenues, resulted in a 10.5 p.p. increase in load fee consumption ratio.

## YEAR-TO-DATE ANALYSIS

In **9M23**, the **acquisition cost** increased by 13.3%, with 12.1% growth in collections. Brokerage expenses grew by 9.0%, at a slower pace than the top-line growth, influenced by the lower average commissions in the bancassurance channel due to the higher concentration of collections in short-term single-payment bonds (12 and 24 months), which offer lower commissions compared to longer-term bonds.

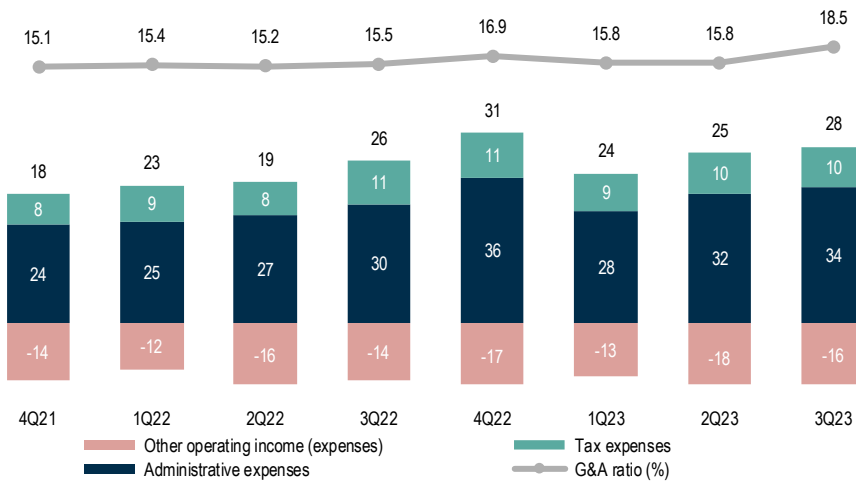
Sales costs, on the other hand, increased by 52.5%, driven by marketing initiatives and sales incentives within the bancassurance channel. Consequently, with the rise in total commercial expenses, the load fee consumption ratio in 9M23 was up 7.3 p.p. YoY.

Table 64 – Brasilcap | Changes in Acquisition Costs

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Acquisition costs</b>	<b>139,662</b>	<b>146,749</b>	<b>141,537</b>	<b>1.3</b>	<b>(3.6)</b>	<b>363,824</b>	<b>412,301</b>	<b>13.3</b>
Brokerage	126,458	125,577	123,592	(2.3)	(1.6)	327,699	357,195	9.0
Sales cost	13,204	21,172	17,945	35.9	(15.2)	36,126	55,106	52.5

GENERAL & ADMINISTRATIVE EXPENSES

Figure 64 – Brasilcap | G&A expenses (R\$ million)



QUARTERLY ANALYSIS

In 3Q23, general and administrative expenses grew 7.4% YoY. The G&A ratio increased by 3.0 p.p., impacted by both the rise in expenses and the decrease in load fee revenues.

Administrative expenses were 14.1% higher in the period, mainly due to:

- higher expenses related to advertising and publicity, particularly for the Cap Fiador product;
- increased personnel expenses, driven by collective bargaining agreement and adjustments to employee health plans; and
- growing expenditures on service providers due to contract adjustments and new hires in technology services and consulting.

On the other hand, other operating income and expenses showed a 11.2% positive balance increase compared to 3Q22, mainly because of higher revenues from the early redemption of bonds. Tax expenses, however, decreased by 5.8%, primarily due to the decline in revenues with premium bonds prescription and in premium bond net revenue, both of which are components of the tax calculation income.

YEAR-TO-DATE ANALYSIS

In 9M23, general and administrative expenses increased by 12.9%, resulting in a 1.3 p.p. spike in the G&A ratio.

Administrative expenses grew by 15.1%, driven by higher costs related to:

- personnel, due to organizational restructuring and the creation of a risk committee to comply with CNSP Resolution 416, and the impact of collective bargaining agreements and adjustments to employee health plans; and
- increased expenses for service providers and advertising and publicity, for the same reasons mentioned in the quarterly analysis.

The positive balance of other operating income and expenses increased by 11.8%, primarily due to rising revenues from the early redemption of bonds. However, tax expenses increased by 4.9%, in line with the growth in the tax income.



Table 65 – Brasilcap | General &amp; Administrative expenses

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Administrative expenses</b>	<b>(29,572)</b>	<b>(32,210)</b>	<b>(33,733)</b>	<b>14.1</b>	<b>4.7</b>	<b>(81,382)</b>	<b>(93,697)</b>	<b>15.1</b>
Personnel	(16,976)	(19,347)	(17,913)	5.5	(7.4)	(47,835)	(53,973)	12.8
Location and operation	(1,761)	(1,761)	(2,042)	16.0	15.9	(5,424)	(5,604)	3.3
Outsourcing	(10,127)	(10,699)	(11,043)	9.0	3.2	(26,567)	(30,657)	15.4
Institutional advertisement and publicity	(435)	(199)	(2,085)	379.3	-	(557)	(2,419)	334.1
Leasing	(16)	(6)	(10)	(38.5)	55.8	(81)	(19)	(75.9)
Other	(256)	(197)	(639)	149.4	224.3	(918)	(1,025)	11.6
<b>Other operating income (expenses)</b>	<b>14,236</b>	<b>17,607</b>	<b>15,834</b>	<b>11.2</b>	<b>(10.1)</b>	<b>41,801</b>	<b>46,725</b>	<b>11.8</b>
Legal provisions	(32)	(94)	(39)	24.0	(58.2)	(19)	(184)	-
Other operating income (expenses)	6,812	8,178	8,932	31.1	9.2	18,818	24,579	30.6
Revenue with premium bonds prescription	7,456	9,523	6,941	(6.9)	(27.1)	23,003	22,330	(2.9)
<b>Tax expenses</b>	<b>(10,746)</b>	<b>(10,013)</b>	<b>(10,123)</b>	<b>(5.8)</b>	<b>1.1</b>	<b>(28,181)</b>	<b>(29,549)</b>	<b>4.9</b>
COFINS	(8,692)	(8,066)	(8,164)	(6.1)	1.2	(22,608)	(23,761)	5.1
PIS/PASEP	(1,413)	(1,311)	(1,327)	(6.1)	1.2	(3,674)	(3,861)	5.1
Inspection fee	(562)	(562)	(562)	-	-	(1,687)	(1,687)	-
Other tax expenses	(79)	(74)	(71)	(10.3)	(4.4)	(212)	(240)	13.3
<b>G&amp;A Expenses</b>	<b>(26,081)</b>	<b>(24,617)</b>	<b>(28,022)</b>	<b>7.4</b>	<b>13.8</b>	<b>(67,762)</b>	<b>(76,521)</b>	<b>12.9</b>

## ■ NET INVESTMENT INCOME

Figure 65 – Brasilcap | Net investment income (R\$ million)

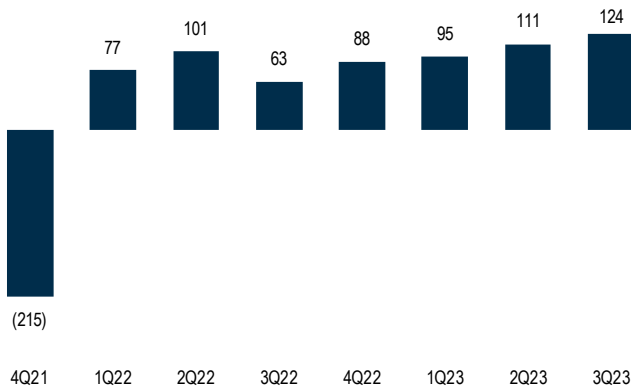


Figure 66 – Brasilcap | Annualized average interest rates and spread

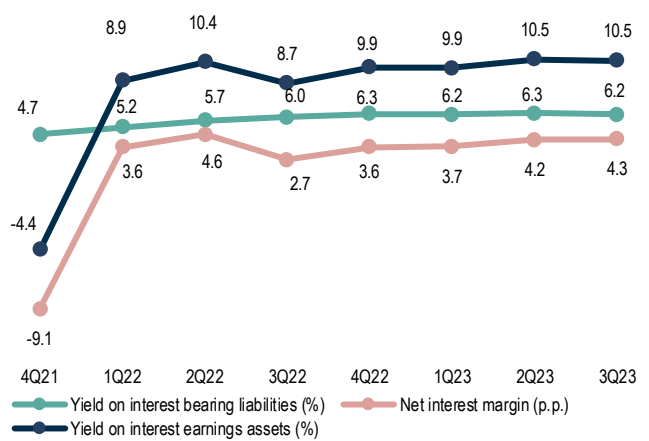


Table 66 – Brasilcap | Financial income and expenses

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Interest revenues</b>	<b>220,166</b>	<b>293,128</b>	<b>321,488</b>	<b>46.0</b>	<b>9.7</b>	<b>661,016</b>	<b>885,742</b>	<b>34.0</b>
Revenues with mark to market financial investments	236,206	205,170	231,022	(2.2)	12.6	729,862	636,546	(12.8)
Expenses with mark to market financial investments	(77,110)	(7,560)	(952)	(98.8)	(87.4)	(258,321)	(34,461)	(86.7)
Revenues with held to maturity financial investments	60,613	94,820	91,267	50.6	(3.7)	188,379	282,351	49.9
Interest accrual on judicial deposits	456	698	151	(66.9)	(78.4)	1,095	1,306	19.2
<b>Interest expenses</b>	<b>(155,153)</b>	<b>(179,825)</b>	<b>(194,473)</b>	<b>25.3</b>	<b>8.1</b>	<b>(413,804)</b>	<b>(547,797)</b>	<b>32.4</b>
Interest accrual on technical reserves	(151,218)	(178,932)	(193,579)	28.0	8.2	(395,828)	(545,166)	37.7
Loans	(3,153)	-	-	-	-	(15,850)	-	-
Other	(782)	(893)	(894)	14.4	0.1	(2,126)	(2,631)	23.8
<b>Net interest income</b>	<b>65,013</b>	<b>113,304</b>	<b>127,015</b>	<b>95.4</b>	<b>12.1</b>	<b>247,212</b>	<b>337,944</b>	<b>36.7</b>

