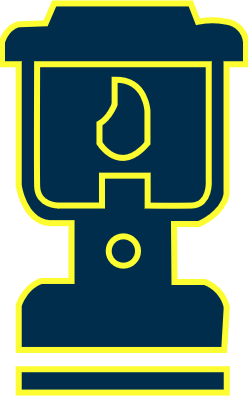
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**Interim Financial**

**Statements**

BB Seguridade Participações S.A.

3rd Quarter 2023

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REPORT OF INDEPENDENT AUDITORS FOR FINANCIAL STATEMENTS

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MEMBERS OF THE MANAGEMENT BODIES

# **MANAGEMENT COMMENTS ON PERFORMACE**

Dear Shareholders,

In the third quarter of 2023, BB Seguridade Participações S.A. (“BB Seguridade” or “Company”) reported net income of R$2,124 million (+23.7% YoY). The main highlights explaining the R$407.5 million increase of net income as compared to the 3Q22 were:

* **Brasilprev (+R$186.1 million):** due to the reduction of the onerousness of defined benefit plans that was registered at the transition to the new accounting standards (IFRS 17). This movement is explained by deflation of the IGP-M, as well as the increase of redemptions and migrations to defined contributions plans (PGBL and VGBL), deviating from the assumptions adopted when estimating the result of this plans at the transition. In lesser extent, the release of the contractual service margin (CSM) of PGBL and VGBL had also contributed;
* **Brasilseg (+R$144.2 million):** driven largely by the improvement in results arising from insurance contracts measured by the premium allocation model (PAA), due to the greater recognition of premiums in relation to 3Q22, in addition to the greater release of CSM from credit life insurance contracts measured by the general model measurement (BBA);
* **BB Corretora (+R$40.2 million):** justified by the evolution of brokerage revenues and the higher financial result; and
* **Brasilcap (+R$23.7 million):** led by the growth of financial result, with the expansion of the average balance of interest earning assets and the improvement of financial margin.

In the 3Q23, the other revenues and expenses registered negative balance of R$3 million, against R$45,000 in 3Q22. The variation is mainly explained by:

* lower volume of revenues from the ADR Level I program recorded in other operating revenues and expenses; and
* higher tax expenses on financial income, a consequence of the increase in the holding company's financial income.

On the other hand, the effects mentioned above were partially offset by the reduction in personnel expenses, after reviewing the cost sharing percentages between holding companies and BB Corretora.

The financial result registered an increase of 469.2%, with an expansion in the average balance of financial investments.

For more information about BB Seguridade’s performance, including the managerial analysis of its investees, please refer to the MD&A, available at www.bbseguridaderi.com.br/en, section Financial Information, option Results Center.

# **STATEMENT OF INCOME**

R$ thousand (except earnings per share)

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Parent | | | |  | Consolidated | | | |
|  | **Note** | **3rd Quarter 2023** | **01.01 to 09.30.2023** | **3rd Quarter 2022**  **(Restated balances)** | **01.01 to 09.30.2022**  **(Restated balances)** |  | **3rd Quarter 2023** | **01.01 to 09.30.2023** | **3rd Quarter 2022**  **(Restated balances)** | **01.01 to 09.30.2022**  **(Restated balances)** |
| Operating Income |  | **2,106,029** | **5,829,016** | **1,713,193** | **4,427,108** |  | **2,449,932** | **6,859,413** | **2,062,035** | **5,417,452** |
| Equity income | [7.b] | 2,106,029 | 5,829,016 | 1,713,193 | 4,427,108 |  | 1,304,118 | 3,589,869 | 947,159 | 2,447,269 |
| Net commissions income | [8] | -- | -- | -- | -- |  | 1,145,814 | 3,269,544 | 1,114,876 | 2,970,183 |
| Cost of Services Provided | **[9]** | **--** | **--** | **--** | **--** |  | **(45,585)** | **(146,446)** | **(51,224)** | **(153,024)** |
| Gross Profit |  | **2,106,029** | **5,829,016** | **1,713,193** | **4,427,108** |  | **2,404,347** | **6,712,967** | **2,010,811** | **5,264,428** |
| Other Income and Expenses |  | **(3,042)** | **(13,378)** | **45** | **(8,463)** |  | **(50,080)** | **(139,946)** | **(49,370)** | **(138,040)** |
| Personnel expenses | [10] | (3,046) | (9,893) | (3,866) | (10,783) |  | (21,176) | (62,634) | (19,168) | (53,106) |
| Administratives and sales expenses | [11] | (905) | (2,789) | (859) | (2,997) |  | (20,287) | (42,329) | (10,040) | (23,540) |
| Tax expenses | [12.c] | (1,615) | (6,320) | (685) | (2,616) |  | (8,957) | (28,226) | (7,416) | (18,303) |
| Provision for brokerage to returned  returned | [13] | -- | -- | -- | -- |  | -- | -- | (9,824) | (29,472) |
| Other | [13] | 2,524 | 5,624 | 5,455 | 7,933 |  | 340 | (6,757) | (2,922) | (13,619) |
| Income Before Financial Revenue and Expenses |  | **2,102,987** | **5,815,638** | **1,713,238** | **4,418,645** |  | **2,354,267** | **6,573,021** | **1,961,441** | **5,126,388** |
| Financial Result | **[14]** | **28,948** | **41,662** | **5,086** | **12,924** |  | **182,094** | **428,596** | **150,012** | **325,929** |
| Financial revenue |  | 29,474 | 122,735 | 5,352 | 40,547 |  | 183,130 | 510,360 | 150,337 | 354,892 |
| Financial expenses |  | (526) | (81,073) | (266) | (27,623) |  | (1,036) | (81,764) | (325) | (28,963) |
| Income Before Taxes and Equities |  | **2,131,935** | **5,857,300** | **1,718,324** | **4,431,569** |  | **2,536,361** | **7,001,617** | **2,111,453** | **5,452,317** |
| Income Tax and Social Contribution | **[12.a]** | (7,659) | (7,892) | (1,501) | (1,501) |  | (412,085) | (1,152,209) | (394,630) | (1,022,249) |
|  |  |  |  |  |  |  |  |  |  |  |
| Net Income |  | **2,124,276** | **5,849,408** | **1,716,823** | **4,430,068** |  | **2,124,276** | **5,849,408** | **1,716,823** | **4,430,068** |
|  |  |  |  |  |  |  |  |  |  |  |
| Weighted average number of shares | [25.a] | 1,995,399,521 | 1,996,314,575 | 1,996,726,433 | 1,996,709,128 |  | 1,995,399,521 | 1,996,314,575 | 1,996,726,433 | 1,996,709,128 |
| Basic and diluted earnings per share (R$) | [25.a] | 1.06 | 2.93 | 0.86 | 2.22 |  | 1.06 | 2.93 | 0.86 | 2.22 |

The explanatory notes are an integral part of the interim financial statements. The opening balance sheet and restatements refer to the adoption of CPC 50 [IFRS 17] – Insurance Contracts and CPC 48 [IFRS 9] – Financial Instruments, whose effects are detailed in Note 03 - Presentation of Financial Statements.

# **STATEMENT OF COMPREHENSIVE INCOME**

R$ thousand

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Parent | | | |  | | Consolidated | | | | |
|  | **Note** | **3rd Quarter 2023** | **01.01 to 09.30.2023** | **3rd Quarter 2022** | **01.01 to**  **09.30.2022**  **(Restated balances)** | |  | | **3rd Quarter 2023** | **01.01 to 09.30.2023** | **3rd Quarter 2022** | **01.01 to**  **09.30.2022**  **(Restated balances)** |
| Net Income |  | **2,124,276** | **5,849,408** | **1,716,823** | **4,430,068** | |  | | **2,124,276** | **5,849,408** | **1,716,823** | **4,430,068** |
| Share of comprehensive income Investments in Equity Holdings |  | **(223,377)** | **167,887** | **36,877** | **119,454** | |  | | **(223,377)** | **167,887** | **36,877** | **119,454** |
| Gains/(losses) on financial assets available for sale |  | (44,968) | 80,627 | 66,783 | 17,877 | |  | | (44,968) | 80,627 | 66,783 | 17,877 |
| Other comprehensive results |  |  |  |  |  | |  | |  |  |  |  |
| Effects CPC 50 |  | (327,097) | 199,829 | (2,564) | 183,971 | |  | | (327,097) | 199,829 | (2,564) | 183,971 |
| other |  | (209) | (586) | (2,862) | (2,863) | |  | | (209) | (586) | (2,862) | (2,863) |
| Tax effect |  | 148,897 | (111,983) | (24,480) | (79,531) | |  | | 148,897 | (111,983) | (24,480) | (79,531) |
| Total Comprehensive Income |  | **1,900,899** | **6,017,295** | **1,753,700** | **4,549,522** | |  | | **1,900,899** | **6,017,295** | **1,753,700** | **4,549,522** |

The explanatory notes are an integral part of the interim financial statements. The opening balance sheet and restatements refer to the adoption of CPC 50 [IFRS 17] – Insurance Contracts and CPC 48 [IFRS 9] – Financial Instruments, whose effects are detailed in Note 03 - Presentation of Financial Statements.

# **BALANCE SHEET**

R$ thousand

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Parent | | |  | | | | Consolidated | | | | |
|  | **Note** | **Sept 30, 2023** | **Dec 31, 2022**  **(Restated balances)** | **Jan 01, 2022 (Opening balance)** | | |  | **Sept 30, 2023** | | **Dec 31, 2022**  **(Restated balances)** | | **Jan 01, 2022 (Opening balance)** | |
| Current Assets |  | **418,915** | **3,768,306** | **1,956,417** | |  | | **4,553,477** | | | **7,221,098** | | **5,125,631** |
| Cash and cash equivalents | [15] | 386,940 | 59,003 | 369,342 | |  | | 3,367,113 | | | 6,076,618 | | 4,090,561 |
| Dividends/interest on equity receivable | [17] | -- | 3,683,356 | 1,572,428 | |  | | -- | | | 13,519 | | 1,648 |
| Current tax assets | [12.d] | 20,427 | 16,131 | 1,928 | |  | | 46,426 | | | 16,131 | | 1,928 |
| Commissions receivable | [18] | -- | -- | -- | |  | | 1,132,746 | | | 1,114,256 | | 1,026,158 |
| Other assets | [20] | 11,548 | 9,816 | 12,719 | |  | | 7,192 | | | 574 | | 5,336 |
|  |  |  |  |  | |  | |  | | |  | |  |
| Non-Current Assets |  | **10,281,703** | **7,954,747** | **7,354,986** | |  | | **11,683,181** | | | **9,349,363** | | **8,375,575** |
| Financial assets at fair value through profit or loss | [16.a] | 18,841 | 18,064 | 14,011 | |  | | 1,561,853 | | | 368,281 | | 14,011 |
| Current tax assets | [12.d] | 92,058 | 75,177 | 68,332 | |  | | 99,424 | | | 80,977 | | 84,337 |
| Deferred tax assets | [12.e] | 91 | 28 | 10 | |  | | 12,206 | | | 7,773 | | 35,420 |
| Commissions receivable | [18] | -- | -- | -- | |  | | 992,282 | | | 708,990 | | 698,435 |
| Investments in associates | [7.b] | 10,167,022 | 7,857,399 | 7,267,634 | |  | | 8,782,056 | | | 7,957,439 | | 7,324,226 |
| Intangible | [19] | 3,647 | 4,021 | 4,959 | |  | | 3,647 | | | 4,021 | | 4,959 |
| Other assets | [20] | 44 | 58 | 40 | |  | | 231,713 | | | 221,882 | | 214,187 |
|  |  |  |  |  | |  | |  | | |  | |  |
| Total Assets |  | **10,700,618** | **11,723,053** | **9,311,403** | |  | | **16,236,658** | | | **16,570,461** | | **13,501,206** |
|  |  |  |  |  | |  | |  | | |  | |  |
| Current Liabilities |  | **37,329** | **3,686,295** | **1,842,974** | |  | | **2,823,788** | | | **6,508,168** | | **3,999,277** |
| Statutory obligation | [21] | 287 | 3,674,027 | 1,831,691 | |  | | 287 | | | 3,674,027 | | 1,831,691 |
| Contingent liabilities | [22] | 172 | 53 | -- | |  | | 12,169 | | | 4,431 | | 4,996 |
| Current tax liabilities | [12.g] | 1,125 | 31 | 444 | |  | | 714,209 | | | 963,874 | | 762,519 |
| Unearned commissions | [23] | -- | -- | -- | |  | | 2,005,792 | | | 1,760,473 | | 1,172,483 |
| Other liabilities | [24] | 35,745 | 12,184 | 10,839 | |  | | 91,331 | | | 105,363 | | 227,588 |
|  |  |  |  |  | |  | |  | | |  | |  |
| Non-Current Liabilities |  | **96** | **28** | **28** | |  | | **2,749,677** | | | **2,025,563** | | **2,033,528** |
| Contingent liabilities | [22] | 96 | 28 | 28 | |  | | 14,778 | | | 9,451 | | 10,419 |
| Deferred tax liabilities | [12.h] | -- | -- | -- | |  | | 228,565 | | | 228,565 | | 228,565 |
| Unearned commissions | [23] | -- | -- | -- | |  | | 2,506,334 | | | 1,787,547 | | 1,794,544 |
|  |  |  |  |  | |  | |  | | |  | |  |
| Total Liabilities |  | **37,425** | **3,686,323** | **1,843,002** | |  | | **5,573,465** | | | **8,533,731** | | **6,032,805** |
|  |  |  |  |  | |  | |  | | |  | |  |
| Equity |  | **10,663,193** | **8,036,730** | **7,468,401** | |  | | **10,663,193** | | | **8,036,730** | | **7,468,401** |
| Capital | [25.d] | 6,269,692 | 6,269,692 | 3,396,767 | |  | | 6,269,692 | | | 6,269,692 | | 3,396,767 |
| Capital reserves | [25.e] | 1,805 | 1,571 | 1,508 | |  | | 1,805 | | | 1,571 | | 1,508 |
| Income reserves | [25.e] | 1,552,229 | 1,552,229 | 4,122,925 | |  | | 1,552,229 | | | 1,552,229 | | 4,122,925 |
| Treasury shares | [25.f.1] | (261,432) | (80,344) | (81,320) | |  | | (261,432) | | | (80,344) | | (81,320) |
| Other accumulated comprehensive income | [25.g] | (174,105) | (341,992) | (455,209) | |  | | (174,105) | | | (341,992) | | (455,209) |
|  |  | 3,275,004 | 635,574 | 483,730 | |  | | 3,275,004 | | | 635,574 | | 483,730 |
| Total Equity |  | **10,663,193** | **8,036,730** | **7,468,401** | |  | | **10,663,193** | | | **8,036,730** | | **7,468,401** |
|  |  |  |  |  | |  | |  | | |  | |  |
| Total Liabilities and Equity |  | **10,700,618** | **11,723,053** | **9,311,403** | |  | | **16,236,658** | | | **16,570,461** | | **13,501,206** |

The explanatory notes are an integral part of the interim financial statements. The restatements (retrospective applications) refer to the adoption of CPC 50 [IFRS 17] – Insurance Contracts and CPC 48 [IFRS 9] – Financial Instruments, whose effects are detailed in Note 03 - Presentation of Interim Financial Statements.