### QUARTERLY ANALYSIS

In **3Q23**, the **net interest income** increased by 95.4% YoY, driven by the growth in the average balance of financial assets and a 1.6 p.p. improvement in the net interest margin.

**Interest revenues** rose by R\$101.3 million (+46.0%), with the expansion in the average balance of financial assets contributing with R\$61.2 million to the increase. Furthermore, the 1.8 p.p. increase in the average yield contributed with an additional R\$40.1 million. It's worth noting that in 3Q22, there was a negative adjustment related to the hedge of the available-for-sale fixed-income portfolio, which reduced revenues by R\$13.7 million.

**Interest expenses** increased by R\$39.3 million (+25.3%) compared to the same period in 2022. The expansion of the average balance of interest-bearing liabilities added R\$36.4 million to the expenses, mainly due to the growth in technical provisions for premium bonds. This was partially offset by the repayment of a bank loan contracted in 2021 to meet regulatory liquidity requirements. Additionally, the 0.2 p.p. increase in the average interest rate on technical provisions added R\$2.9 million to the financial expenses, driven by the higher rate applied to the premium bonds provision in the portfolio of single-payment 24-month bonds introduced in 2Q22, which has been gaining participation within total reserves.

## YEAR-TO-DATE ANALYSIS

In **9M23**, the **net interest income** increased by 36.7% compared to the same period in 2022. **Interest revenue** (+34.0%) was boosted by the expansion of the average balance of financial assets and the rise in the average Selic rate.

On the other hand, **interest expenses** were up 32.4%, with growth in the average balance of premium bonds provisions and a 0.6 p.p. increase in the cost of liabilities. This increase was affected by the higher "Taxa Referencial (TR)" and the growing significance of the new portfolio of 24-month single-payment bonds, which have a higher rate adjusting the reserves.

Table 67 – Brasilcap | Quarterly figures - Volume and rate analysis

R\$ thousand	3Q23/3Q22		
	Average volume	Average rate	Net change
<b>Earning assets</b>			
Mark to market financial investments	38,298	32,675	70,974
Held to maturity financial investments	24,924	5,730	30,654
Judicial deposits	8	(313)	(305)
<b>Total'</b>	<b>61,248</b>	<b>40,074</b>	<b>101,322</b>
<b>Interest bearing liabilities</b>			
Technical reserves - premium bonds	(40,450)	(1,911)	(42,361)
Other	(49)	(64)	(112)
Loans	3,153	-	3,153
<b>Total'</b>	<b>(36,440)</b>	<b>(2,880)</b>	<b>(39,320)</b>

1. Calculated with the same methodology of the parts. Due to the different weights of the elements which compose it, the total does not reflect the sum of the parts.

Table 68 – Brasilcap | Quarterly figures – Earning assets – average balance and interest rates

R\$ thousand	3Q22			3Q23		
	Average balance	Interest revenues	Annualized rate (%)	Average balance	Interest revenues	Annualized rate (%)
<b>Earnings assets</b>						
Mark to market financial investments	6,075,511	159,096	10.5	7,288,838	230,070	13.0
Held to maturity financial investments	2,976,377	60,613	8.1	4,094,551	91,267	9.1
Judicial deposits	1,121,035	456	0.2	1,183,754	151	0.1
<b>Total</b>	<b>10,172,923</b>	<b>220,166</b>	<b>8.7</b>	<b>12,567,143</b>	<b>321,488</b>	<b>10.5</b>

Table 69 – Brasilcap | Quarterly figures – Interest bearing liabilities – average balance and interest rates

R\$ thousand	3Q22			3Q23		
	Average balance	Interest expenses	Annualized rate (%)	Average balance	Interest expenses	Annualized rate (%)
<b>Interest bearing liabilities</b>						
Technical reserves - premium bonds	8,606,120	(151,218)	6.6	10,879,482	(193,579)	6.8
Other	1,129,321	(782)	0.3	1,194,494	(894)	0.3
Loans	76,135	(3,153)	15.1	-	-	-
<b>Total</b>	<b>9,811,576</b>	<b>(155,153)</b>	<b>6.0</b>	<b>12,073,977</b>	<b>(194,473)</b>	<b>6.2</b>

Table 70 – Brasilcap | Year-to-date figures – Volume and rate analysis

R\$ thousand	9M23/9M22		
	Average volume	Average rate	Net change
<b>Earning assets</b>			
Mark to market financial investments	147,251	(16,707)	130,543
Held to maturity financial investments	26,224	67,748	93,972
Judicial deposits	62	148	211
<b>Total<sup>1</sup></b>	<b>154,339</b>	<b>70,387</b>	<b>224,726</b>
<b>Interest bearing liabilities</b>			
Technical reserves - premium bonds	(103,903)	(45,435)	(149,337)
Other	(135)	(371)	(506)
Loans	15,850	-	15,850
<b>Total<sup>1</sup></b>	<b>(90,621)</b>	<b>(43,373)</b>	<b>(133,994)</b>

1. Calculated with the same methodology of the parts. Due to the different weights of the elements which compose it, the total does not reflect the sum of the parts.

Table 71 – Brasilcap | Year-to-date figures – Earning assets – average balance and interest rates

R\$ thousand	9M22			9M23		
	Average balance	Interest revenues	Annualized rate (%)	Average balance	Interest revenues	Annualized rate (%)
<b>Earnings assets</b>						
Mark to market financial investments	5,125,508	471,541	12.5	6,784,870	602,085	12.1
Held to maturity financial investments	3,682,506	188,379	6.9	4,059,539	282,351	9.4
Judicial deposits	1,105,692	1,095	0.1	1,161,269	1,306	0.2
<b>Total</b>	<b>9,913,707</b>	<b>661,016</b>	<b>9.0</b>	<b>12,005,677</b>	<b>885,742</b>	<b>10.0</b>

Table 72 – Brasilcap | Year-to-date figures – Interest bearing liabilities – average balance and interest rates

R\$ thousand	9M22			9M23		
	Average balance	Interest expenses	Annualized rate (%)	Average balance	Interest expenses	Annualized rate (%)
<b>Interest bearing liabilities</b>						
Technical reserves - premium bonds	8,377,346	(395,828)	6.2	10,349,927	(545,166)	7.0
Other	1,111,149	(2,126)	0.3	1,171,030	(2,631)	0.3
Loans	126,574	(15,850)	16.3	-	-	-
<b>Total</b>	<b>9,615,068</b>	<b>(413,804)</b>	<b>5.7</b>	<b>11,520,957</b>	<b>(547,797)</b>	<b>6.3</b>

Table 73 – Brasilcap | Financial investments portfolio breakdown

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Trading</b>	<b>4,606,027</b>	<b>5,913,742</b>	<b>5,637,167</b>	<b>22.4</b>	<b>(4.7)</b>
Pre-fixed	248,355	-	-	-	-
Floating	4,251,035	5,622,151	5,438,023	27.9	(3.3)
Inflation	52,204	252,451	169,556	224.8	(32.8)
Equity funds	8,999	5,317	4,707	(47.7)	(11.5)
Other	45,433	33,823	24,880	(45.2)	(26.4)
<b>Available for sale</b>	<b>1,854,443</b>	<b>1,486,536</b>	<b>1,490,557</b>	<b>(19.6)</b>	<b>0.3</b>
Pre-fixed	1,854,443	1,486,536	1,490,557	(19.6)	0.3
<b>Held to maturity securities</b>	<b>2,880,425</b>	<b>3,743,631</b>	<b>4,495,145</b>	<b>56.1</b>	<b>20.1</b>
Pre-fixed	2,641,210	3,709,221	4,495,145	70.2	21.2
Floating	31,296	34,410	-	-	-
Inflation	207,919	-	-	-	-
<b>Total</b>	<b>9,340,895</b>	<b>11,143,910</b>	<b>11,622,869</b>	<b>24.4</b>	<b>4.3</b>

Figure 67 – Brasilcap | Asset allocation (%)