# **STATEMENT OF CASH FLOWS**

R$ thousand

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Parent** | |  |  | **Consolidated** | |
|  | **Note** | **01.01 to 09.30.2023** | **01.01 to 09.30.2022**  **(Restated balances)** |  |  | **01.01 to 09.30.2023** | **01.01 to 09.30.2022**  **(Restated balances)** |
| **Cash flow from operating activities** |  |  |  |  |  | |  |
| **Net profit** |  | **5,849,408** | **4,430,068** |  | **5,849,408** | | **4,430,068** |
| **Adjustment to net profit:** |  |  |  |  |  | |  |
| Equity income | [7.b] | (5,829,016) | (4,427,108) |  | (3,589,869) | | (2,447,269) |
| Net increase in dividends and interest on shareholders' equity |  | (203) | 3,639 |  | 77,280 | | 25,745 |
| Net increase in financial assets at fair value through profit or loss |  | -- | -- |  | (106,705) | | -- |
| Provisions for labor, tax and civil lawsuits | [13] | 186 | -- |  | 13,064 | | (152) |
| Other adjustments |  | 1,458 | 1,687 |  | 1,458 | | 1,687 |
| **Adjustment to net profit** |  | **21,833** | **8,286** |  | **2,244,636** | | **2,010,079** |
| **Changes in balance sheet items:** |  |  |  |  |  | |  |
| Financial assets at fair value through profit or loss |  | (777) | (3,696) |  | (777) | | (3,696) |
| Current tax assets and deferred tax assets |  | (21,240) | (17,226) |  | (53,175) | | (22,439) |
| Commissions receivable |  | -- | -- |  | (301,782) | | 108,420 |
| Other assets |  | (1,716) | (36) |  | (16,450) | | (5,626) |
| Unearned commissions |  | -- | -- |  | 964,106 | | 376,790 |
| Current tax liabilities and deferred tax liabilities |  | 1,094 | 95 |  | (249,665) | | (72,817) |
| Other liabilities |  | 23,561 | (880) |  | (14,032) | | (35,146) |
| **Cash provided by operating activities** |  | **22,755** | **(13,457)** |  | **2,572,861** | | **2,355,565** |
|  |  |  |  |  |  | |  |
| **Cash flow from investment activities** |  |  |  |  |  | |  |
| Investments in financial assets at fair value through profit or loss |  | -- | -- |  | (1,086,090) | | -- |
| Dividends received | [7.b] | 7,448,118 | 3,629,262 |  | 2,946,660 | | 2,144,793 |
| Acquisition Asset |  | (254) | (322) |  | (254) | | (322) |
| **Cash provided by investment activities** |  | **7,447,864** | **3,628,940** |  | **1,860,316** | | **2,144,471** |
|  |  |  |  |  |  | |  |
| **Cash flow from financing activities** |  |  |  |  |  | |  |
| Dividends paid |  | (6,960,998) | (3,925,747) |  | (6,960,998) | | (3,925,747) |
| (Acquisition)/ Disposals of Treasury shares |  | (181,684) | -- |  | (181,684) | | -- |
| **Cash flow provided by financing activities** |  | **(7,142,682)** | **(3,925,747)** |  | **(7,142,682)** | | **(3,925,747)** |
|  |  |  |  |  |  | |  |
| **Net change in cash and cash equivalents** |  | **327,937** | **(310,264)** |  | **(2,709,505)** | | **574,289** |
| Opening balance | [15] | 59,003 | 369,342 |  | 6,076,618 | | 4,090,561 |
| Closing balance | [15] | 386,940 | 59,078 |  | 3,367,113 | | 4,664,850 |
| **Increase (decrease) in cash and cash equivalents** |  | **327,937** | **(310,264)** |  | **(2,709,505)** | | **574,289** |
|  |  |  |  |  |  | |  |
| **Complementary information on operations** |  |  |  |  |  | |  |
| Income tax paid |  | -- | (322) |  | (854,340) | | (708,788) |
| Social contribution paid |  | (1,703) | (275) |  | (365,036) | | (312,651) |
| **Total taxes paid** |  | **(1,703)** | **(597)** |  | **(1,219,376)** | | **(1,021,439)** |

The explanatory notes are an integral part of the interim financial statements. The opening balance sheet and restatements refer to the adoption of CPC 50 [IFRS 17] – Insurance Contracts and CPC 48 [IFRS 9] – Financial Instruments, whose effects are detailed in Note 03 - Presentation of Financial Statements.

# **STATEMENT OF CHANGES IN EQUITY**

R$ thousand

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Event | Note | Capital | Capital Reserves | Profit Reserves | | Treasury Shares | Other accumulated comprehensive income | Retained Earnings/ Accumulated Losses | Total |
| **Legal Reserve** | **Statutory Reserve** |
| Balances at Dec 31, 2021 |  | **3,396,767** | **1,508** | **679,354** | **3,443,571** | **(81,320)** | **(158,464)** | **--** | **7,281,416** |
| Transition CPC 48 and 50 |  | -- | -- | -- | -- | -- | (296,745) | 483,730 | 186,985 |
| Balances on 01.01.2022 (Opening balance) |  | **3,396,767** | **1,508** | **679,354** | **3,443,571** | **(81,320)** | **(455,209)** | **483,730** | **7,468,401** |
| Capitalization of Profit Reserve |  | 2,872,925 | -- | (679,354) | (2,193,571) | -- | -- | -- | -- |
| Share-based payment transactions |  | -- | 63 | -- | -- | 976 | -- | -- | 1,039 |
| Other comprehensive income - Update financial instruments |  | -- | -- | -- | -- | -- | 10,726 | -- | 10,726 |
| Other comprehensive income - Effects CPC 50 |  | -- | -- | -- | -- | -- | 110,382 | -- | 110,382 |
| Other comprehensive income |  | -- | -- | -- | -- | -- | (1,655) | -- | (1,655) |
| Prescribed dividends |  | -- | -- | -- | -- | -- | -- | 79 | 79 |
| Net Income for the Period |  | **--** | **--** | **--** | **--** | **--** | **--** | **4,237,983** | **4,237,983** |
| Net Income for the Period - Effects CPC 48 and 50 |  | **--** | -- | **--** | **--** | **--** | **--** | **192,085** | **192,085** |
| Interim dividends paid |  | **--** | **--** | **--** | **--** | **--** | -- | (2,068,697) | **(2,068,697)** |
| Balances at Sept 30, 2022 (R[estated balances](https://www.linguee.com.br/ingles-portugues/traducao/representation.html)) |  | **6,269,692** | **1,571** | **--** | **1,250,000** | **(80,344)** | **(335,756)** | **2,845,180** | **9,950,343** |
| Changes in the period (Restated balances) |  | **2,872,925** | **63** | **(679,354)** | **(2,193,571)** | **976** | **119,453** | **2,361,450** | **2,481,942** |
|  |  |  |  |  |  |  |  |  |  |
| Balances at Dec 31, 2022 (R[estated balances](https://www.linguee.com.br/ingles-portugues/traducao/representation.html)) |  | **6,269,692** | **1,571** | **302,229** | **1,250,000** | **(80,344)** | **(341,992)** | **635,574** | **8,036,730** |
| Share buyback |  | -- | -- | -- | -- | (181,684) | -- | -- | (181,684) |
| Share-based payment transactions |  | -- | 234 | -- | -- | 596 | -- | -- | 830 |
| Outros resultados abrangentes - Atualização instrumentos financeiros | [7.b] | -- | -- | -- | -- | -- | 48,376 | -- | 48,376 |
| Outros resultados abrangentes - efeitos CPC 50 | [7.b] | -- | -- | -- | -- | -- | 119,897 | -- | 119,897 |
| Outros resultados abrangentes | **[7.b]** | -- | -- | -- | -- | -- | (386) | -- | (386) |
| Prescribed dividends |  | -- | -- | -- | -- | -- | -- | 72 | 72 |
| Net income for the period | **[25.a]** | **--** | **--** | **--** | **--** | **--** | **--** | **5,849,408** | 5,849,408 |
| Interim dividends paid | [25.b] | -- | -- | -- | -- | -- | -- | (3,210,050) | **(3,210,050)** |
| Balances at Sept 30, 2023 |  | **6,269,692** | **1,805** | **302,229** | **1,250,000** | **(261,432)** | **(174,105)** | **3,275,004** | **10,663,193** |
| Changes in the period |  | **--** | **234** | **--** | **--** | **(181,088)** | **167,887** | **2,639,430** | **2,626,463** |

Other comprehensive income is presented net of tax effects.

The explanatory notes are an integral part of the interim financial statements. The restatements (retrospective applications) refer to the adoption of CPC 50 [IFRS 17] – Insurance Contracts and CPC 48 [IFRS 9] – Financial Instruments, the effects of which are detailed in explanatory note 03 - Presentation of Interim Financial Statements.

1. In relation to the values presented in the 1st Quarter 2023, there was an opening of the transition value of CPC 48 and 50, with the reclassification of negative R$ 368,589 thousand from Retained Earnings/ Accumulated to Other accumulated comprehensive income, in addition to an adjustment of R$ 71,844 thousand in Other accumulated comprehensive income, referring to Brasilprev.

# **STATEMENT OF VALUE ADDED**

R$ thousand

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | Parent | |  | Consolidated | |
|  | **Note** | **01.01 to 09.30.2023** | **01.01 to 09.30.2022**  **(Restated balances)** |  | **01.01 to 09.30.2023** | **01.01 to 09.30.2022**  **(Restated balances)** |
| Income |  | **5,968** | **8,123** |  | **3,708,641** | **3,372,586** |
| Commissions income | [8] | -- | -- |  | 3,695,772 | 3,360,023 |
| Other income |  | 5,968 | 8,123 |  | 12,869 | 12,563 |
|  |  |  |  |  |  |  |
| Input Acquired from Third Parties |  | **(2,487)** | **(2,474)** |  | **(204,977)** | **(228,718)** |
| Administrative expenses diverse |  | (2,267) | (2,398) |  | (39,878) | (20,990) |
| Cost of services provided | [9] | -- | -- |  | (146,446) | (153,024) |
| Other expenses |  | (220) | (76) |  | (18,653) | (54,704) |
|  |  |  |  |  |  |  |
| Gross Added Value |  | **3,481** | **5,649** |  | **3,503,664** | **3,143,868** |
|  |  |  |  |  |  |  |
| Depreciation and amortization | **[13]** | **(124)** | **(114)** |  | **(973)** | **(950)** |
|  |  |  |  |  |  |  |
| Net Added Value Generated by the Entity |  | **3,357** | **5,535** |  | **3,502,690** | **3,142,918** |
|  |  |  |  |  |  |  |
| Added Value Received Through Transfer |  | **5,951,751** | **4,467,654** |  | **4,100,228** | **2,802,161** |
| Equity in the earnings of associates | [7.b] | 5,829,016 | 4,427,107 |  | 3,589,868 | 2,447,269 |
| Financial income | [14] | 122,735 | 40,547 |  | 510,360 | 354,892 |
|  |  |  |  |  |  |  |
| Total Added Value to Distribute |  | **5,955,108** | **4,473,189** |  | **7,602,918** | **5,945,078** |
|  |  |  |  |  |  |  |
| Distribution of Added Value |  | **5,955,108** | **4,473,189** |  | **7,602,918** | **5,945,078** |
| Personnel |  | **8,540** | **9,279** |  | **53,711** | **45,903** |
| Direct remuneration - Earnings and fees |  | 6,024 | 6,727 |  | 38,182 | 32,025 |
| Benefits and training |  | 1,350 | 1,466 |  | 9,381 | 8,481 |
| FGTS |  | 364 | 396 |  | 2,490 | 2,114 |
| Other charges |  | 802 | 690 |  | 3,658 | 3,283 |
| Taxes, fees and contributions |  | **15,565** | **5,620** |  | **1,615,584** | **1,437,594** |
| Federal |  | 15,565 | 5,620 |  | 1,530,479 | 1,358,066 |
| Municipal |  | -- | -- |  | 85,105 | 79,528 |
| Remuneration of third-party capital |  | **81,595** | **28,222** |  | **84,215** | **31,513** |
| Interest | [14] | 81,073 | 27,623 |  | 81,764 | 28,963 |
| Rents |  | 522 | 599 |  | 2,451 | 2,550 |
| Equity remuneration |  | **5,849,408** | **4,430,068** |  | **5,849,408** | **4,430,068** |
| Dividends |  | 3,209,978 | 2,068,618 |  | 3,209,978 | 2,068,618 |
| Retained earnings for the period |  | 2,639,430 | 2,361,450 |  | 2,639,430 | 2,361,450 |

The explanatory notes are an integral part of the interim financial statements. The opening balance sheet and restatements refer mainly to the adoption of CPC 50 [IFRS 17] – Insurance Contracts and CPC 48 [IFRS 9] – Financial Instruments, whose effects are detailed in Note 03 - Presentation of Interim Financial Statements.