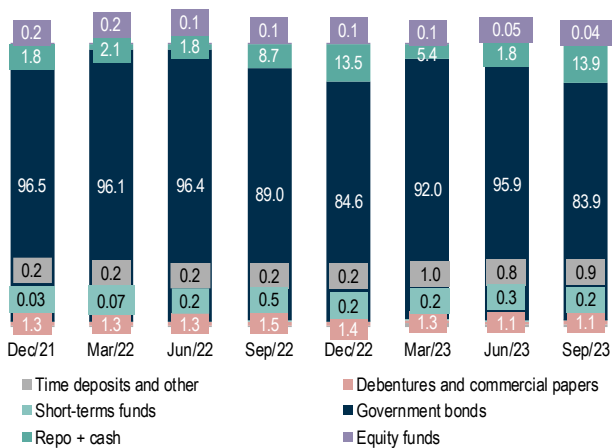
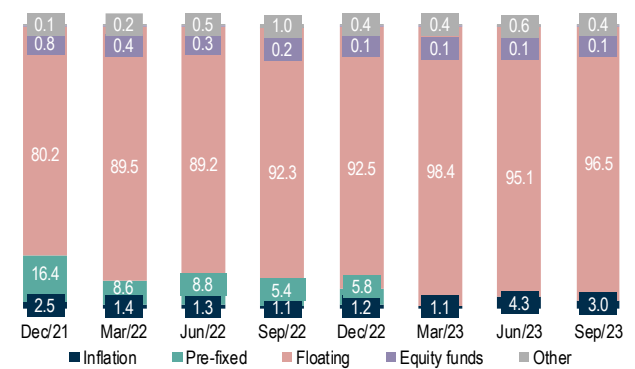


Figure 68 – Brasilcap | Financial investments breakdown by index (%)



## ■ BALANCE SHEET ANALYSIS

Table 74 – Brasilcap | Balance sheet

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Assets</b>	<b>10,807,857</b>	<b>12,616,889</b>	<b>13,117,711</b>	<b>21.4</b>	<b>4.0</b>
Cash and cash equivalents	40	18	23	(42.5)	27.1
Financial assets	9,340,895	11,143,910	11,622,869	24.4	4.3
Securities and credits receivable	1,437,365	1,446,925	1,468,242	2.1	1.5
Prepaid expenses	1,582	3,932	3,310	109.3	(15.8)
Investments	1,125	1,126	1,126	0.0	-
Fixed assets	17,691	16,473	16,572	(6.3)	0.6
Intangible	17	7	90	427.3	-
Other assets	9,143	4,498	5,480	(40.1)	21.8
<b>Liabilities</b>	<b>10,166,899</b>	<b>11,952,267</b>	<b>12,433,648</b>	<b>22.3</b>	<b>4.0</b>
Accounts payable	73,282	86,231	114,579	56.4	32.9
Loans	50,721	-	-	-	-
Premium bonds operations debts	8,920	9,202	7,872	(11.8)	(14.5)
Technical reserves - premium bonds	8,881,806	10,667,461	11,091,503	24.9	4.0
Other liabilities	1,152,170	1,189,373	1,219,694	5.9	2.5
<b>Shareholders' equity</b>	<b>640,957</b>	<b>664,622</b>	<b>684,063</b>	<b>6.7</b>	<b>2.9</b>

## ■ SOLVENCY

Table 75 – Brasilcap | Solvency<sup>1</sup>

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Adjusted shareholders' equity (a)</b>	<b>425,521</b>	<b>516,208</b>	<b>523,796</b>	<b>23.1</b>	<b>1.5</b>
<b>Minimum capital required (b)</b>	<b>197,947</b>	<b>217,933</b>	<b>211,032</b>	<b>6.6</b>	<b>(3.2)</b>
Additional capital for underwriting risk	36,235	40,197	40,353	11.4	0.4
Additional capital for credit risk	57,289	45,962	68,968	20.4	50.1
Additional capital for operating risk	33,531	42,337	37,983	13.3	(10.3)
Additional capital for market risk	121,217	138,842	119,384	(1.5)	(14.0)
Benefit of correlation between risks	(50,325)	(49,405)	(55,656)	10.6	12.7
<b>Capital adequacy (a) - (b)</b>	<b>227,574</b>	<b>298,275</b>	<b>312,764</b>	<b>37.4</b>	<b>4.9</b>
<b>Solvency ratio (a) / (b) - %</b>	<b>215.0</b>	<b>236.9</b>	<b>248.2</b>	<b>33.2 p.p.</b>	<b>11.3 p.p.</b>

1. Information based on the accounting principles adopted by SUSEP.

## 4.4 BRASILDENTAL

### ■ EARNINGS ANALYSIS

Due to operational issues, as of January 2023, the accounting recognition of the investment in Brasildental will be carried out with a delay of one month. Thus, 3Q23 contains information related to June, July and August, impacting the comparison with 3Q22 earnings.

Table 76 – Brasildental | Income statement

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Gross operating revenues</b>	<b>30,973</b>	<b>30,211</b>	<b>31,564</b>	<b>1.9</b>	<b>4.5</b>	<b>91,969</b>	<b>81,888</b>	<b>(11.0)</b>
Taxes on revenues	(1,213)	(1,149)	(1,116)	(8.0)	(2.9)	(3,745)	(3,045)	(18.7)
<b>Net operating revenues</b>	<b>29,760</b>	<b>29,062</b>	<b>30,448</b>	<b>2.3</b>	<b>4.8</b>	<b>88,224</b>	<b>78,843</b>	<b>(10.6)</b>
Cost of services	(13,001)	(14,284)	(14,871)	14.4	4.1	(36,569)	(38,470)	5.2
<b>Gross income</b>	<b>16,759</b>	<b>14,778</b>	<b>15,577</b>	<b>(7.1)</b>	<b>5.4</b>	<b>51,655</b>	<b>40,373</b>	<b>(21.8)</b>
Acquisition costs	(1,416)	(2,220)	21	-	-	(4,109)	(3,493)	(15.0)
Administratives expenses	(4,519)	(4,411)	(6,662)	47.4	51.0	(17,221)	(14,595)	(15.2)
Tax expenses	7	(17)	(29)	-	72.5	3,482	(65)	-
Other revenues (expenses)	(1,885)	222	44	-	(80.0)	(4,880)	285	-
<b>Earnings before interest and taxes</b>	<b>8,946</b>	<b>8,352</b>	<b>8,951</b>	<b>0.1</b>	<b>7.2</b>	<b>28,927</b>	<b>22,506</b>	<b>(22.2)</b>
<b>Net investment income</b>	<b>1,112</b>	<b>1,263</b>	<b>1,238</b>	<b>11.4</b>	<b>(2.0)</b>	<b>3,343</b>	<b>3,357</b>	<b>0.4</b>
Financial income	1,147	1,323	1,253	9.3	(5.3)	3,089	3,475	12.5
Financial expenses	(35)	(60)	(15)	(56.4)	(74.2)	254	(119)	-
<b>Earnings before taxes and profit sharing</b>	<b>10,058</b>	<b>9,615</b>	<b>10,189</b>	<b>1.3</b>	<b>6.0</b>	<b>32,270</b>	<b>25,863</b>	<b>(19.9)</b>
Taxes	(3,376)	(3,367)	(3,029)	(10.3)	(10.1)	(11,009)	(7,864)	(28.6)
Profit sharing	(137)	34	(436)	218.6	-	(39)	(510)	-
<b>Net income</b>	<b>6,545</b>	<b>6,282</b>	<b>6,724</b>	<b>2.7</b>	<b>7.0</b>	<b>21,222</b>	<b>17,488</b>	<b>(17.6)</b>

Table 77 – Brasildental | Performance ratios

%	Quarterly Flow			Chg. (p.p.)		9 Months Flow		Chg. (p.p.)
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Performance ratios</b>								
Loss ratio	43.7	49.1	48.8	5.2	(0.3)	41.5	48.8	7.3
Comission ratio	4.8	7.6	0.1	(4.7)	(7.6)	4.7	4.4	(0.2)
G&A ratio	21.5	14.5	21.8	0.3	7.4	21.1	18.2	(2.9)
EBITDA margin	30.1	28.8	29.5	(0.6)	0.7	32.8	28.6	(4.2)

Figure 69 – Brasildental | Clients by segment (thousand)

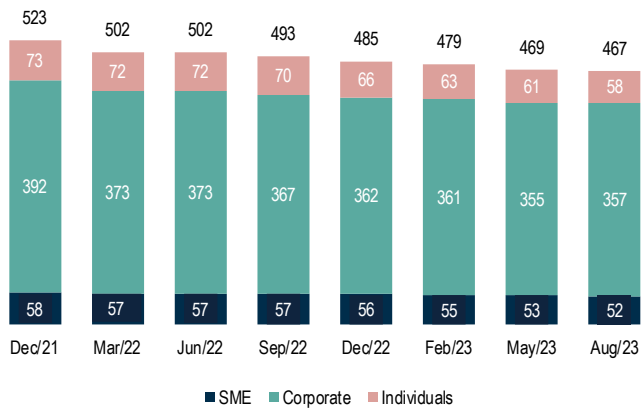


Figure 70 – Brasildental | Clients by segment (%)