# **EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**

# **1 - OPERATIONAL CONTEXT**

BB Seguridade Participações S.A. (“BB Seguridade” or “Company”) is a *holding* company controlled by Banco do Brasil SA, incorporated on December 20th, 2012, which operates in insurance business. It is a publicly-held corporation and its shares are traded on the Novo Mercado segment of B3 SA - Brazil, Stock, Counter, under the code “BBSE3”, and its ADRs (*American Depositary Receipts*) on the *Over-the-Counter* market in the United States of America under the code “BBSEY”.

It is registered with the CNPJ under No. 17.344.597/0001-94 and headquartered in the Northern Local Government Sector, Quadra 05, Lote B, Torre Sul, 3rd Floor, Banco do Brasil Building, Asa Norte, Brasília, Distrito Federal, Brazil.

Its corporate purpose is to participate in insurance companies, capitalization companies, open supplementary pension entities and private health care plans, as well as in other companies whose corporate purpose is the brokerage and feasibility of business involving insurance companies in the elementary, life, health, capitalization, pension and asset management fields.

BB Seguridade has, among its equity stake, two wholly-owned subsidiaries, BB Seguros Participações S.A. ("BB Seguros") and BB Corretora de Seguros e Administradora de Bens S.A. ("BB Corretora"), the corporate structure that makes up the BB Seguridade Group ("Group").

Such stake are currently organized into two segments: risk and accumulation businesses, which operate insurance, open pension funds, capitalization and dental care plans products through BB Seguros with private partners; and distribution business, which sells insurance, open pension funds, capitalization bonds and private dental care plans, through BB Corretora, in addition to an investment that operates in the distribution of insurance products through digital channels.

In the risk and accumulation business, the Group operates through stakes in the companies BB MAPFRE, Brasilprev, Brasilcap and Brasildental, which are directly invested in by BB Seguros, and indirectly in the companies Brasilseg and Aliança do Brasil Seguros, subsidiaries of BB MAPFRE. In the distribution business, it operates through BB Corretora, which holds a stake in the investee Ciclic.

We present below the corporate structure of the Company:

Diagrama

Descrição gerada automaticamente

BB MAPFRE has a direct stake in the companies Brasilseg Companhia de Seguros and Aliança do Brasil Seguros S.A. and indirect in the company Broto S.A. (invested by Brasilseg).

# **2 – ACQUISITIONS, DISPOSALS AND CORPORATE RESTRUCTURINGS**

**a) Broto S.A.**

In line with the Notice to the Market released on October 13, 2022, the Board of Directors of BB Seguridade has approved the execution of the final agreements regarding the creation of a new company named Broto S.A. (Broto), for run the businesses of the Broto Digital Platform, in a partnership between Brasilseg Companhia de Seguros (Brasilseg or Insurance Company), an investee of BB Seguros Participações S.A. (BB Seguros), with Banco do Brasil S.A. (BB).

The Broto’s capital has the following distribution:

|  |  |  |  |
| --- | --- | --- | --- |
| Shareholders | Stake (%) | | |
| **Voting Shares** | **Preferred Shares** | **Total** |
| BB | -- | 100 | 50 |
| Brasilseg | 100 | -- | 50 |

Brasilseg invested R$ 31.2 million in Broto to achieve the economic stake provided in the aforementioned table (50%), being the amount composed part of cash and the other part of assets related to the Broto Platform, that were held by the Insurance Company. The same amount was invested by BB to subscribe and pay in the shares corresponding to the other 50% economic stake of the new company.

Brasilseg keep the access to Broto Platform to sell its insurances, and it is granted to BB Corretora de Seguros e Administradora de Bens S.A. (BB Corretora), a wholly-owned company of BB Seguridade, the exclusivity to intermediating the commercialization of such products.

On October 28, 2022, Brasilseg, BB and BB Corretora signed, with the intervention and consent of MAPFRE Brasil Participações S.A., BB Seguros and Aliança do Brasil Seguros S.A., the Investment Agreement, establishing, among others, the terms and conditions mentioned above necessary for the constitution of the company Broto. From the implementation of the Precedent Conditions described in the Investment Agreement, related to obtaining the respective regulatory and legal approvals, the operation was consummated on January 4, 2023, the date considered as the closing of the operation and from which the following acts were practiced:

a. formalization of the Shareholders' Agreement and the Operating Agreements for the sale of products at Broto. The first one was signed between Broto and BB, for the distribution of banking and financial products, and the second one was signed between Broto, Brasilseg, ABS and BB Corretora for the distribution of insurance products;

b. Broto's First General Meeting, with the signature of the respective minutes and the respective share subscription forms; deliberation of the Bylaws; subscription and payment of share capital; and election of its Executive Board.

The corporate documents provide for the granting, by Brasilseg, of a purchase option to BB - not yet exercised - over all of its shares in Broto, exercisable upon payment of the entire amount contributed by the Insurance Company to Broto, restated by the CDI rate accumulated in the period, within a period of up to 12 months, counted from the date of signature of the Shareholders' Agreement, extendable for an equal period.

**b) Brasilcap Capitalização S.A.**

On December 31, 2021, Brasilcap’s ESM approved the company’s capital increase from R$ 254,392,710.76 to R$ 354,398,110.76, through the issuance of 76,340,000 preferred shares, all nominative with no par value, by the price of R$ 1.31 each, in compliance with Article 170, § 1, of Federal Law Nr. 6,404 of 1976, capitalized by credits resulting from the private instrument ”Advances For Future Capital Increases”, concluded on December 22, 2021, between Brasilcap and its shareholders BB Seguros Participações S.A., Icatu Seguros S.A. and Companhia de Seguros Aliança da Bahia.

BB Seguros Participações S.A. subscribed in the proportion of its current economic stake, 50,888,244 preferred shares, equivalent to R$ 66,663,599.64, while Icatu Seguros S.A. subscribed 12,725,878 preferred shares, equivalent to R$ 16,670,900.18, and Companhia de Seguros Aliança da Bahia subscribed 12,085,282 preferred shares, equivalent to R$ 15,831,719.42. In addition, through the capitalization of credits arising from the Advances for Future Capital Increases, Icatu Seguros S.A. subscribed 328,568 preferred shares, equivalent to R$ 430,424.08 and Companhia de Seguros Aliança da Bahia subscribed 312,028 preferred shares, equivalent to R$ 408,756.68, on the condition that, and to the extent that, the other Brasilcap’s minority shareholders do not exercise their preemptive right. The issuance maintained unchanged the current economic stake held by BB Seguros Participações S.A. in Brasilcap’s total capital.

Thus, Brasilcap's paid in capital amounted to R$ 354,398,110.76, divided into 216,010,804 common shares, all nominative with no par value, and 184,329,196 preferred shares, all nominative with no par value.

Considering that the minority shareholders did not exercise their preemptive rights within the allowed period, BB Seguros, due to the terms agreed through the Subscription Commitment Instrument and Other Covenants, started the necessary procedures for the acquisition of the preferred shares, in order to equalize the shareholding proportion held by the majority shareholders before the contribution of capital.

On November 25, 2022, the necessary procedures for the acquisition of preferred shares by BB Seguros Participações S.A. were completed through (i) the signing of the terms of transfer of preferred shares, through which Icatu Seguros S.A. transferred 220,877 preferred shares owned by itself to BB Seguros Participações S.A. and Companhia de Seguros Aliança da Bahia transferred 209,758 preferred shares owned by itself to BB Seguros Participações S.A, and, (ii) the financial settlement by BB Seguros Participações S.A., at an issue price of R$ 1.31 per share, plus monetary restatement by the CDI (interbank deposit rate) plus 1% (one percent) per year, applicable pro rata as of December 31, 2021.

Since November 25, 2022, when: (i) BB Seguros held 86.192% of preferred shares and 66.660% of the total; (ii) Icatu held 7.082% of preferred shares and 16.752% of the total; and (iii) Aliança da Bahia held 6.726% of preferred shares and 15.909% of the total, Brasilcap’s capital, fully subscribed and paid in, has been distributed between shareholders as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Shareholders | Common Shares | | Preferred Shares | | Total | |
| **Amount** | **%** | **Amount** | **%** | **Amount** | **%** |
| BB Seguros | 107,989,204 | 49.992 | 159,308,075 | 86.426 | 267,297,279 | 66.768 |
| Icatu | 54,010,799 | 25.004 | 12,833,569 | 6.962 | 66,844,368 | 16.697 |
| Aliança da Bahia | 51,292,002 | 23.745 | 12,187,552 | 6.612 | 63,479,554 | 15.856 |
| Other | 2,718,799 | 1.259 | - | - | 2,718,799 | 0.679 |
| Total | **216,010,804** | **100.000** | **184,329,196** | **100.000** | **400,340,000** | **100.000** |

# **3 – PRESENTATION OF FINANCIAL STATEMENTS**

a) Statement of Compliance

The consolidated interim financial statements were prepared and are being presented in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and with the accounting practices adopted in Brazil.

The individual interim financial statements have been prepared in accordance with the accounting guidelines derived from Brazilian corporation law and are presented in compliance with accounting practices adopted in Brazil, including pronouncements issued by the Comitê de Pronunciamentos Contábeis – CPC (Accounting Pronouncements Committee), approved by Conselho Federal de Contabilidade – CFC (Federal Accounting Council).

All the relevant information specific to the interim financial statements are evidenced and correspond to those used by the Company's Management.

These interim financial statements were approved and authorized by BB Seguridade's Executive Board on Nov 03, 2023.

b) Continuity

Management evaluated the capacity of BB Seguridade to continue normally operating and it is convinced that it has the resources to continue its business in the future. In addition, Management is not aware of any material uncertainties that could generate significant doubts about its ability to continue operating, Accordingly, these consolidated and individual financial statements were prepared based on the assumption of operating continuity.

c) Measurement Basis of Assets and Liabilities

These individual and consolidated interim financial statements have been prepared using historical cost as the measurement basis, except for financial assets measured at fair value through profit or loss.

d) Functional and Presentation Currency

BB Seguridade's interim financial statements, for functional and presentation currency purposes, are presented in Reais (R$).

e) Consolidation Basis

The consolidated interim financial statements of the BB Seguridade and subsidiaries are included the consolidation of assets and liabilities from BB Seguridade and its controlled entities, as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Company |  | Activity | Country of constitution |  | % Share | |
|  |  | **Sept 30, 2023** | **Dec 31, 2022** |
| BB Seguros Participações S.A. |  | Holding | Brazil |  | 100% | 100% |
| BB Corretora de Seguros e Administradora de Bens S.A. |  | Brokerage | Brazil |  | 100% | 100% |

The intra-group balances and transactions, such as any unrealized income or expenses on transactions between companies of the consolidated, are eliminated in preparing the consolidated financial statements.

f) Seasonality of Operations

BB Seguridade and its owned subsidiaries consider the nature of their transactions as non-seasonal and non-cyclical, taking into account the activities carried out by the Group. Consequently, no specific disclosures are provided in these notes.

g) Main Judgments and Accouting Estimates

The preparation of the interim financial statements in accordance with CPCs and IFRS requires that the Management make judgments and estimates affecting the recognized amounts referring to assets, liabilities, income and expenses, Estimates and assumptions adopted are analyzed on a continuous basis, and revisions are carried out and recognized in the period in which the estimate is reevaluated, with prospective effects, The actual results obtained may be different from estimates used herein.

Taking into consideration that there are certain alternatives to accounting treatments, the results that are disclosed could be different, in the event a different treatment had been chosen, Management considers that the choices made are appropriate and that the financial statements fairly present the consolidated financial position of BB Seguridade and the result of its operations in all material aspects.

Significant assets and liabilities subject to these estimates and assumptions encompass items for which an evaluation at fair value is necessary. The most relevant applications of the exercise on estimates judgments and usage occur in: Fair value of Financial Instruments, Impairment of Financial Assets, Impairment of Non-Financial Assets, Income Taxes, Deferred Taxes and Provisions and Contingent Liabilities.

h) Initial adoption of CPC 50 [IFRS 17] and CPC 48 [IFRS 9]

The investee companies impacted by these standards, due to the initial adoption as of January 2023, carried out, for the purposes of the transition requirements of the standards, the application by the retrospective or fair value approach. Such impacts were reflected in the interim financial statements of BB Seguridade.