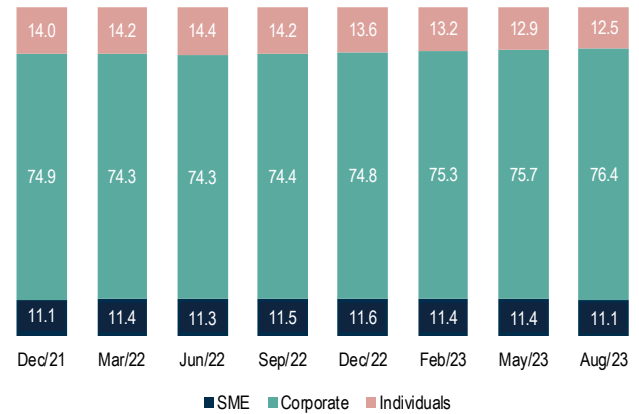


Table 78 – Brasildental | Client base breakdown

	Balance			Chg. %	
	Sep/22	May/23	Aug/23	On Sep/22	On May/23
<b>Client segments</b>					
Corporate	366,574	354,715	356,856	(2.7)	0.6
SME	56,537	53,363	51,793	(8.4)	(2.9)
Individuals	69,888	60,565	58,400	(16.4)	(3.6)
<b>Total</b>	<b>492,999</b>	<b>468,643</b>	<b>467,049</b>	<b>(5.3)</b>	<b>(0.3)</b>

## ■ BALANCE SHEET ANALYSIS

Table 79 – Brasildental | Balance sheet

R\$ thousand	Balance			Chg. %	
	Sep/22	May/23	Aug/23	On Sep/22	On May/23
<b>Assets</b>	<b>46,761</b>	<b>45,290</b>	<b>46,573</b>	<b>(0.4)</b>	<b>2.8</b>
Cash and cash equivalents	2,810	2,021	1,640	(41.6)	(18.8)
Financial assets	36,364	34,894	35,515	(2.3)	1.8
Receivables from insurance and reinsurance operations	5,712	6,342	5,910	3.5	(6.8)
Tax assets	1,208	1,169	1,816	50.3	55.4
Other assets	667	866	1,691	153.8	95.4
<b>Liabilities</b>	<b>22,365</b>	<b>20,878</b>	<b>22,242</b>	<b>(0.5)</b>	<b>6.5</b>
Technical reserves	13,326	12,963	13,012	(2.4)	0.4
Tax liabilities	2,035	1,421	1,735	(14.7)	22.1
Other liabilities	7,004	6,494	7,495	7.0	15.4
<b>Shareholders' equity</b>	<b>24,396</b>	<b>24,412</b>	<b>24,331</b>	<b>(0.3)</b>	<b>(0.3)</b>



## 5. DISTRIBUTION

The insurance intermediation in Brazil is not required by law, but the brokerage payment is mandatory for all insurance contracts, regardless the involvement of a broker. According to the law 6,317 as of 1975, in case no broker is involved, the amount supposed to be paid as brokerage shall be directed to the Fund for Developing the Insurance Culture, managed by the Foundation National Insurance School – FUNENSEG.

At BB Seguridade the distribution of its affiliates' products – Brasilseg, Brasilprev, Brasilcap and Brasil dental – takes place through a fully owned broker named BB Corretora de Seguros e Administradora de Bens S.A. ("BB Corretora"), which intermediates the sales of insurance, pension plans, premium bonds and dental care plans predominantly at Banco do Brasil's distribution network.

BB Corretora is remunerated by the affiliates through the payment of commission per sale, and as a result of the usage of Banco do Brasil's distribution network, including the workforce, IT solutions and facilities, it reimburses the costs incurred by the Bank during the selling and maintenance of insurance, pension plans, premium bonds and dental care products. This reimbursement done by BB Corretora to Banco do Brasil is governed by an agreement, which will be in force until 2033.

Also, BB Corretora sells auto and large risk insurance products which are underwritten by MAPFRE Insurance Company, the partner of BB Seguridade in Brasilseg. This relation is established in a commercial agreement signed by BB Corretora within the partnership reorganization, which provides exclusivity for MAPFRE to access the distribution channel.

The brokerage business in the bancassurance channel is not a complex business model, as it does not incur in the underwriting risk and has low capital needs. In addition to these factors, it is worth mentioning the footprint and the strong franchise of Banco do Brasil, which provides competitive advantages to BB Seguridade.

Additionally, seeking to expand the scope of its digital strategy and to explore new alternatives to offer products to the public that is currently unattended by Banco do Brasil, on September 10<sup>th</sup> 2018, BB Corretora started to hold equity interest in Cíclic Corretora de Seguros S.A., in a joint venture with PFG do Brasil 2 Participações, (a Principal Financial Group subsidiary), aiming to distribute insurance, pension plans and premium bonds through digital channels.

## 5.1 BB CORRETORA

### ■ EARNINGS ANALYSIS

Table 80 – BB Corretora | Income statement

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Brokerage revenues</b>	<b>1,251,990</b>	<b>1,193,255</b>	<b>1,295,340</b>	<b>3.5</b>	<b>8.6</b>	<b>3,330,551</b>	<b>3,695,772</b>	<b>11.0</b>
Administrative expenses	(57,471)	(61,315)	(55,861)	(2.8)	(8.9)	(169,360)	(175,705)	3.7
Personnel expenses	(12,928)	(16,451)	(15,880)	22.8	(3.5)	(35,652)	(46,000)	29.0
Other operating income (expenses)	(3,804)	(10,287)	(10,854)	185.4	5.5	(4,290)	(22,952)	435.1
Tax expenses	(152,102)	(142,742)	(155,615)	2.3	9.0	(402,233)	(442,634)	10.0
Equity income	(615)	1,050	1,302	-	24.1	(819)	2,390	-
<b>Earnings before interest and taxes</b>	<b>1,025,071</b>	<b>963,511</b>	<b>1,058,432</b>	<b>3.3</b>	<b>9.9</b>	<b>2,718,198</b>	<b>3,010,870</b>	<b>10.8</b>
<b>Net investment income</b>	<b>111,015</b>	<b>106,366</b>	<b>130,435</b>	<b>17.5</b>	<b>22.6</b>	<b>249,295</b>	<b>320,138</b>	<b>28.4</b>
Financial income	111,067	106,452	130,937	17.9	23.0	265,365	352,815	33.0
Financial expenses	(52)	(86)	(502)	-	482.1	(16,070)	(32,677)	103.3
<b>Earnings before taxes</b>	<b>1,136,086</b>	<b>1,069,877</b>	<b>1,188,867</b>	<b>4.6</b>	<b>11.1</b>	<b>2,967,493</b>	<b>3,331,008</b>	<b>12.2</b>
Taxes	(385,481)	(363,081)	(398,034)	3.3	9.6	(1,009,774)	(1,125,669)	11.5
<b>Net income</b>	<b>750,605</b>	<b>706,795</b>	<b>790,833</b>	<b>5.4</b>	<b>11.9</b>	<b>1,957,719</b>	<b>2,205,339</b>	<b>12.6</b>

## NET INCOME

Figure 71 – BB Corretora | Net income

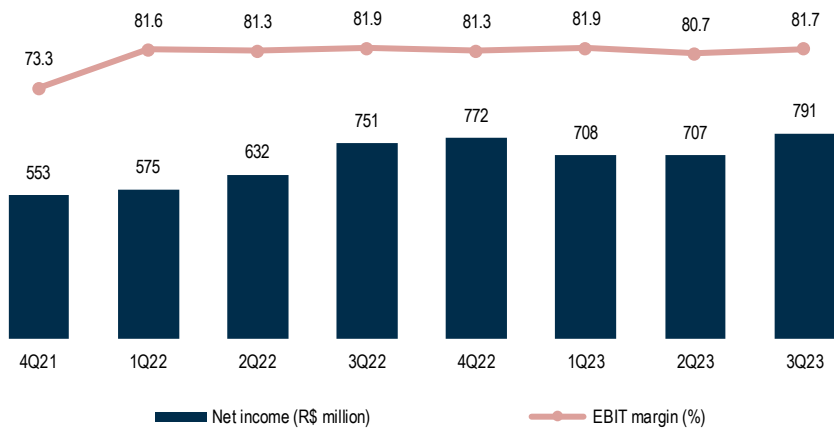
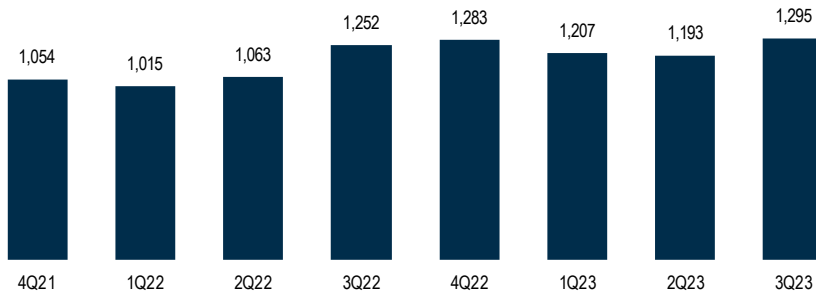