The impacts on the presentation of interim financial statements, proportional to shareholdings, for comparison purposes are shown in the tables below:

Investments in Associates

**R$ thousand**

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **Parent** |  |
| **Investments in Associates** | **Balance em Dec 31, 2021** | **Impacts of initial adoption** | **Balance Jan 01, 2022** |
| BB Seguros Participações S.A. | 7,074,641 | 186,985 | 7,261,626 |
| BB Corretora de Seguros e Administradora de Bens S.A. | 6,008 | -- | 6,008 |
| **Total** | **7,080,649** | **186,985** | **7,267,634** |

**R$ thousand**

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **Consolidated** |  |
| **Investments in Associates** | **Balance em Dec 31, 2021** | **Impacts of initial adoption** | **Balance Jan 01, 2022** |
| BB MAPFRE Participações S.A. | 2,337,086 | 278,179 | 2,615,265 |
| Brasilprev Seguros e Previdência S.A. | 4,354,377 | (93,082) | 4,261,295 |
| Brasildental Operadora de Planos Odontológicos S.A. | 16,088 | 1,888 | 17,976 |
| Brasilcap Capitalização S.A. (1) | 427,840 | -- | 427,840 |
| Ciclic Corretora de Seguros S.A. (1) | 1,850 | -- | 1,850 |
| **Total** | **7,137,241** | **186,985** | **7,324,226** |

1. CPC 50 [IFRS 17] does not apply and CPC 48 [IFRS 9] was already adopted.

Equity

**R$ thousand**

|  |  |
| --- | --- |
| **Equity on Dec 31, 2021** | **7,281,416** |
| **Impacts of initial adoption** | **186.985** |
| BB MAPFRE Participações S.A. | 278,179 |
| Brasilprev Seguros e Previdência S.A. | (93,082) |
| Brasildental Operadora de Planos Odontológicos S.A. | 1,888 |
| **Equity on Jan 01, 2022, after adjustments to CPC 50 [IFRS 17] and CPC 48 [IFRS 9]** | **7,468,401** |

1. The impact on shareholders' equity is the same for the parent company and consolidated.

i) Restatement for Comparability Effects

Balance Sheet

**R$ thousand**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Parent** | | |
|  |  | **Dec 31, 2022** |  |
|  | **Original report** | **Adjustments** | **Restated balances** |
| **Current Assets** | **3,768,306** | **--** | **3,768,306** |
| **Non-Current Assets** | **7,514,118** | **440,629** | **7,954,747** |
| Financial assets at fair value through profit or loss | 18,064 | -- | 18,064 |
| Current tax assets | 75,177 | -- | 75,177 |
| Deferred tax assets | 28 | -- | 28 |
| Investments in associates | 7,416,770 | 440,629 | 7,857,399 |
| Intangible | 4,021 | -- | 4,021 |
| Other assets | 58 | -- | 58 |
| **Total Assets** | **11,282,424** | **440,629** | **11,723,053** |
|  |  |  |  |
| **Current Liabilities** | **3,686,295** | **--** | **3,686,295** |
| **Non-Current Liabilities** | **28** | **--** | **28** |
| **Total Liabilities** | **3,686,323** | **--** | **3,686,323** |
| **Equity** | **7,596,101** | **440,629** | **8,036,730** |
| Capital | 6,269,692 | -- | 6,269,692 |
| Capital reserves | 1,571 | -- | 1,571 |
| Income reserves | 1,552,229 | -- | 1,552,229 |
| Treasury shares | (80,344) | -- | (80,344) |
| Other accumulated comprehensive income | (147,047) | (194,945) | (341,992) |
| Retained earnings | -- | 635,574 | 635,574 |
| **Total Liabilities and Equity** | **11,282,424** | **440,629** | **11,723,053** |
|  |  |  |  |
|  |  |  | **R$ thousand** |
|  | **Consolidated** | | |
|  |  | **Dec 31, 2022** |  |
|  | **Original report** | **Adjustments** | **Restated balances** |
| **Current Assets** | **7,221,098** | **--** | **7,221,098** |
| **Non-Current Assets** | **8,908,734** | **440,629** | **9,349,363** |
| Financial assets at fair value through profit or loss | 368,281 | -- | 368,281 |
| Current tax assets | 80,977 | -- | 80,977 |
| Deferred tax assets | 7,773 | -- | 7,773 |
| Commissions receivable | 708,990 | -- | 708,990 |
| Investments in associates | 7,516,810 | 440,629 | 7,957,439 |
| Intangible | 4,021 | -- | 4,021 |
| Other assets | 221,882 | -- | 221,882 |
| **Total Assets** | **16,129,832** | **440,629** | **16,570,461** |
|  |  |  |  |
| **Current Liabilities** | **6,508,168** | **--** | **6,508,168** |
| **Non-Current Liabilities** | **2,025,563** | **--** | **2,025,563** |
| **Total Liabilities** | **8,533,731** | **--** | **8,533,731** |
| **Equity** | **7,596,101** | **440,629** | **8,036,730** |
| Capital | 6,269,692 | -- | 6,269,692 |
| Capital reserves | 1,571 | -- | 1,571 |
| Income reserves | 1,552,229 | -- | 1,552,229 |
| Treasury shares | (80,344) | -- | (80,344) |
| Other accumulated comprehensive income | (147,047) | (194,945) | (341,992) |
| Retained earnings | -- | 635,574 | 635,574 |
| **Total Liabilities and Equity** | **16,129,832** | **440,629** | **16,570,461** |

Statement of Income

**R$ thousand**

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **Parent** |  |
|  |  | **3rd Quarter 2022** |  |
|  | **Original report** | **Adjustments** | **Restated balances** |
| Operating Income | 1,648,550 | 64,643 | 1,713,193 |
| Equity income | 1,648,550 | 64,643 | 1,713,193 |
| Gross Profit | 1,648,550 | 64,643 | 1,713,193 |
| Other Income and Expenses | 45 | -- | 45 |
| Income Before Financial Revenue and Expenses | 1,648,595 | 64,643 | 1,713,238 |
| Financial Result | 5,086 | -- | 5,086 |
| Income before taxes | 1,653,681 | 64,643 | 1,718,324 |
| Taxes | (1,501) | -- | (1,501) |
| Net Income | 1,652,180 | 64,643 | 1,716,823 |

**R$ thousand**

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **Parent** |  |
|  |  | **01.01 to 09.30.2022** |  |
|  | **Original report** | **Adjustments** | **Restated balances** |
| Operating Income | 4,235,022 | 192,086 | 4,427,108 |
| Equity income | 4,235,022 | 192,086 | 4,427,108 |
| Gross Profit | 4,235,022 | 192,086 | 4,427,108 |
| Other Income and Expenses | (8,463) | -- | (8,463) |
| Income Before Financial Revenue and Expenses | 4,226,559 | 192,086 | 4,418,645 |
| Financial Result | 12,924 | -- | 12,924 |
| Income before taxes | 4,239,483 | 192,086 | 4,431,569 |
| Taxes | (1,501) | -- | (1,501) |
| Net Income | 4,237,982 | 192,086 | 4,430,068 |

**R$ thousand**

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **Consolidated** |  |
|  |  | **3rd Quarter 2022** |  |
|  | **Original report** | **Adjustments** | **Restated balances** |
| Operating Income | 1,997,392 | 64,643 | 2,062,035 |
| Equity income | 882,516 | 64,643 | 947,159 |
| Net commissions income | 1,114,876 | -- | 1,114,876 |
| Cost of Services Provided | (51,224) | -- | (51,224) |
| Gross Profit | 1,946,168 | 64,643 | 2,010,811 |
| Other Income and Expenses | (49,370) | -- | (49,370) |
| Income Before Financial Revenue and Expenses | 1,896,798 | 64,643 | 1,961,441 |
| Financial Result | 150,012 | -- | 150,012 |
| Income before taxes | 2,046,810 | 64,643 | 2,111,453 |
| Taxes | (394,630) | -- | (394,630) |
| Net Income | 1,652,180 | 64,643 | 1,716,823 |

**R$ thousand**

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **Consolidated** |  |
|  |  | **01.01 to 09.30.2022** |  |
|  | **Original report** | **Adjustments** | **Restated balances** |
| Operating Income | 5,225,366 | 192,086 | 5,417,452 |
| Equity income | 2,255,183 | 192,086 | 2,447,269 |
| Net commissions income | 2,970,183 | -- | 2,970,183 |
| Cost of Services Provided | (153,024) | -- | (153,024) |
| Gross Profit | 5,072,342 | 192,086 | 5,264,428 |
| Other Income and Expenses | (138,040) | -- | (138,040) |
| Income Before Financial Revenue and Expenses | 4,934,302 | 192,086 | 5,126,388 |
| Financial Result | 325,929 | -- | 325,929 |
| Income before taxes | 5,260,231 | 192,086 | 5,452,317 |
| Taxes | (1,022,249) | -- | (1,022,249) |
| Net Income | 4,237,982 | 192,086 | 4,430,068 |

Statement of Comprehensive Income

**R$ thousand**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Parent and Consolidated** | | |
|  |  | **3rd Quarter 2022** |  |
|  | **Original report** | **Adjustments** | **Restated balances** |
| **Net Income** | **1,652,180** | **64,643** | **1,716,823** |
| **Participation in the comprehensive income of investments in equity interests** | **38,416** | **(1,539)** | **36,877** |
| Gains/(losses) on financial assets | 66,783 | -- | 66,783 |
| Effects IFRS 9 [CPC 48] and IFRS 17 [CPC 50] | -- | (2,564) | (2,564) |
| Others | (2,862) | -- | (2,862) |
| Tax effect | (25,505) | 1,025 | (24,480) |
| **Total Comprehensive Income** | **1,690,596** | **63,104** | **1,753,700** |

**R$ thousand**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Parent and Consolidated** | | |
|  |  | **01.01 to 09.30.2022** |  |
|  | **Original report** | **Adjustments** | **Restated balances** |
| **Net Income** | **4,237,982** | **192,086** | **4,430,068** |
| **Participation in the comprehensive income of investments in equity interests** | **9,072** | **110,381** | **119,453** |
| Gains/(losses) on financial assets | 17,877 | -- | 17,877 |
| Effects IFRS 9 [CPC 48] and IFRS 17 [CPC 50] | -- | 183,971 | 183,971 |
| Others | (2,863) | -- | (2,863) |
| Tax effect | (5,942) | (73,590) | (79,532) |
| **Total Comprehensive Income** | **4,247,054** | **302,467** | **4,549,521** |

Statement of Cash Flows

**R$ thousand**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Parent** | | |
|  |  | **01.01 to 09.30.2022** |  |
|  | **Original report** | **Adjustments** | **Restated balances** |
| **Net profit** | **4,237,982** | **192,086** | **4,430,068** |
| Equity income | (4,235,022) | (192,086) | (4,427,108) |
| **Adjustment to net profit** | **8,286** | **--** | **8,286** |
| Cash provided by operating activities | (13,457) | -- | (13,457) |
| Cash provided by investment activities | 3,628,940 | -- | 3,628,940 |
| Cash flow provided by financing activities | (3,925,747) | -- | (3,925,747) |
| **Increase (decrease) in cash and cash equivalents** | **(310,264)** | **--** | **(310,264)** |
|  |  |  |  |
|  |  |  | **R$ thousand** |
|  | **Consolidated** | | |
|  |  | **01.01 to 09.30.2022** |  |
|  | **Original report** | **Adjustments** | **Restated balances** |
| **Net profit** | **4,237,982** | **192,086** | **4,430,068** |
| Equity income | (2,255,183) | (192,086) | (2,447,269) |
| **Adjustment to net profit** | **2,010,079** | **--** | **2,010,079** |
| Cash provided by operating activities | 2,355,565 | -- | 2,355,565 |
| Cash provided by investment activities | 2,144,471 | -- | 2,144,471 |
| Cash flow provided by financing activities | (3,925,747) | -- | (3,925,747) |
| **Increase (decrease) in cash and cash equivalents** | **574,289** | **--** | **574,289** |

# **4 – DESCRIPTION OF KEY ACCOUNTING POLICIES**

Accounting practices are the principles, bases, conventions and specific rules applied by BB Seguridade in the preparation and presentation of financial statements. BB Seguridade applied accounting policies consistently to all periods presented in these financial statements.

The accounting practices used in the preparation of these interim financial statements are equivalent to those applied to the annual financial statements for the year ended 12.31.2022, except for the application of CPC 50 [IFRS 17] - Insurance Contracts, which came into force on 01.01.2023, as well as the end of the exemption from the adoption of CPC 48 [IFRS 9] – Financial Instruments for Insurance Companies, whose initial effectiveness accompanied CPC 50 [IFRS 17].

**a) Revenue and Expense Recognition**

Revenues and expenses are recognized on an accrual basis and are reported in the financial statements for the periods to which they refer. Revenues are increases in assets, or decreases in liabilities, resulting in increases in the shareholders' equity, except for those referring to contributions from holders of rights on the equity.

This concept is applied to the main revenues arising from the activities of BB Seguridade and its investees, namely:

**a.1) Revenue from investments in shareholdings –** Revenue from the application of the equity method for assessment of the investments in shareholdings are recognized in proportion to the BB Seguridade’s equity on the investees’ income, according to the CPC 18 (R2) [IAS 28] – Investments in Associates and Joint Ventures.

**a.2) Revenue from commissions –** Revenue from commissions are recognized pro rata when its value, its related costs and the conclusion stage of the transaction can be measured reliably and when its related economic benefits are likely to be effective, according to the CPC 47 [IFRS 15] – Revenue from Contracts with Customers.

In order to recognize its revenue, BB Seguridade uses a five-stage model concept to determine when to recognize the revenue: i) identification of the contract; ii) identification of the performance obligations; iii) determination of the price for the transaction; iv) allocation of the price for the transaction and v) recognition of revenue.

Revenues from commissions are recognized when the Company meets (or as the Company meets) its performance obligation when transferring the goods and services (in other words, assets) in agreement with a client. Revenues from commissions arises from the segments of people insurance, casualty insurance, pension plans, capitalization and health insurance. These revenues are recognized over time (products with an established validity), where the performance obligation is diluted linearly over the lifetime of the product/insurance, or at a specific time (monthly products), where the performance obligation is due monthly, according to the characteristics of the products.

In cases of return of the Premium to the insured parties, the broker reimburses, to the insurer, the commission received in proportion to the value refunded or not received by the insurer in relation to the remaining period of the policy.

For insurance whose expiry date is not objectively established (monthly insurance), monthly payment of premiums is decisive for the continuity of the policies, and, in general, there are no refund of the commissions.

For the monitoring and control of brokerage commissions, BB Seguridade uses the ERP (Enterprise Resource Planning) system, which has a specific module for brokerage, called “Motor de Cálculo”. The purpose of this module is to receive, in a standardized manner, all the necessary information from the investees and Banco do Brasil, allowing the automation of the quantitative and qualitative analyzes of the sales operations and accounts receivable operations of the security products, allowing greater control and reconciliation of brokerage values, in addition to allowing the automatic accounting.

**a.3) Financial revenues and expenses –** Revenues and expenses from financial instruments arising from assets and liabilities that generate and pay for monetary correction and/or interest, as well as the values related to the correction of the fair value, are recognized in the income for the fiscal year on an accrual basis, using the effective interest rate method, according to the CPC 48 [IFRS 9] – Financial Instruments.

In the case of instruments measured at fair value through income (in accordance with item c.3 below), the fair value is determined as described in item c.4.

**b) Cash and cash equivalents**

Cash and cash equivalents are represented by cash available in national currency and investments in committed operations, with high liquidity and insignificant risk of change in value, with maturity equal to or less than 90 days.

**c) Financial instruments**

The financial instruments are classified in relation to the business model and the contractual characteristics of the cash flows of the instruments according to the CPC 48 [IFRS 9] – Financial Instruments.

Financial instruments are initially measured at fair value plus the transaction cost, except when financial assets and liabilities are recorded at fair value through the income.

Financial assets and liabilities can be classified into one of the categories: i) financial instrument measured at fair value through the income, ii) financial instrument measured at amortized cost and; iii) financial instrument measured at fair value through other comprehensive income.

The main financial instruments of BB Seguridade and its subsidiaries are securities held in custody at Banco do Brasil (repurchase agreement operations and LFTs - Financial Treasury Bills). During the periods, there was no use of derivative instruments by BB Seguridade.

**c.1) Amortized Cost -** This category includes financial assets held (i) for the purpose of receiving its contractual cash flow rather than for sale with realization of profits or losses and (ii) whose contractual terms generates cash flows at specified dates exclusively for principal payments and interest payments on the outstanding principal value.

For the period, the Group did not have financial assets classified in this category.

**c.2) Fair value through other comprehensive income - VJORA -** This category includes financial assets held (i) both for the receipt of its contractual cash flow and for sale with realization of profits or losses and (ii) whose contractual terms generates cash flows at specified dates exclusively for principal payments and interest payments on the outstanding principal value.

For the period, the Group did not have financial assets classified in this category.

**c.3) Fair value through profit or loss (VJR) -** Financial assets that are not measured at amortized cost or at fair value through other comprehensive income are classified in this category.

Repurchase agreements backed by federal public securities and LFTs - Financial Treasury Bills are recognized as financial assets measured at fair value through profit or loss.

**c.4) Determination of fair value -** Fair value is the price that would be received for the sale of an asset or would be paid by the transfer of a liability in a non-forced transaction between market participants at the measurement date.

The fair value of financial instruments traded in active markets on the base date of the balance sheet is based on the quoted market price or on the quotation of the over-the-counter price (selling price for purchased positions or purchasing price for sold positions), without any deduction of transaction cost.

In situations where there is no market price for a particular financial instrument, its fair value is estimated on the basis of valuation methods commonly used in the financial markets, which are appropriate to the specific characteristics of the instrument and capture the various risks to which it is exposed. The valuation methods include: the discounted cash flow method, comparison to similar financial instruments for which there is a market with observable prices, option pricing model, credit models and other known valuation models.

The internal pricing models may involve some level of estimation and judgment by the Administration, whose intensity will depend, among other factors, on the complexity of the financial instrument.

**c.5) Financial Instruments for Insurers** - With regard to the adoption of CPC 48 [IFRS 9] by the entities supervised by SUSEP, the autarchy received the financial instrument rule, through SUSEP Circular No. 678, of October 10, 2022, in which no contrary to other guidelines and circulars, for periods starting from January 2024.

Although the CPC 48 [IFRS 9] standard is not yet in force for companies supervised by SUSEP, insurance companies are preparing accounting information in the new standard, for the purpose of complying with the accounting standards applicable to BB Seguridade.

The impacts of adopting CPC 48 [IFRS 9] on investees are presented in Note 07 – Investments.

**c.6) Financial liabilities -** An instrument is classified as a financial liability when there is a contractual obligation, of which its settlement is made through the delivery of money or other financial asset, regardless of its legal form. Financial liabilities include short-term and long-term debt that are initially measured at fair value, which is the net value received of costs levied upon the transaction and, subsequently, upon the amortized cost.

**d) Write-off of Financial Assets and Financial Liabilities**

**d.1) Financial assets** - A financial asset is written off when: (i) the contractual rights related to the respective cash flows expire; (ii) most of the risks and benefits associated with the asset is transferred to third parties; or (iii) when control over the asset is transferred, even if part of the risks and benefits associated with its holding is retained.

The rights and obligations retained in the transfer are separately recognized as assets and as liabilities, when appropriate. If the control over the asset is retained, the Group continues to recognize it in the extent of its continuing involvement, which is determined by the extent to which it remains exposed to changes in the value of the transferred asset.

**d.2) Financial liabilities** - A financial liability is written off when its obligation is eliminated, canceled or expired. If an existing financial liability is replaced by another from the same creditor in substantially different terms, or the terms of the existing liability are substantially modified, such modification is treated as a write-off of the original liability and as the recognition of a new liability, and the difference between the book values is recognized in the income.

**e) Reduction in the Recoverable Value of Financial Assets – Impairment**

For the recoverable value of financial assets (impairment), the CPC 48 [IFRS 9] – Financial Instruments considers the expected credit losses, which are a weighted estimate of the probability of credit losses (that is, the present value of all cash deficits) over the expected life of the financial instrument.

Cash deficit is the difference between the cash flows due to the entity according to the contract and the cash flows that the entity expects to receive. As the expected credit losses consider the value and timing of the payments, the credit loss occurs even if the entity expects to be paid in full, but after the due date stipulated by the contract.

For the impairment of commissions receivable, the simplified approach allowed by the CPC 48 [IFRS 9] for commercial receivables was used, in which the recognition of expected credit losses follows the model for the entire life of the instrument.

Annually or whenever there is an indication that the financial asset may be devalued, an assessment to check if there is any objective evidence of impairment of its financial assets is carried out at BB Seguridade, in accordance with the CPC 48 [IFRS 9] – Financial Instruments.

During the period, there were no losses due to devaluation of the financial assets of the BB Seguridade group.

**f) Share Premium and Other Intangible Assets**

The share premium generated on the acquisition of investments on shareholdings is accounted for considering the fair value assessment of the identifiable assets and the assumed liabilities of the acquired company on the acquisition date and, in accordance with the applicable standards, is not amortized. However, it is tested, at least annually, for impairment purposes. After the initial recognition, the share premium is measured at cost minus any accrued impairment losses.

Intangible assets are separately recognized from the share premium when they are separable or arise from contractual rights or other legal rights, their fair value can be measured reliably and it is probable that the expected future economic benefits will be transferred to BB Seguridade. The cost of intangible assets acquired in a business combination is its fair value at the acquisition date. The other acquired intangible assets, not linked to the business combination, are initially measured at cost.

The useful live of intangible assets is considered to be definite or indefinite. Intangible assets with defined useful lives are amortized over the course of their economic life. They are initially registered at cost, minus the accrued amortization and impairment losses. Intangible assets with indefinite useful lives are recorded at cost minus any impairment losses.

The period and method for the amortization of intangible assets with definite useful lives are reviewed, at a minimum, annually. Changes in the expected useful life or proportion of expected use of the future benefits incorporated to the asset are recognized through changes in the period or method for the amortization, when appropriate, and treated as changes in accounting estimates.

The costs incurred related to the acquisition, production and development of software are capitalized and registered as intangible assets. Expenditures from the research phase are registered as expenses.

The expense with the amortization of intangible assets with definite useful life and impairment losses are recognized in the income for the period in the line “Other” of the Income Statement.

**g) Reduction in the Recoverable Value of Non-Financial Assets – Impairment**

Annually or whenever there is an indication that the asset may be devalued, an assessment, based on internal and external sources of information, to check if there is any indication that a non-financial asset may be with recoverability problems is carried out. If there is such indication, the asset's recoverable value is estimated. The recoverable value of the asset is the highest between its fair value minus the costs to sell it or its value in use.

Whether there was any indication of reduction in the recoverable value, the impairment test of an intangible asset with indefinite useful life is annually carried out, including the share premium acquired in a business combination, or an intangible asset not yet available for use. This test can be carried out at any time during an annual period, provided it is performed at the same time each year.

In the event that the recoverable value of the asset is lower than its book value, the book value of the asset is reduced to its recoverable value through recording an impairment loss, for which the consideration is recognized in the income statement for the period in which it occurs, in other Operating Expenses/Revenues.

Annually, it is further assessed if there is any indication that a loss by impairment recognized in previous fiscal years for an asset other than the share premium for expected future profitability, might no longer exist or may have been reduced. If there is such indication, the recoverable value of this asset is estimated. The reversal of a loss by impairment of an asset will be immediately recognized in the income for the fiscal year, as a rectifier of the balance of other Operating Expenses/Revenues.

During the period, there were no losses due to the devaluation of non-financial assets of the BB Seguridade group.

**h) Investments in Associates**

Under the equity method, the investment is initially measured at cost and subsequently adjusted by the investor's recognition of changes in the net assets of the investee. In addition, the portion of the investor's income in the profits and losses generated by the investee must be included in the income for the fiscal year of the investor, according to the CPC 18 (R2) [IAS 28] – Investments in Associates and Joint Ventures.

Investments in equity interests in the companies BB Seguros Participações S.A. and BB Corretora de Seguros e Administradora de Bens S.A. are classified as investments in subsidiaries and valued using the equity method and are consolidated.

Investments in equity interests in the companies BB MAPFRE Participações S.A., Brasilprev Seguros e Previdência S.A., Brasilcap Capitalização S.A., Brasildental Operadora de Planos Odontológicos S.A. and Ciclic Corretora de Seguros S.A. are valued using the equity method, whether classified as investments in associates or joint ventures.

In accordance with CPC 18 [IAS 28], the equity value of investees, for purposes of applying the equity method, will be recognized based on the balance sheet or verification balance prepared, on the same date, or within two months of lag. Due to operational issues, as of January 2023 the accounting recognition of the investment in Brasildental, through the equity method, is being carried out with a delay of one month. For the other companies, the dates coincide with the accounting closing date of the BB Seguridade Group.

In situations where the investees use different accounting practices in events and transactions of the same nature in similar circumstances, the necessary adjustments are carried out to make the financial statements of the investees suitable to the accounting practices adopted by the investor.

**i) Provisions, Contingent Liabilities and Legal Obligations**

The recognition, measurement and disclosure of contingent liabilities and legal obligations are carried out in accordance with the criteria defined in the CPC 25 [IAS 37] – Provisions Contingent Liabilities and Contingent Assets.

Provisions related to legal and administrative proceedings are recognized in the financial statements when, based on the analysis of legal advisors and the Management, the risk of loss of a legal or administrative action is deemed probable, with a probable outflow of funds for the settlement of obligations and when the amounts involved are measurable with sufficient certainty, being quantified upon the court summons/notification and reviewed monthly on an individual basis, thus considering the processes related to causes considered unusual or whose value is deemed relevant under the analysis of advisors, considering the intended compensation amount.

Contingent liabilities classified as possible losses are not recognized in accounting and are only disclosed in the explanatory notes, and those classified as remote do not require provision and disclosure.

Tax legal obligations are derived from tax obligations provided for by the legislation, irrespective of the probability of success of lawsuits in progress, and their amounts are fully recognized in the financial statements.