Table 81 – BB Corretora | Managerial performance ratios

%	Quarterly Flow			Chg. (p.p.)		9 Months Flow		Chg. (p.p.)
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
G&A expenses	18.1	19.3	18.4	0.3	(1.0)	18.4	18.6	0.2
Tax expenses	12.1	12.0	12.0	(0.1)	0.1	12.1	12.0	(0.1)
EBIT margin	81.9	80.7	81.7	(0.2)	1.0	81.6	81.5	(0.1)
Income tax rate	33.9	33.9	33.5	(0.5)	(0.5)	34.0	33.8	(0.2)
Net margin	60.0	59.2	61.1	1.1	1.8	58.8	59.7	0.9

## BROKERAGE REVENUES

Figure 72 – BB Corretora | Brokerage revenues (R\$ million)



### QUARTERLY ANALYSIS

In **3Q23**, **brokerage revenues** increased by 3.5% YoY, driven by strong sales performance and the recognition of deferred commissions, particularly in the rural and credit life segments. It's worth noting that in the 3Q22, an amount of R\$48.8 million was recognized as a performance bonus linked to outperforming sales targets for life and credit life insurances. This bonus was recognized monthly throughout the year and paid in full by Brasileg at the beginning of the following year. Starting in January/2023, this mechanism was replaced by higher fixed commission percentages in these two business lines. The change in the mechanism, while not significantly affecting cash flow, results in a slower recognition of revenues. This is reflected in the 34.9% increase in the balance of unearned commissions, which reached R\$4.5 billion by the end of September/2023.

Brokerage revenues from the pension segment showed a growth of 5.9% YoY. The slower increase compared to inflow (+8.7%) is due to a sales mix that was more concentrated on sporadic contributions, which have a lower commission percentage compared to the initial installments of new periodic plans.

On the other hand, brokerage revenues from the sale of premium bonds decreased by 1.6%, the opposite of the increase in collections, which grew by 2.0%. This behavior results from the drop in the average commission, with a greater concentration of collections in single-payment bonds with shorter terms (12 and 24 months), which pay lower commissions compared to longer-term bonds.

### YEAR-TO-DATE ANALYSIS

In **9M23**, **brokerage revenues** grew by 11.0% YoY, mainly driven by strong performance in insurance, with particular emphasis on the credit life and rural segments.

Brokerage revenues from the sale of premium bonds and contributions to pension plans increased by 7.6% and 4.6%, respectively. It's worth noting that both premium bonds and pension brokerage revenues showed slower growth compared to the collected volumes in both modalities. This trend is explained by the higher concentration of inflows in products with lower average commission.

Table 82 – BB Corretora | Brokerage revenues breakdown

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
Insurance	956,513	943,672	990,256	3.5	4.9	2,562,888	2,881,221	12.4
Pension plans	169,212	124,641	179,202	5.9	43.8	436,731	456,758	4.6
Premium bonds	122,817	120,749	120,859	(1.6)	0.1	320,459	344,771	7.6
Dental plans	1,250	1,216	1,189	(4.9)	(2.2)	3,783	3,630	(4.1)
Other	2,198	2,977	3,834	74.5	28.8	6,689	9,391	40.4
<b>Total</b>	<b>1,251,990</b>	<b>1,193,255</b>	<b>1,295,340</b>	<b>3.5</b>	<b>8.6</b>	<b>3,330,551</b>	<b>3,695,772</b>	<b>11.0</b>

Figure 73 – BB Corretora | Brokerage revenues breakdown (%)

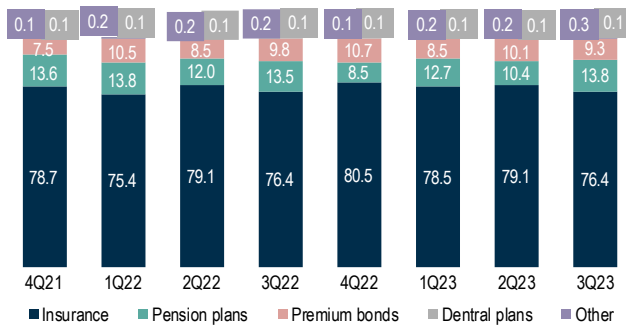
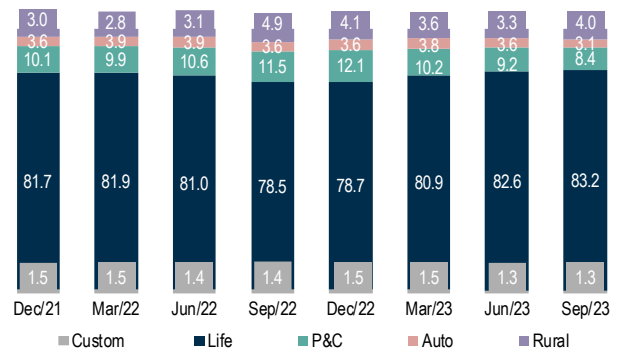
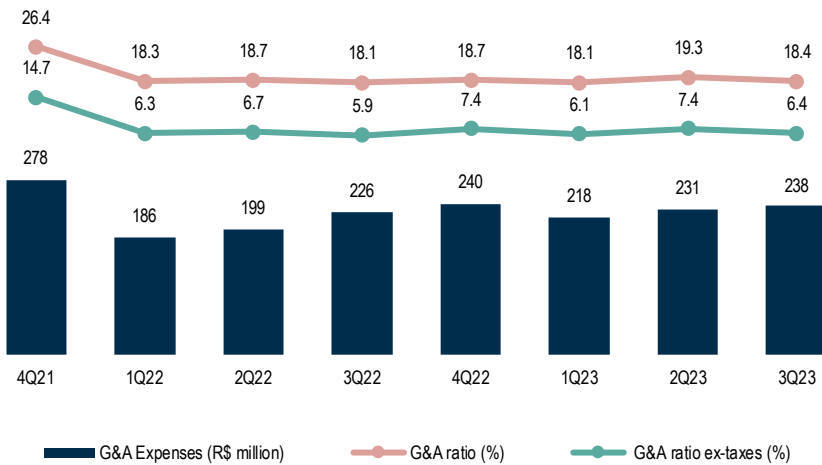


Figure 74 – BB Corretora | Unearned commissions breakdown (%)



## GENERAL AND ADMINISTRATIVE EXPENSES

Figure 75 – BB Corretora | G&amp;A expenses



## QUARTERLY ANALYSIS

In **3Q23**, the **G&A ratio** increased 0.3 p.p. YoY, mainly explained by:

- higher expenses for sponsorships and incentivized donations (+R\$6.1 million) and the constitution of provisions (+R\$3.1 million) to address civil lawsuits reclassified as "probable loss", both accounted for in **other operating income and expenses**;
- an increase in **other administrative expenses** (+64.5%) due to the growth in ERP system maintenance expenses; and
- rising **personnel expenses** (+22.8%) resulting from an increased headcount and a higher allocation of expenses shared with the holdings (BB Seguridade and BB Seguros) to BB Corretora.

These effects were partially offset by the reduction in **administrative cost of products** (-19.1%) due to a decrease in the volume of products sold, reducing the reimbursement paid to Banco do Brasil.

## YEAR-TO-DATE ANALYSIS

In **9M23**, the **G&A ratio** increased by 0.2 p.p. YoY, primarily driven by:

- an increase in the negative balance of **other operating income and expenses** (+R\$18.7 million) due to the constitution of provisions for civil lawsuits amounting to R\$15.7 million and higher expenses for sponsorships and incentivized donations;
- the growth of **other administrative expenses** (+79.1%) due to increased expenses related to sales promotions and ERP maintenance; and
- higher **personnel expenses** (+29.0%) resulting from an expanded staff, changes in cost allocation percentages, and bonus payments to employees with outstanding performance in 2022.

The aforementioned effects were partially offset by a reduction in **administrative cost of products** (-6.5%) as explained in the quarterly analysis.

Table 83 – BB Corretora | General &amp; Administrative expenses

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Personnel expenses</b>	(12,928)	(16,451)	(15,880)	22.8	(3.5)	(35,652)	(46,000)	29.0
<b>Administrative expenses</b>	(57,471)	(61,315)	(55,861)	(2.8)	(8.9)	(169,360)	(175,705)	3.7
Administrative cost of products	(33,591)	(32,843)	(27,181)	(19.1)	(17.2)	(99,019)	(92,626)	(6.5)
Operational support	(12,454)	(12,915)	(12,403)	(0.4)	(4.0)	(38,382)	(37,313)	(2.8)
Information technology	(5,180)	(4,380)	(6,000)	15.8	37.0	(15,623)	(16,507)	5.7
Other	(6,246)	(11,176)	(10,277)	64.5	(8.0)	(16,335)	(29,260)	79.1
<b>Other operating income (expenses)</b>	<b>(3,804)</b>	<b>(10,287)</b>	<b>(10,854)</b>	<b>185.4</b>	<b>5.5</b>	<b>(4,290)</b>	<b>(22,952)</b>	<b>435.1</b>
<b>Tax expenses</b>	<b>(152,102)</b>	<b>(142,742)</b>	<b>(155,615)</b>	<b>2.3</b>	<b>9.0</b>	<b>(402,233)</b>	<b>(442,634)</b>	<b>10.0</b>
PIS/PASEP	(21,512)	(20,331)	(22,170)	3.1	9.0	(57,085)	(63,142)	10.6
COFINS	(100,201)	(94,716)	(103,434)	3.2	9.2	(265,620)	(294,387)	10.8
ISS	(30,389)	(27,695)	(30,011)	(1.2)	8.4	(79,528)	(85,105)	7.0
<b>G&amp;A Expenses</b>	<b>(226,305)</b>	<b>(230,794)</b>	<b>(238,211)</b>	<b>5.3</b>	<b>3.2</b>	<b>(611,535)</b>	<b>(687,291)</b>	<b>12.4</b>

## NET INVESTMENT INCOME

Figure 76 – BB Corretora | Net investment income (R\$ million)

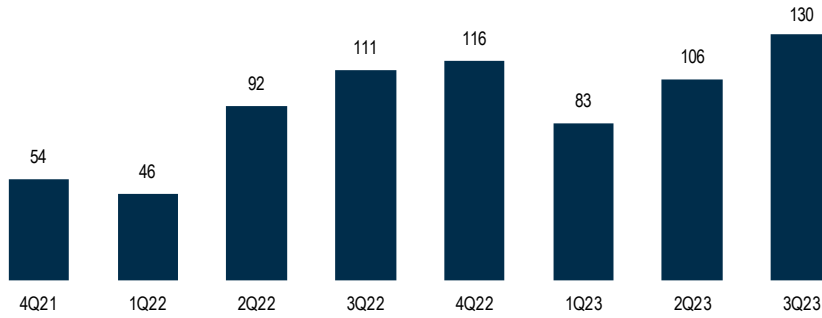


Table 84 – BB Corretora | Quarterly figures – Earning assets average balance and interest rates

R\$ thousand	3Q22			3Q23		
	Average balance	Revenues	Annualized rate (%)	Average balance	Revenues	Annualized rate (%)
<b>Earning assets</b>						
Cash and financial instruments	3,128,241	107,468	14.0	3,792,517	127,444	13.9
Other assets	216,621	3,598	6.6	229,837	3,493	6.1
Current tax assets	1,560	-	-	2,250	-	-
<b>Total</b>	<b>3,346,422</b>	<b>111,066</b>	<b>13.5</b>	<b>4,024,604</b>	<b>130,938</b>	<b>13.4</b>

Table 85 – BB Corretora | Quarterly figures – Interest bearing liabilities average balance and interest rates

R\$ thousand	3Q22			3Q23		
	Average balance	Expenses	Annualized rate (%)	Average balance	Expenses	Annualized rate (%)
<b>Interest bearing liabilities</b>						
Dividends payable	603,557	-	-	707,253	-	-
Other liabilities	499	-	-	499	(385)	99.7
<b>Total</b>	<b>604,057</b>	<b>-</b>	<b>-</b>	<b>707,753</b>	<b>(385)</b>	<b>0.2</b>

Table 86 – BB Corretora | Year-to-date figures – Earning assets average balance and interest rates

R\$ thousand	9M22			9M23		
	Average balance	Revenues	Annualized rate (%)	Average balance	Revenues	Annualized rate (%)
<b>Earning assets</b>						
Cash and financial instruments	3,076,042	248,672	10.9	3,686,826	342,379	12.6
Other assets	216,275	5,392	3.3	226,700	10,437	6.2
Current tax assets	1,577	11,300	-	1,746	-	-
<b>Total</b>	<b>3,293,894</b>	<b>265,365</b>	<b>10.9</b>	<b>3,915,272</b>	<b>352,815</b>	<b>12.3</b>

Table 87 – BB Corretora | Year-to-date figures – Interest bearing liabilities average balance and interest rates

R\$ thousand	9M22			9M23		
	Average balance	Expenses	Annualized rate (%)	Average balance	Expenses	Annualized rate (%)
<b>Interest bearing liabilities</b>						
Dividends payable	566,019	(1,167)	0.3	761,182	-	-
Other liabilities	499	(14,748)	-	499	(32,409)	-
<b>Total</b>	<b>566,519</b>	<b>(15,915)</b>	<b>3.7</b>	<b>761,681</b>	<b>(32,409)</b>	<b>5.7</b>



## ■ BALANCE SHEET ANALYSIS

Table 88 – BB Corretora | Balance sheet

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Assets</b>	<b>4,971,902</b>	<b>6,010,358</b>	<b>6,110,051</b>	<b>22.9</b>	<b>1.7</b>
Cash and cash equivalents	3,088,215	3,862,776	3,730,934	20.8	(3.4)
Equity investments	1,722	2,346	3,510	103.8	49.6
Current tax assets	46,258	13,924	14,567	(68.5)	4.6
Commission receivable	1,616,173	1,900,667	2,125,027	31.5	11.8
Other assets	219,533	230,645	236,012	7.5	2.3
<b>Liabilities</b>	<b>4,214,597</b>	<b>6,004,268</b>	<b>5,313,266</b>	<b>26.1</b>	<b>(11.5)</b>
Dividends payable	-	1,414,506	-	-	-
Provision	14,290	23,892	25,811	80.6	8.0
Current tax liabilities	689,165	477,300	712,007	3.3	49.2
Unearned commissions	3,343,817	4,009,513	4,512,126	34.9	12.5
Other liabilities	167,324	79,056	63,322	(62.2)	(19.9)
<b>Shareholders' equity</b>	<b>757,305</b>	<b>6,090</b>	<b>796,785</b>	<b>5.2</b>	<b>-</b>

## 6. INFORMATION IN IFRS 17

### ■ BB SEGURIDADE – IFRS 4 VS IFRS 17

The information below presents a brief summary of the main impacts on the transition balance sheet, as well as on the net income of BB Seguridade and investees, referring to the adoption of IFRS 17 as of January 1, 2023, not ruling out the need of reading the explanatory notes to the audited financial statements for more information.

Figure 89 – BB Seguridade | Impacts on the net income due to accounting standards difference (R\$ million)