**j) Taxes**

Taxes are calculated based on the rates shown in the table below:

|  |  |  |
| --- | --- | --- |
| **Taxes** | **Sept 30, 2023** | **Dec 31, 2022** |
| Individual Income Tax (IRPJ) (¹) | 25% | 25% |
| Social Contribution on Net Income (CSLL) | 9% | 9% |
| Contribution to PIS (Social Integration Program) / Pasep (Investment Program for Civil Servants) | 1.65% | 1.65% |
| Contribution to the Financing of the Social Security (COFINS) | 7.60% | 7.60% |
| Contribution to PIS / Pasep on income from financial investments | 0.65% | 0.65% |
| Contribution to the Financing of the Social Security(COFINS) on income from financial investments | 4% | 4% |
| Service Tax – ISS(2) | Up to 5% | Up to 5% |

(1) Includes basic (15%) and additional (10%) rates

(2) Incident on the services provided by BB Corretora.

The deferred tax assets and deferred tax liabilities are constituted by the application of the current tax rates on their respective bases. For constitution, maintenance and write-off of deferred tax assets, the criteria established by the CPC 32 [IAS 12] – Income Taxes are observed, and they are supported by a realization capacity study.

**k) Segment Disclosure**

The CPC 22 [IFRS 8] – Operating Segments requires the disclosure of financial information of the entity's operating segments based on the internal disclosures that are used by the Management to allocate resources and to assess its financial and economic performance.

**l) Interest on Net Equity and Dividends**

Brazilian companies may assign a nominal interest expense, deductible for tax purposes, on their net equity. The value of the interest on the net equity is considered as a dividend and, when applicable, presented in these consolidated interim financial statements as a direct reduction in the stockholders' equity.

Under the current dividends policy, BB Seguridade distributes to shareholders, as mandatory dividends, a portion corresponding to at least 25% of the adjusted net profit with the deductions and increases provided for in Art. 202 of Law 6.404/76, which are recognized as a liability and deducted from the shareholders' equity when allocating the income for the year.

During the period, there was no recognition and payment of interest on shareholders' equity.

**m) Earning per share**

The disclosure of the earnings per share is made in accordance with the criteria defined in the CPC 41 [IAS 33] – Earnings per Share – approved by the CVM Resolution 636/2010. The basic and diluted earnings per share of BB Seguridade was calculated by dividing the net profit attributable to the shareholders by the weighted average number of total common shares, excluding treasury shares. BB Seguridade has no option instruments, subscription bonus or their equivalents that provide for its holder the right to acquire shares. Thus, basic and diluted earnings per share are equivalents.

**n) Leases**

The recognition, measurement and disclosure of leases are carried out in accordance with the criteria defined in the CPC 06 (R2) [IFRS 16] – Leases. BB Seguridade and its controlled companies do not have significant lease operations.

Lease operations are present in insurance companies and health operators in which BB Seguridade has an interest. For insurance companies, the Superintendência de Seguros Privados (SUSEP) approved, through Circular No. 615, of September 2020, the adoption of the CPC 06 (R2) [IFRS 16] – Leases, effective from January 1, 2021. For health operators, the National Supplementary Health Agency (ANS) approved, through Normative Resolution No. 472, of September 2021, the adoption of that standard as of January 1, 2022.

When there is a divergence in the accounting practice adopted by the investor in relation to the affiliate companies, adjustment procedures are necessary for purposes of standardization.

The companies Brasilseg, Aliança do Brasil Seguros, Brasilprev and Brasilcap (from January 1, 2021) and Brasildental (from January 1, 2022) started to adopt CPC 06 (R2) [IFRS 16] – Leases, since then, there is no divergence of accounting practice related to the treatment of leases, leaving only the balance of difference in practice from periods prior to the adoption of the CPC, shown in Note 07 – Investments.

**o) Insurance Contracts**

Recognition, measurement and disclosure of insurance contracts are carried out in accordance with the criteria defined in CPC 50 [IFRS 17] – Insurance Contracts. The insurance contract is defined by CPC 50 [IFRS 17] as an agreement between the insurer and the insured, in which the insurer accepts the risk of a possible financial loss or other adverse event that may affect the insured. In return, the policyholder pays a premium to the insurer.

The operational investees that commercialize insurance contracts apply the insurance contract grouping levels, by harvest, portfolio and groups. According to the characteristics of insurance contracts, the application of accounting models is divided into:

* BBA - Building Block Approach (General Measurement Model): standard model for all insurance contracts based on future cash flow estimates segregated into three main components: i) Contractual Service Margin (CSM), which represents the profit that the insurer expects to generate with insurance contracts over time, to be realized over the term of the contract; ii) Present value of future cash flows, which represents the estimate of cash flows that the insurer expects to receive and pay in the future, adjusted for the time value of money and ; iii) Non-financial risk adjustments which are estimates of risks associated with insurance contracts that cannot be measured using the time value of money, including risks related to events such as mortality, morbidity, claims and expenses.
* PAA - Premium Allocation Approach: optional simplified model, indicated for short-term insurance contracts (coverage up to one year) or when the remaining coverage is not materially different from the value calculated in the BBA model.
* VFA - Variable Fee Approach: model for treating insurance contracts with underlying return components.

When recognizing the BBA model, it is necessary to consider future cash flow estimates, as well as adjustments to present value and non-financial risks, in order to assess whether insurance contracts are in surplus or in deficit. If the future cash flow is positive, the contractual service margin is recognized in liabilities and is converted into revenue over the term of the insurance contracts. However, if the cash flow is negative, insurance contracts are considered onerous, as they have a deficit contractual service margin, and the amounts must be accounted for immediately in income.

In the PAA model, based on the remaining coverage liability, similar to the current methodology of unearned premiums, liability amounts are recognized in income according to the period of effectiveness of the insurance contracts.

Estimates are part of the accounting recognition and measurement process, since uncertainty is an inherent characteristic of insurance contracts. According to CPC 23 [IAS 8] – Accounting Policies, Changes in Accounting Estimates and Errors, accounting estimates may require revision as the circumstances in which they were made change, increase the level of experience and additional information becomes available. The effect of changing estimates must be recognized prospectively.

The estimates are periodically reviewed by the operational investees with the objective of verifying their adherence to the operations based on the greater experience verified with the behavior of the insurance contracts.

The individual companies BB Seguridade, BB Seguros and BB Corretora do not have operations that are within the scope of the insurance contract rule. However, the operating investees that sell insurance contracts – Brasilseg and Aliança do Brasil Seguros, controlled by the holding company BB MAPFRE, Brasilprev and Brasildental – are affected by the aforementioned accounting rules.

Brasilcap's products are not within the scope of CPC 50 [IFRS 17] and the impacts related to CPC 48 [IFRS 9] have already been recognized at BB Seguridade since 2018, through the harmonization of accounting practices.

The respective impacts on investee companies are presented in Note 07 – Investment.

**p) Initial Adoption of CPC 50 [IFRS 17] and CPC 48 [IFRS 9]**

Although CPC 50 [IFRS 17] has not yet been approved by SUSEP and ANS and CPC 48 [IFRS 9] has only been approved by SUSEP, to come into force in 2024, the respective operational investees of BB Seguridade that sell insurance contracts and have financial instruments within the scope of the aforementioned standards must prepare their financial statements in the new standard, in order to comply with the accounting standards applicable to BB Seguridade.

In this sense, at the initial moment of adoption, the impacts on shareholders' equity and investments in equity interests were reflected in the interim financial statements of BB Seguridade and, later, the subsequent impacts through equity equivalence.

For purposes of comparability and presentation of the financial statements, BB Seguridade presents in the interim financial statements the opening balance corresponding to January 1, 2022 and comparative information, in order to enable the understanding of the relevant adjustments and/or reclassifications of the impacts of the adoption of said standards, as provided for in CPC 23 [IAS 8] - Accounting Policies, Changes in Accounting Estimates and Errors.

Despite the initial adoption of accounting standards by the operational investees that sell insurance contracts, in which the accounting effects occur through the harmonization of accounting practices, insurance companies and health plan operators are not yet adopting these standards and, therefore, there will be no impacts for the effects of regulatory requirements, determined by SUSEP and ANS.

Likewise, considering that the regulatory and corporate rules for insurance companies and health plan operators will not be affected by the aforementioned accounting standards, no impacts are expected on the distribution of dividends or on the capital management of such companies arising from the harmonization of its accounting practices to those of BB Seguridade and BB Seguros.

The impacts of the initial adoption of the respective standards, as well as comparative information, are presented in Note 03 – Presentation of Interim Financial Statements.

# **5 – RISK MANAGEMENT**

The risk management at BB Seguridade follows the guidelines established in its Capital, Risk, Internal Controls and Compliance Management Policy, approved by the Board of Directors, and disclosed to the market through the investors’ relations website.

The Company understands that its risk exposure originates from its interests, and therefore the Capital, Risk, Internal Controls and Compliance Management Policy contemplates two risk management dimensions: risk management (risks arising from the operations of BB Seguridade and its subsidiaries) and risk governance (risks arising from associates/joint ventures).

By means of its Risk Appetite Statement, approved by the Board of Directors, the Company defines the maximum levels of risks that it accepts to incur in the fulfillment of its objectives.

The risk management process at BB Seguridade is based on the international framework of ISO 31000:2018 and comprises the steps of setting the context, identifying, analysis, evaluating and treating risks. Transversal to each step of risk management, there are consultations with interested parties, monitoring, and critical analysis, which help in continuous improvement. This process is internally documented in the Group’s Risk Management, Internal Controls and Compliance Model.

BB Seguridade's risk management is integrated into the corporate strategy, from the preparation of planning, as well as during the execution of the strategy, scenario analysis and decision-making support at all levels of the Company.

The Company has the Superintendence of Risk Management and Capital and the Superintendence of Internal Controls Management and Integrity. The first is responsible for providing fundamentals and support for the execution of the risk management process; the second is responsible for internal controls, compliance, and the Integrity Program. Both also act in the governance of risks and controls, respectively, in the companies in which BB Seguridade holds interests. For this to work properly, the areas are segregated from the business and Internal Audit areas.

**a) Risk management at BB Seguridade and its subsidiaries**

The risk management framework adopted by BB Seguridade, as defined in its Risk Management, Internal Control and Compliance Policy, is structured based on a three-line model: in the first line, the process managers (risk owners) are responsible for implementing preventive and corrective actions that mitigate the weaknesses identified in the processes and control deficiencies; in the second line, the Superintendence of Risk Management and Capital and the Superintendence of Internal Controls Management and Integrity assist and monitor the risk owner in managing risks and internal controls in order to adjust them to the Group's risk appetite; and in the third line, the Internal Audit works independently, by providing to governance bodies assessments on the risk management and internal control effectiveness.

The risk management mechanisms and tools also include, among others: segregation of duties; joint decisions; Information Security and Cybernetics Policy, Preventing and Combating Money Laundering and Terrorist Financing Policy, in line with Circular Susep 612/2020 and subsequent amendments; Preventing and Combating Corruption Policy, Code of Ethics and Conduct and an Integrity Program in line with Law 12,846/2013 (Anti-Corruption Law) and the Decree 11,129/2022 (documents disclosed internally and also to the market, available at the investors relations website); internal risk management, internal controls and compliance regulations, in addition to internal communication program on risk management, internal controls and compliance, continuously promoting the adaptation of the entire Group to these subjects.

The Executive Board is supported by the Continuity and Crisis Management Committee, which advises on the assessment and mitigation of risks of discontinuity, incidents, or crises.

BB Seguridade's governance structure also comprises the Risk and Capital Committee, a statutory agency to advise the Board of Directors, which is responsible, among other things, for assessing and monitoring the Group's risk exposures.

The Audit Committee, a statutory agency, is responsible, among other things, for sharing, with the Board of Directors, the risks, weaknesses, or concerns that may have a significant impact on the Company's financial conditions and business.

Information related to risk management and internal controls is periodically reported to the Collegiate Board of Directors, the Administrative Council, and the Fiscal Council.

**a.1) Risks associated with investments in financial assets**

The Group has a Financial Investment Policy, approved by the Board of Directors and applicable to all companies of the Group, that sets out the criteria relating to the nature, term, and acceptable risks of the financial investments. The current policy allows the investment only in federal government bonds, repurchase agreement guaranteed by federal government bonds and extra-market investment funds.

The investments in financial assets of BB Seguridade and its subsidiaries, classified as cash equivalents, are concentrated on repurchase agreements backed by Federal Government Bonds (Note 15). Other investments in financial assets classified as financial instruments are invested in fixed-income long-term mutual fund and federal government bonds (Note 16).

**a.2) Market Risk**

Market risk is defined as the possibility of negative impacts resulting from fluctuation in the market values of positions in financial instruments held by the Group. At BB Seguridade and its subsidiaries, the exposure to this risk arises from the investment portfolio in financial assets. According to the latest Relevant Risks Inventory and considering the Financial Investment Policy and current portfolio, the risk is not considered relevant.

The market risk is managed based in the Financial Investment Policy, that defines which assets may comprise the portfolio and the VaR (Value at Risk) limit, calculated for 21 business days, with the portfolio volatility estimated using the exponentially weighted moving average (EWMA) and 95% confidence level. The indicator is monitored by the Finance and Investment Committee and by the Executive Board.