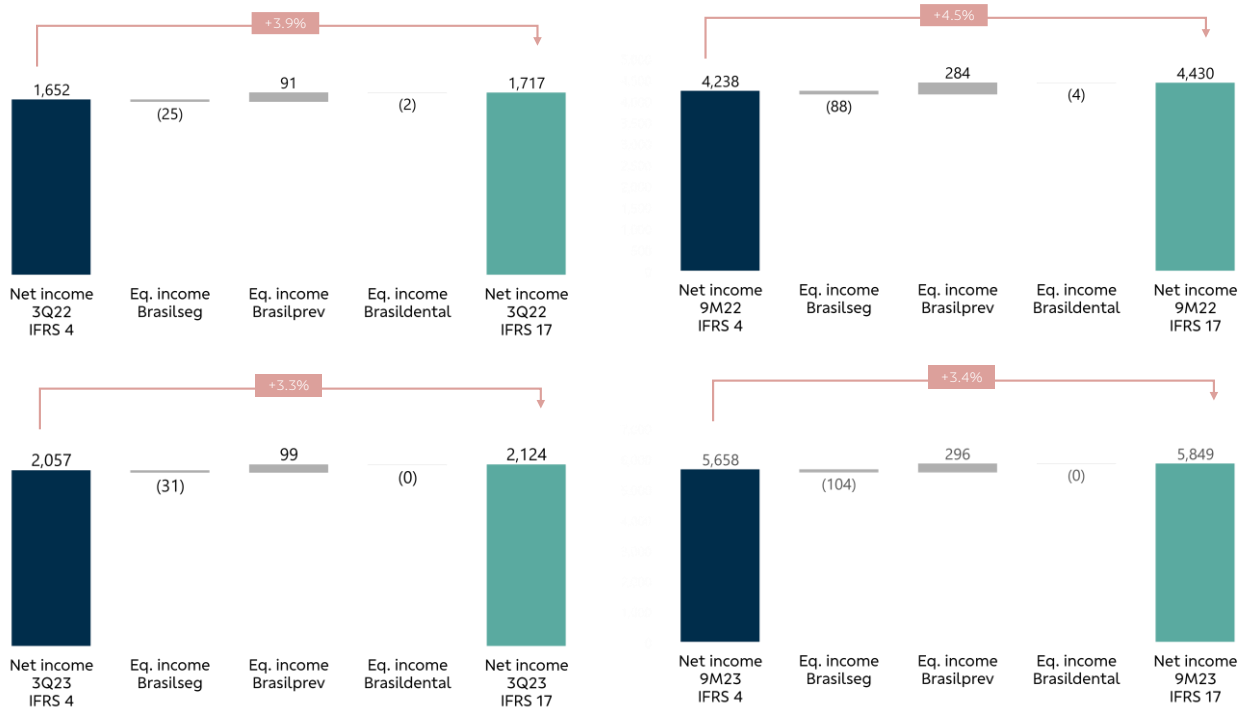


Table 90 – BB Seguridade | Income statement

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Equity income</b>	<b>1,713,193</b>	<b>1,886,878</b>	<b>2,106,029</b>	<b>22.9</b>	<b>11.6</b>	<b>4,427,108</b>	<b>5,829,016</b>	<b>31.7</b>
Underwriting and accumulation businesses	947,774	1,159,670	1,302,816	37.5	12.3	2,448,087	3,587,479	46.5
Brasilseg	611,019	715,096	755,265	23.6	5.6	1,357,342	2,084,581	53.6
Brasilprev	308,568	397,178	494,707	60.3	24.6	975,681	1,357,569	39.1
Brasilcap	25,002	42,358	48,667	94.7	14.9	103,241	132,880	28.7
Brasildental	3,185	5,038	4,177	31.1	(17.1)	11,824	12,449	5.3
Distribution businesses	750,605	706,795	790,833	5.4	11.9	1,957,719	2,205,339	12.6
Other	14,814	20,413	12,380	(16.4)	(39.4)	21,302	36,200	69.9
<b>G&amp;A expenses</b>	<b>(5,542)</b>	<b>(5,592)</b>	<b>(5,943)</b>	<b>7.2</b>	<b>6.3</b>	<b>(17,433)</b>	<b>(20,478)</b>	<b>17.5</b>
<b>Net investment income</b>	<b>10,673</b>	<b>11,119</b>	<b>31,850</b>	<b>198.4</b>	<b>186.4</b>	<b>21,894</b>	<b>48,760</b>	<b>122.7</b>
<b>Earnings before taxes and profit sharing</b>	<b>1,718,324</b>	<b>1,892,406</b>	<b>2,131,935</b>	<b>24.1</b>	<b>12.7</b>	<b>4,431,569</b>	<b>5,857,300</b>	<b>32.2</b>
Taxes	(1,501)	(233)	(7,659)	410.2	-	(1,501)	(7,892)	425.7
<b>Net income</b>	<b>1,716,823</b>	<b>1,892,173</b>	<b>2,124,276</b>	<b>23.7</b>	<b>12.3</b>	<b>4,430,068</b>	<b>5,849,408</b>	<b>32.0</b>

Table 91 – BB Seguridade | Balance sheet

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Assets</b>	<b>9,961,175</b>	<b>12,164,925</b>	<b>10,700,618</b>	<b>7.4</b>	<b>(12.0)</b>
Cash and cash equivalents	59,078	1,050,803	386,940	-	(63.2)
Financial assets marked to market	17,707	17,732	18,841	6.4	6.3
Investments	9,779,467	8,742,971	10,167,022	4.0	16.3
Current tax assets	87,486	109,230	112,485	28.6	3.0
Deferred tax assets	10	48	91	-	89.6
Dividends receivable	-	2,228,680	-	-	-
Other assets	12,795	11,653	11,592	(9.4)	(0.5)
Intangible	4,632	3,808	3,647	(21.3)	(4.2)
<b>Liabilities</b>	<b>10,832</b>	<b>3,220,982</b>	<b>37,425</b>	<b>245.5</b>	<b>(98.8)</b>
Provision for fiscal, civil and tax contingencies	28	142	268	-	88.7
Statutory obligation	307	3,210,299	287	(6.5)	(100.0)
Current tax liabilities	538	37	1,125	109.1	-
Other liabilities	9,959	10,504	35,745	258.9	240.3
<b>Shareholders' equity</b>	<b>9,950,343</b>	<b>8,943,943</b>	<b>10,663,193</b>	<b>7.2</b>	<b>19.2</b>
Capital	6,269,692	6,269,692	6,269,692	-	-
Reserves	1,251,571	1,554,030	1,554,034	24.2	0.0
Treasury shares	(80,344)	(79,758)	(261,432)	225.4	227.8
Other accumulated comprehensive income	(335,755)	49,273	(174,105)	(48.1)	-
Retained earnings	2,845,179	1,150,706	3,275,004	15.1	184.6

## ■ BRASILEG

Table 92 – Brasilseg | Income statement

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Insurance contracts results</b>	<b>3,468,460</b>	<b>3,955,430</b>	<b>4,087,583</b>	<b>17.9</b>	<b>3.3</b>	<b>9,586,013</b>	<b>11,859,197</b>	<b>23.7</b>
BBA contracts results	582,451	685,139	775,352	33.1	13.2	1,645,607	2,069,084	25.7
CSM release	203,694	265,523	310,748	52.6	17.0	563,987	803,881	42.5
Risk adjusment release	7,060	8,899	9,764	38.3	9.7	21,786	26,719	22.6
Expected expenses	371,698	410,717	454,840	22.4	10.7	1,059,833	1,238,484	16.9
PPA contracts results	2,886,009	3,270,291	3,312,231	14.8	1.3	7,940,406	9,790,113	23.3
<b>Insurance expenses</b>	<b>(2,284,561)</b>	<b>(2,611,754)</b>	<b>(2,702,030)</b>	<b>18.3</b>	<b>3.5</b>	<b>(6,814,607)</b>	<b>(7,950,697)</b>	<b>16.7</b>
Loss component	(6,720)	3,266	(4,111)	(38.8)	-	(6,318)	(2,866)	(54.6)
Realized expenses	(2,277,841)	(2,615,020)	(2,697,918)	18.4	3.2	(6,808,289)	(7,947,831)	16.7
<b>Insurance margin</b>	<b>1,183,899</b>	<b>1,343,676</b>	<b>1,385,553</b>	<b>17.0</b>	<b>3.1</b>	<b>2,771,406</b>	<b>3,908,500</b>	<b>41.0</b>
<b>Net investment income</b>	<b>154,036</b>	<b>130,767</b>	<b>184,826</b>	<b>20.0</b>	<b>41.3</b>	<b>359,367</b>	<b>483,973</b>	<b>34.7</b>
Financial revenues	221,723	244,453	269,267	21.4	10.2	617,747	778,367	26.0
Financial expenses	(67,688)	(113,686)	(84,441)	24.8	(25.7)	(258,380)	(294,394)	13.9
<b>Non-attributable expenses</b>	<b>(209,770)</b>	<b>(231,917)</b>	<b>(206,508)</b>	<b>(1.6)</b>	<b>(11.0)</b>	<b>(572,239)</b>	<b>(685,071)</b>	<b>19.7</b>
<b>Other revenues and expenses</b>	<b>(292)</b>	<b>(1,779)</b>	<b>(4,198)</b>	<b>-</b>	<b>136.0</b>	<b>(417)</b>	<b>(8,162)</b>	<b>-</b>
<b>Earnings before taxes and profit sharing</b>	<b>1,127,872</b>	<b>1,240,748</b>	<b>1,359,673</b>	<b>20.6</b>	<b>9.6</b>	<b>2,558,117</b>	<b>3,699,240</b>	<b>44.6</b>
Taxes	(301,138)	(269,577)	(339,463)	12.7	25.9	(712,949)	(879,954)	23.4
Profit sharing	(7,024)	(12,447)	(7,919)	12.7	(36.4)	(20,410)	(24,067)	17.9
<b>Net income</b>	<b>819,710</b>	<b>958,724</b>	<b>1,012,291</b>	<b>23.5</b>	<b>5.6</b>	<b>1,824,758</b>	<b>2,795,220</b>	<b>53.2</b>

Table 93 – Brasilseg | Balance sheet

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Assets</b>	<b>13,308,018</b>	<b>13,236,046</b>	<b>14,359,545</b>	<b>7.9</b>	<b>8.5</b>
Cash and equivalent of cash	13,862	7,627	5,438	(60.8)	(28.7)
Receivables	602,933	348,530	387,472	(35.7)	11.2
Financial investments	8,875,811	8,836,004	10,430,667	17.5	18.0
Insurance and reinsurance contracts	1,746,306	1,676,336	1,136,464	(34.9)	(32.2)
Current tax asset	78,322	121,339	88,579	13.1	(27.0)
Deferred tax assets	165,196	263,480	290,609	75.9	10.3
Other	1,107,020	1,135,622	1,138,247	2.8	0.2
Intangible and fixed assets	352,046	453,385	492,868	40.0	8.7
Equity investment	366,524	393,723	389,201	6.2	(1.1)
<b>Liabilities</b>	<b>10,548,932</b>	<b>10,263,014</b>	<b>11,198,894</b>	<b>6.2</b>	<b>9.1</b>
Insurance and reinsurance contracts	8,837,288	8,581,054	9,243,523	4.6	7.7
Payable accounts	199,689	166,101	224,704	12.5	35.3
Current tax liabilities	436,839	425,681	616,182	41.1	44.8
Deferred tax liabilities	93	-	76	(17.6)	-
Insurance operation debt	19,927	(0)	0	(100.0)	-
Other	1,055,096	1,090,177	1,114,409	5.6	2.2
<b>Equity</b>	<b>2,759,086</b>	<b>2,973,032</b>	<b>3,160,650</b>	<b>14.6</b>	<b>6.3</b>