**Market risk exposure in investments in financial assets**

**R$ thousand**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Impact in the Portfolio | | | | | | | | | | |
|  |  | **Parent Company** | | | |  | **Consolidated** | | | |
|  |  | **Sept 30, 2023** | **%** | **Dec 31, 2022** | **%** |  | **Sept 30, 2023** | **%** | **Dec 31, 2022** | **%** |
| Value at Risk (VaR) |  | 5 | 0.00 | 0 | 0.00 |  | 410 | 0.01 | 4 | 0.00 |

**Sensitivity analysis on market risk factors**

On September 30, 2023, there were no derivative instruments in the Group's portfolio, which was entirely composed of post-fixed financial instruments linked to Selic rate. Based on the studies carried out, there is no relevant exposure to market risk factors.

**a.3) Credit Risk**

The credit risk is defined by the Group as the possibility of negative impacts associated to the non-fulfillment, by a borrower or a counterparty, of its corresponding financial obligations according to negotiated terms, and/or to the devaluation of receivables due to a drop in the borrower's or counterparty’s risk rating. At BB Seguridade and its subsidiaries BB Seguros and BB Corretora, the exposure to this risk arises from the investment portfolio in financial assets, which is composed of Bonds issued by private counterparties. However, currently, the portfolio does not include securities issued by private counterparties. Therefore, exposure to this risk is not relevant.

The credit risk arising from the payment of brokerage for products sold by BB Corretora is considered duly mitigated due to the nature of the Group's operation, since most of the business takes place through the Banco do Brasil channel, whose brokerage is transferred automatically.

**Credit risk exposure in investments in financial assets**

R$ thousand

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Financial Assets (1) | Parent | | | |  | Consolidated | | | |
| **Sept 30, 2023** | **%** | **Dec 31, 2022** | **%** |  | **Sept 30, 2023** | **%** | **Dec 31, 2022** | **%** |
| Federal Government Bonds | 386,499 | 100.00 | 58,576 | 100.00 |  | 3,363,606 | 68.55 | 6,073,051 | 94.55 |
| Financial Treasury Bills | -- | -- | -- | -- |  | 1,543,012 | 31.45 | 350,217 | 5.45 |
| Total | **386,499** | **100.00** | **58,576** | **100.00** |  | **4,906,618** | **100.00** | **6,423,268** | **100.00** |

1. Does not include the amount invested in Equity Investment Funds (FIP), with a total amount of R$ 18,841 thousand on Sept 30, 2023 (R$ 18,064 on Dec 31, 2022).

**a.4) Liquidity Risk and capital management**

Liquidity risk is defined by the Group as the possibility of negative impacts due to the lack of resources to honor its obligations due to the mismatch between assets and liabilities.

BB Seguridade and its subsidiaries maintain assets with a high degree of conversion in cash to cover liabilities and other expected allocations to short term. The parameters used are defined by the Financial Investment Policy and the Capital Plan.

The Capital Plan, prepared for a minimum three-year horizon, presents the projected financial flows from the operational activity, such as compensation from commissions, equity interests, expenses inherent to the Group's activities and those resulting from strategic movements, such as allocation of funds to equity interests, strategic investments, divestitures and disposals and considers the maintenance of a liquidity margin in order to keep the financial balance in case of unpredictable events.

The BB Seguridade and its subsidiaries main liabilities refer to administrative costs, payment of taxes and dividends, as presented below.

R$ thousand

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Parent | | | | | | |
| Liquidy Risk | |  | **Sept 30, 2023** | |  | **Dec 31, 2022** | |
| **Note** | **Up to 1 year** | **More than 1 year** |  | **Up to 1 year** | **More than 1 year** |
| ASSETS | |  |  |  |  |  |  |
| Cash and Cash Equivalents | | [15] | 386,940 | -- |  | 59,003 | -- |
| Financial assets at fair value through profit | | [16.a] | -- | 18,841 |  | -- | 18,064 |
| Dividends/interest on equity receivable | | [17] | -- | -- |  | 3,683,356 | -- |
|  | |  |  |  |  |  |  |
| LIABILLITIES | |  |  |  |  |  |  |
| Corporate and Statutory Obligations | | [21] | 287 | -- |  | 3,674,027 | -- |
| Current tax liabilities | | [12.g] | 1,125 | -- |  | 31 | -- |
| Other liabilities | | [24] | 35,745 | -- |  | 12,184 | -- |

R$ thousand

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated | | | | | | |
| Liquidity Risk | |  | **Sept 30, 2023** | |  | **Dec 31, 2022** | |
| **Note** | **Up to 1 year** | **More than 1 year** |  | **Up to 1 year** | **More than 1 year** |
| ASSETS | |  |  |  |  |  |  |
| Cash and cash equivalents | | [15] | 3,367,113 | -- |  | 6,076,618 | -- |
| Financial assets at fair value through profit | | [16.a] | -- | 1,561,853 |  | -- | 368,281 |
| Commissions receivable | | [18] | 1,132,746 | 992,282 |  | 1,114,256 | 708,990 |
| Dividends/interest on equity receivable | | [17] | -- | -- |  | 13,519 | -- |
|  | |  |  |  |  |  |  |
| LIABILITIES | |  |  |  |  |  |  |
| Corporate and Statutory Obligations | | [21] | 287 | -- |  | 3,674,027 | -- |
| Current tax liabilities | | [12.g] | 714,209 | -- |  | 963,874 | -- |
| Unearned commissions | | [23] | 2,005,792 | 2,506,334 |  | 1,760,473 | 1,787,547 |
| Other liabilities | | [24] | 91,331 | -- |  | 105,363 | -- |

(1) Unearned commissions refer to brokerage revenues to be recognized over the course of the insurance contracts, and such revenues will be realized over the term of these operations, and whose corresponding amounts are received, in large part, before that date. Therefore, in general, commissions to be appropriated do not represent amounts to be disbursed and, consequently, do not generate relevant impacts on the company's liquidity.

**b) Risk Governance applied to Affiliated Companies**

BB Seguridade's affiliated companies maintain their own risk management structures compatible with the nature and complexity of their businesses, being regulated by the Superintendence of Private Insurance (Susep), in accordance with the requirements established in CNSP Resolutions 416/2021 and 432/2021 and subsequent amendments and Susep Circular 648/2021 and subsequent amendments. For companies regulated by the National Supplementary Health Agency (ANS), Normative Resolution 518/2022 provides for the adoption of minimum corporate governance practices, with an emphasis on internal controls and risk management, for the purposes of solvency of health care plans operators.

CNSP Resolution No. 416/2021 and subsequent amendments informs about the integration of the Internal Controls System to the Risk Management Structure of investments, with the obligation to have a statutory Director responsible for internal controls and compliance, in addition to the need for specific policies on managed risks, and a statutory risk committee with the presence of independent members.

Circular Susep 666/2022 provides for sustainability requirements, to be observed by insurance companies, open private pension entities (EAPCs), capitalization companies and local reinsurers.

Based on the results of the work carried out by the investees, BB Seguridade continuously monitors and assesses the levels of risk exposure, acting, via governance, to ensure the adoption of the best risk management practices in its investees.

**b.1) Liquidity, solvency, and capital management**

In the capital management of affiliated companies supervised by Susep, the main indicator used is the Minimum Required Capital (CMR), which represents the total capital that a company must maintain, at any time, to operate, and aims to guarantee the risks inherent to its operations, as regulated by CNSP Resolution 432/2021 and subsequent amendments.

CMR is composed of portions relating to underwriting, credit, operational and market risks, and the solvency capital requirement adequacy is measured using the Adjusted Net Equity (PLA) of the entity, which must be equal to or above the calculated CMR.

CNSP Resolution 432/2021 and subsequent amendments establishes technical provisions calculation models and requires additional liquid assets to maintain the company's liquidity. In addition, it contains criteria for the preparation of solvency and liquidity regularization plans in cases of regulatory non-compliance. It is important to highlight that the investees, according to guidelines defined by the Group, do not have an appetite for the risk of non-compliance with regulatory solvency.

For companies regulated by the National Agency of Supplementary Health (ANS), there are rules for recognition of technical reserves, PLA criteria and Solvency Margin criteria according to Regulatory Resolution 569/2022.

For investments, where minimum capital is required, there is a search for maintaining additional capital to the regulatory one, to minimize the chances of non-compliance with the required amounts and in line with the risk appetite defined by their Board of Directors.

On September 30, 2023, considering the data provided by each investee, all companies in which BB Seguridade holds interests and that are subject to regulatory capital requirements, had sufficient capital, solvency, and coverage of technical provisions, in accordance with current legislation applicable.

# **6 – SEGMENT INFORMATION**

The information by segment has been prepared considering the criteria used by Management to evaluate the performance, in decisions made regarding the allocation of funds for investment and other purposes, considering the regulatory environment and the similarities between goods and services,

BB Seguridade Group's operations are basically divided into two segments: i) insurance (risk and accumulation businesses), which includes insurance operations, pension plans, capitalization and health; and ii) brokerage (distribution business).

a) Insurance

In this segment, products and services offered are related to life, property and vehicle insurance, property insurance, rural, special risks and financial, transport, hulls, and housing people, supplementary pension plans, dental plans and capitalization plans.

The profit or loss from this segment derives mainly from revenues from insurance premiums, contributions to private pension plans, contributions to dental plans, capitalization bonds and investments in securities, less sales expenses, technical reserves and expenses related to claims,

The accounting record of these results is made through the equity method of investments in equity interests. Explanatory note 7 - Investments in Associates contains the description of Investments in Shareholdings, by Segment / Business Area.

b) Brokerage

In this segment, products and services offered are related to brokerage and management, fulfillment, promotion and facilitation of casualty, life and capitalization insurance, pension plans and dental plans, it includes the balances of BB Corretora and its investee Ciclic.

c) Financial Information by Reportable Segment

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **3rd Quarter 2023** | | | |
|  | **Insurance** | **Brokerage** | **Intersegment transactions** | **Total** |
| **Operating Income** | **3,408,844** | **1,147,115** | **(2,106,027)** | **2,449,932** |
| Equity income | 3,408,844 | 1,302 | (2,106,027) | 1,304,119 |
| Commissions income | -- | 1,145,813 | -- | 1,145,813 |
| **Cost of Services Provided** | **--** | **(45,585)** | **--** | **(45,585)** |
| **Gross Profit** | **3,408,844** | **1,101,530** | **(2,106,027)** | **2,404,347** |
| **Other Income and Expenses** | **(6,980)** | **(43,100)** | **--** | **(50,080)** |
| Personnel expenses | (5,296) | (15,880) | -- | (21,176) |
| Adminstrative expenses | (1,535) | (18,752) | -- | (20,287) |
| Tax expenses | (2,657) | (6,300) | -- | (8,957) |
| Other | 2,508 | (2,168) | -- | 340 |
| **Income Before Financial Revenue and Expenses** | **3,401,864** | **1,058,430** | **(2,106,027)** | **2,354,267** |
| **Financial Result** | **51,658** | **130,436** | **--** | **182,094** |
| Financial revenue | 52,192 | 130,938 | -- | 183,130 |
| Financial expenses | (534) | (502) | -- | (1,036) |
| **Income Before Taxes and Equities** | **3,453,522** | **1,188,866** | **(2,106,027)** | **2,536,361** |
| Income Tax and Social Contribution | (14,050) | (398,035) | -- | (412,085) |
| **Net Income** | **3,439,472** | **790,831** | **(2,106,027)** | **2,124,276** |

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **3rd Quarter 2022** | | | |
|  | **Insurance (Restated balances)** | **Brokerage** | **Intersegment transactions** | **Total (Restated balances)** |
| **Operating Income** | **2,596,324** | **1,114,261** | **(1,648,550)** | **2,062,035** |
| Equity income | 2,596,324 | (615) | (1,648,550) | 947,159 |
| Commissions income | -- | 1,114,876 | -- | 1,114,876 |
| **Cost of Services Provided** | **--** | **(51,224)** | **--** | **(51,224)** |
| **Gross Profit** | **2,596,324** | **1,063,037** | **(1,648,550)** | **2,010,811** |
| **Other Income and Expenses** | **(11,404)** | **(37,966)** | **--** | **(49,370)** |
| Personnel expenses | (6,240) | (12,928) | -- | (19,168) |
| Adminstrative expenses | (1,448) | (8,592) | -- | (10,040) |
| Tax expenses | (2,251) | (5,165) | -- | (7,416) |
| Other | (1,465) | (11,281) | -- | (12,746) |
| **Income Before Financial Revenue and Expenses** | **2,584,920** | **1,025,071** | **(1,648,550)** | **1,961,441** |
| **Financial Result** | **38,998** | **111,014** | **--** | **150,012** |
| Financial revenue | 39,271 | 111,066 | -- | 150,337 |
| Financial expenses | (273) | (52) | -- | (325) |
| **Income Before Taxes and Equities** | **2,623,918** | **1,136,085** | **(1,648,550)** | **2,111,453** |
| Income Tax and Social Contribution | (9,150) | (385,480) | -- | (394,630) |
| **Net Income** | **2,614,768** | **750,605** | **(1,648,550)** | **1,716,823** |