## ■ BRASILPREV

Table 94 – Brasilprev | Income statement

R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
<b>Result with insurance contract</b>	<b>855,085</b>	<b>931,051</b>	<b>1,006,726</b>	<b>17.7</b>	<b>8.1</b>	<b>2,595,923</b>	<b>2,856,321</b>	<b>10.0</b>
Result with contracts BBA	118,138	147,688	195,433	65.4	32.3	371,775	491,545	32.2
CSM release	22,997	32,632	34,562	50.3	5.9	76,839	99,148	29.0
Risk adjustment release	172	167	169	(1.6)	1.1	491	507	3.4
Expected expenses	94,968	114,889	160,701	69.2	39.9	294,446	391,890	33.1
Result with contracts VFA	736,947	783,363	811,293	10.1	3.6	2,224,147	2,364,776	6.3
CSM release	552,515	578,902	594,880	7.7	2.8	1,692,546	1,743,368	3.0
Expected expenses	184,432	204,460	216,413	17.3	5.8	531,601	621,408	16.9
<b>Insurance expenses</b>	<b>(272,857)</b>	<b>(134,329)</b>	<b>(70,734)</b>	<b>(74.1)</b>	<b>(47.3)</b>	<b>(1,687,748)</b>	<b>(329,178)</b>	<b>(80.5)</b>
Loss component	42,106	139,938	260,245	-	86.0	(844,936)	573,518	-
Realized expenses	(314,963)	(274,267)	(330,980)	5.1	20.7	(842,812)	(902,696)	7.1
<b>Insurance margin</b>	<b>582,228</b>	<b>796,723</b>	<b>935,992</b>	<b>60.8</b>	<b>17.5</b>	<b>908,175</b>	<b>2,527,143</b>	<b>178.3</b>
<b>Reinsurance margin</b>	<b>243</b>	<b>346</b>	<b>83</b>	<b>(65.9)</b>	<b>(76.0)</b>	<b>(1,327)</b>	<b>615</b>	<b>-</b>
<b>Result with insurance services</b>	<b>582,471</b>	<b>797,068</b>	<b>936,075</b>	<b>60.7</b>	<b>17.4</b>	<b>906,848</b>	<b>2,527,758</b>	<b>178.7</b>
<b>Net investment income</b>	<b>182,628</b>	<b>79,416</b>	<b>190,873</b>	<b>4.5</b>	<b>140.3</b>	<b>1,397,270</b>	<b>540,463</b>	<b>(61.3)</b>
Financial revenues	10,135,151	12,570,501	9,701,316	(4.3)	(22.8)	25,365,203	32,506,837	28.2
Financial expenses	(9,952,523)	(12,491,085)	(9,510,442)	(4.4)	(23.9)	(23,967,934)	(31,966,373)	33.4
<b>Non-attributable expenses</b>	<b>(17,562)</b>	<b>(18,216)</b>	<b>(18,759)</b>	<b>6.8</b>	<b>3.0</b>	<b>(50,512)</b>	<b>(54,026)</b>	<b>7.0</b>
<b>Other revenues and expenses</b>	<b>1</b>	<b>(2)</b>	<b>0</b>	<b>(90.0)</b>	<b>-</b>	<b>1</b>	<b>16</b>	<b>-</b>
<b>Earnings before taxes and profit sharing</b>	<b>747,538</b>	<b>858,266</b>	<b>1,108,189</b>	<b>48.2</b>	<b>29.1</b>	<b>2,253,607</b>	<b>3,014,211</b>	<b>33.8</b>
Taxes	(330,879)	(335,444)	(444,544)	34.4	32.5	(939,936)	(1,205,780)	28.3
Profit sharing	(5,208)	(4,521)	(4,485)	(13.9)	(0.8)	(12,677)	(10,015)	(21.0)
<b>Net income</b>	<b>411,451</b>	<b>518,301</b>	<b>659,161</b>	<b>60.2</b>	<b>27.2</b>	<b>1,300,994</b>	<b>1,798,416</b>	<b>38.2</b>

Table 95 – Brasilprev | Balance sheet

R\$ thousand	Balance			Chg. %	
	Sep/22	Jun/23	Sep/23	On Sep/22	On Jun/23
<b>Assets</b>	<b>341,972,054</b>	<b>372,310,773</b>	<b>385,426,201</b>	<b>12.7</b>	<b>3.5</b>
Cash and cash equivalents	100,155	50,170	62,580	(37.5)	24.7
Financial investments	341,267,729	371,790,101	384,853,708	12.8	3.5
Operating receivables	317,679	181,094	226,836	(28.6)	25.3
Prepaid expenses	7,370	13,464	8,661	17.5	(35.7)
Other	38,883	36,149	34,762	(10.6)	(3.8)
Fixed assets	14,919	10,474	10,478	(29.8)	0.0
Intangible	225,319	229,322	229,175	1.7	(0.1)
<b>Liabilities</b>	<b>335,775,016</b>	<b>364,764,990</b>	<b>378,280,484</b>	<b>12.7</b>	<b>3.7</b>
Insurance and reinsurance contracts	333,538,493	362,142,134	375,367,378	12.5	3.7
Discounted cash flow	315,208,978	340,177,349	355,175,360	12.7	4.4
Contractual service margin (CSM)	18,262,633	21,889,070	20,122,109	10.2	(8.1)
Risk adjustment	66,882	75,716	69,909	4.5	(7.7)
Accounts payable	1,970,607	2,391,786	1,934,308	(1.8)	(19.1)
Obligations with insurance and reinsurance operations	2,291	9,980	10,311	350.0	3.3
Debts from private pension transactions	5,085	1,723	1,485	(70.8)	(13.8)
Third party deposits	192,092	149,285	250,718	30.5	67.9
Deferred tax liabilities	-	-	655,405	-	-
Other	66,446	70,081	60,880	(8.4)	(13.1)
<b>Equity</b>	<b>6,197,038</b>	<b>7,545,783</b>	<b>7,145,717</b>	<b>15.3</b>	<b>(5.3)</b>

## 7. DEFINITIONS

### COMMON RATIOS

**Quarterly adjusted ROAA annualized** = (adjusted net income / average total assets) x 4;

**Average volume** = net change – average rate;

**Average rate** = (current period interest / average current period balance) x (average previous period balance) – (previous period interest);

**Net change** = current period interest – previous period interest;

**Assets annualized rate** = interest revenues / average earning assets balance;

**Liabilities annualized rate** = interest expenses / average interest bearing liabilities.

### INSURANCE

**Loss ratio** = claims incurred / earned premiums;

**Commission ratio** = retained acquisition costs / earned premiums;

**Technical margin** = (earned premiums + policies issuance revenue + incurred claims + retained acquisition costs + result with reinsurance) / earned premiums;

**G&A ratio** = (administrative expenses + tax expenses + other operating income (expenses)) / earned premiums;

**Combined ratio** = (policies issuance revenue + incurred claims + retained acquisition costs + result with reinsurance + administrative expenses + tax expenses + other operating income (expenses)) / earned premiums;

**Expanded combined ratio** = (policies issuance revenue + incurred claims + retained acquisition costs + result with reinsurance + administrative expenses + tax expenses + other operating income (expenses)) / (earned premiums + net investment income).

### INSURANCE MANAGERIAL

**Earned premiums** = premiums written – raw premiums ceded to reinsurance – changes in technical reserves – changes in expenses with reinsurance provisions;

**Retained claims** = incurred claims – recovery of indemnity claims – recovery of claims expenses – changes in provisions for claims IBNR – salvages and reimbursed assets – changes in provision for claims IBNER provisions for claims to be settled – changes of expenses related to IBNR – changes in estimates for salvages and reimbursed assets – provisions for claims to be settled;

**Retained acquisition costs** = acquisition costs – commission return + revenue with reinsurance commissions

**Commission** = acquisition costs – commission return;

**G&A expenses** = administrative expenses + tax expenses + other operating income (expenses);

### PENSION PLANS

**Quarterly adjusted ROAA annualized** = (adjusted net income / average total assets ex-P/VGBL) x 4;

**Commission ratio** = acquisition cost / income and premiums contributions

**Cost to income** = (changes in other technical reserves + expenses with benefits, redemptions and claims + acquisition costs + administrative expenses + tax expenses + other operating income (expenses)) / (net revenues with contributions and VGBL premiums + revenues with management fee + earned premiums)



## PREMIUM BONDS

**Commission ratio** = acquisition costs / revenue with load fee quote;

**G&A ratio** = (administrative expenses + tax expenses + other operating income (expenses)) / revenue with load fee quote;

**Reserve quote** = change in provision for redemption / premium bonds collection

**Lottery quote** = expenses with constitution of provisions for lottery / premium bonds collection

**Bonus quote** = expenses with constitution of provisions for bonus / premium bonds collection

**Load fee quote** = revenue with load fee quote / premium bonds collection

**Premium bond margin** = result with premium bonds / net revenue with premium bonds;

**Spread** = average yield on interest earning assets – average yield on interest bearing liabilities

## BROKERAGE

**Adjusted operational margin** = operational results / brokerage revenues;

**Adjusted net margin** = adjusted net income / brokerage revenues.