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **01.01 to 09.30.2023** | | | |
|  | **Insurance** | **Brokerage** | **Intersegment transactions** | **Total** |
| **Operating Income** | **9,416,495** | **3,271,934** | **(5,829,016)** | **6,859,413** |
| Equity income | 9,416,495 | 2,391 | (5,829,016) | 3,589,870 |
| Commissions income | -- | 3,269,543 | -- | 3,269,543 |
| **Cost of Services Provided** | **--** | **(146,446)** | **--** | **(146,446)** |
| **Gross Profit** | **9,416,495** | **3,125,488** | **(5,829,016)** | **6,712,967** |
| **Other Income and Expenses** | **(25,328)** | **(114,618)** | **--** | **(139,946)** |
| Personnel expenses | (16,634) | (46,000) | -- | (62,634) |
| Adminstrative expenses | (4,594) | (37,735) | -- | (42,329) |
| Tax expenses | (11,501) | (16,725) | -- | (28,226) |
| Other | 7,401 | (14,158) | -- | (6,757) |
| **Income Before Financial Revenue and Expenses** | **9,391,167** | **3,010,870** | **(5,829,016)** | **6,573,021** |
| **Financial Result** | **108,458** | **320,138** | **--** | **428,596** |
| Financial revenue | 235,028 | 352,815 | (77,483) | 510,360 |
| Financial expenses | (126,570) | (32,677) | 77,483 | (81,764) |
| **Income Before Taxes and Equities** | **9,499,625** | **3,331,008** | **(5,829,016)** | **7,001,617** |
| Income Tax and Social Contribution | (26,540) | (1,125,669) | -- | (1,152,209) |
| **Net Income** | **9,473,085** | **2,205,339** | **(5,829,016)** | **5,849,408** |

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **01.01 to 09.30.2022** | | | |
|  | **Insurance (Restated balances)** | **Brokerage** | **Intersegment transactions** | **Total (Restated balances)** |
| **Operating Income** | **6,683,109** | **2,969,365** | **(4,235,022)** | **5,417,452** |
| Equity income | 6,683,109 | (818) | (4,235,022) | 2,447,269 |
| Commissions income | -- | 2,970,183 | -- | 2,970,183 |
| **Cost of Services Provided** | -- | (153,024) | -- | (153,024) |
| **Gross Profit** | **6,683,109** | **2,816,341** | **(4,235,022)** | **5,264,427** |
| **Other Income and Expenses** | **(39,898)** | **(98,142)** | **--** | **(138,040)** |
| Personnel expenses | (17,454) | (35,652) | -- | (53,106) |
| Adminstrative expenses | (4,860) | (18,680) | -- | (23,540) |
| Tax expenses | (5,825) | (12,478) | -- | (18,303) |
| Other | (11,759) | (31,332) | -- | (43,091) |
| **Income Before Financial Revenue and Expenses** | **6,643,211** | **2,718,199** | **(4,235,022)** | **5,126,388** |
| **Financial Result** | **76,634** | **249,295** | **--** | **325,929** |
| Financial revenue | 110,466 | 266,532 | (22,106) | 354,892 |
| Financial expenses | (33,832) | (17,237) | 22,106 | (28,963) |
| **Income Before Taxes and Equities** | **6,719,845** | **2,967,494** | **(4,235,022)** | **5,452,317** |
| Income Tax and Social Contribution | (12,475) | (1,009,774) | -- | (1,022,249) |
| **Net Income** | **6,707,370** | **1,957,720** | **(4,235,022)** | **4,430,068** |

**d) Balance sheet by segment**

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Sept 30, 2023** | | | |
|  | **Insurance** | **Brokerage** | **Intersegment transactions** | **Total** |
| Current assets | 1,237,169 | 3,325,012 | (8,704) | 4,553,477 |
| Non-current assets | 19,065,163 | 2,785,040 | (10,167,022) | 11,683,181 |
| **Total assets** | **20,302,332** | **6,110,052** | **(10,175,726)** | **16,236,658** |
| Current liabilities | 39,712 | 2,792,780 | (8,704) | 2,823,788 |
| Non-current liabilities | 229,189 | 2,520,488 | -- | 2,749,677 |
| Equity | 20,033,431 | 796,784 | (10,167,022) | 10,663,193 |
| **Total liabilities and equity** | **20,302,332** | **6,110,052** | **(10,175,726)** | **16,236,658** |

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Dec 31, 2022** | | | |
|  | **Insurance** | **Brokerage** | **Intersegment transactions** | **Total** |
| Current assets | 6,148,927 | 4,764,891 | (3,692,720) | 7,221,098 |
| Non-current assets | 15,473,419 | 1,292,714 | (7,416,770) | 9,349,363 |
| **Total assets** | **21,622,346** | **6,057,605** | **(11,109,490)** | **16,570,461** |
| Current liabilities | 5,945,958 | 4,254,929 | (3,692,719) | 6,508,168 |
| Non-current liabilities | 229,225 | 1,796,338 | -- | 2,025,563 |
| Equity | 15,447,163 | 6,338 | (7,416,771) | 8,036,730 |
| **Total liabilities and equity** | **21,622,346** | **6,057,605** | **(11,109,490)** | **16,570,461** |

# **7 - INVESTMENTS IN ASSOCIATES**

a) Description of Investments in Equity Holdings, by business segment

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Segment | Line of business | Company | Description | Original Acconting Practice |  | % of total share on Sept 30, 2023 and Dec 31, 2022 (1) | | |
|  | **ON** | **PN** | **Total** |
| Security |  | BB Seguros Participações S.A. (BB Seguros) | Holding of companies operating in the insurance, open pension, capitalization and dental plans sectors, in addition to business intermediation services in general. | BRGAAP |  | 100.00 | -- | 100.00 |
| **Insurance - Life, housing, rural and property** | BB MAPFRE Participações S.A. (BB Mapfre) | Holding of companies operating in the insurance and business intermediation services sector in general | BRGAAP |  | 49.99 | 100.00 | 74.99 |
| Brasilseg Companhia de Seguros S.A. (Brasilseg) | Expertise in personal insurance, rural insurance and housing insurance. | SUSEPGAAP |  | 49.99 | 100.00 | 74.99 |
| Aliança do Brasil Seguros S.A. (Aliança do Brasil) | Expertise in insurance in the damage and rural insurance sectors. | SUSEPGAAP |  | 49.99 | 100.00 | 74.99 |
| Broto S.A | Intermediation and agency services and business in general. | BRGAAP |  | 37.50 | 37.50 | 37.50 |
| **Capitalization** | Brasilcap Capitalização S.A. (Brasilcap) | Establishment and marketing of capitalization plans, as well as other products and services offered to capitalization companies. | SUSEPGAAP |  | 49.99 | 86.43 | 66.77 |
|  |  |  |  |
| **Private Pension** | Brasilprev Seguros e Previdência S.A. (Brasilprev) | Sale of life insurance with survival coverage and pension, personal and individual life benefit plans. | SUSEPGAAP |  | 49.99 | 100.00 | 74.99 |
| **Health** | Brasildental Operadora de Planos Odontológicos S.A. (Brasildental) | It sells dental plans. | ANSGAAP |  | 49.99 | 100.00 | 74.99 |
| Brokerage |  | BB Corretora de Seguros e Adm. de Bens S.A. (BB Corretora) | Insurance brokerage, capitalization plans, open supplementary pension plans and asset management. | BRGAAP |  | 100.00 | -- | 100.00 |
|  | Ciclic Corretora de Seguros S.A. (Ciclic) | Insurance brokerage, capitalization plans, open supplementary pension plans and incentives for the sale of products on a digital channel. | BRGAAP |  | 49.99 | 100.00 | 74.99 |

(1) There was no change in the participation percentages of Investments in Shareholdings in the period.

The investees are valued using the equity method and there is no indication of operating discontinuity nor do they have shares regularly traded on stock exchanges.

b) Equity interests valued using the equity method

R$ thousand

|  |  |  |  |
| --- | --- | --- | --- |
|  | Parent | | |
|  |  | **BB Seguros** | **BB Corretora** |
| Balance on Sept 30, 2023 |  | | |
| Capital |  | 4,210,872 | 1,000 |
| Stockholders' equity |  | 9,370,237 | 796,785 |
| Balance on Dec 31, 2022 |  | | |
| Capital |  | 4,210,872 | 1,000 |
| Stockholders' equity (restated balances) (1) |  | 7,851,061 | 6,338 |
| 1. The restated balances refer to BB Seguros, related to the impacts of CPC 48 and 50. | | | |
| **R$ thousand** | | | |
|  | **Parent** | | |
|  | **BB Seguros** | **BB Corretora** | **Total** |
| Moviments in 01.01 to 09.30.2023 | | | |
| Book Balance on Dec 31, 2022 (restated balances) (1) | **7,851,061** | **6,338** | **7,857,399** |
| Dividends | (2,272,774) | (1,414,506) | **(3,687,280)** |
| Other comprehensive income - Update financial instruments | 48,376 | -- | **48,376** |
| Other comprehensive income - Effects CPC 50 | 119,897 | -- | **119,897** |
| Other comprehensive income | -- | (386) | **(386)** |
| Equity Income | 3,623,677 | 2,205,339 | **5,829,016** |
| Book Balance on Sept 30, 2023 | **9,370,237** | **796,785** | **10,167,022** |
|  |  | | |
| Equity Income | | | |
| 3rd Quarter 2023 | **1,315,196** | **790,833** | **2,106,029** |
| 01.01 to 09.30.2023 | **3,623,677** | **2,205,339** | **5,829,016** |
| 3rd Quarter 2022 (restated balances) (1) | **962,588** | **750,605** | **1,713,193** |
| 01.01 to 09.30.2022 (restated balances) (1) | **2,469,389** | **1,957,719** | **4,427,108** |

1. The restated balances of Investment and Equity Income refer to BB Seguros, related to the impacts of CPC 48 and 50.

R$ thousand

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated | | | | | | | | | | | |
|  |  | | | **BB MAPFRE** | | **Brasilprev** | | **Brasilcap** | | **Brasildental** | | **Ciclic** |
| Balance on Sept 30, 2023 |  | | |  | |  | |  | |  | |  |
| Capital |  | | | 1,469,848 | | 3,529,257 | | 354,398 | | 9,500 | | 61,133 |
| Stockholders' equity |  | | | 3,160,650 | | 7,145,717 | | 684,063 | | 20,287 | | 4,901 |
| Balance on Dec 31, 2022 |  | | |  | |  | |  | |  | |  |
| Capital |  | | | 1,469,848 | | 3,529,257 | | 354,398 | | 9,500 | | 61,133 |
| Stockholders' equity (restated balances) (1) |  | | | 2,743,341 | | 6,487,315 | | 649,780 | | 21,992 | | 2,466 |
| 1. The restated balances refer to BB MAPFRE, Brasilprev and Brasildental, related to the impacts of CPC 48 and 50. | | | | | | | | | | | | |
|  | R$ thousand | | | | | | | | | | | |
|  | **Consolidated** | | | | | | | | | | | |
|  | **BB MAPFRE** | | | **Brasilprev** | | **Brasilcap** | | **Brasildental** | | **Ciclic** | | **Total** |
| Moviments in 01.01 to 09.30.2023 | |  |  | |  | |  | |  | |  | | |
| Book Balance on Dec 31, 2022 (restated balances) (1) | **2,552,517** | | | **4,842,331** | | **544,590** | | **16,495** | | **1,506** | | **7,957,439** |
| Dividends | (1,837,255) | | | (937,436) | | (139,698) | | (18,750) | | -- | | **(2,933,139)** |
| Other comprehensive income - Update financial instruments | 48,108 | | | (29,440) | | 29,708 | | -- | | -- | | **48,376** |
| Other comprehensive income - Effects CPC 50 | 5,951 | | | 111,924 | | -- | | 2,022 | | -- | | **119,897** |
| Other comprehensive income | -- | | | -- | | -- | | -- | | (386) | | **(386)** |
| Equity Income | 2,084,581 | | | 1,357,569 | | 132,880 | | 12,449 | | 2,390 | | **3,589,869** |
| Book Balance on Sept 30, 2023 | **2,853,902** | | | **5,344,948** | | **567,480** | | **12,216** | | **3,510** | | **8,782,056** |
|  |  | | |  | |  | |  | |  | |  |
| Equity Income | | | | | | | | | | | | |
| 3rd Quarter 2023 | **755,265** | | | **494,707** | | **48,667** | | **4,177** | | **1,302** | | **1,304,118** |
| 01.01 to 09.30.2023 | **2,084,581** | | | **1,357,569** | | **132,880** | | **12,449** | | **2,390** | | **3,589,869** |
| 3rd Quarter 2022 (restated balances) (1) | **611,019** | | | **308,568** | | **25,002** | | **3,185** | | **(615)** | | **947,159** |
| 01.01 to 09.30.2022 (restated balances) (1) | **1,357,342** | | | **975,681** | | **103,241** | | **11,824** | | **(819)** | | **2,447,269** |

1. The restated balances of Investment and Equity Income refer to BB MAPFRE, Brasilprev and Brasildental, related to the impacts of CPC 48 and 50.

The values of the equity of investees BB MAPFRE, Brasilprev, Brasilcap, Brasildental and Ciclic presented in the previous table are not proportional to the percentage of equity interest held by BB Seguridade, that is, they represent the total balance of the equity of the respective companies.

The book balance, on September 30, 2023, of the investment in BB MAPFRE of R$ 2,853,902 thousand, includes intangible assets defined in the net amortization amount of R$ 144,726 thousand (R$ 156,281 thousand on 12.31.2022), with the amortization amount of R$ 11,555 thousand in 01.01 to 09.30.2023 (R$ 11,045 thousand in 01.01 to 09.30.2022) R$ 3,852 thousand the 3rd Quarter 2023 (R$ 3,682 thousand in the 3rd Quarter 2022) and intangible assets with an indefinite useful life in the amount of R$ 339,004 thousand resulting from the partnership agreement with Grupo MAPFRE.

The accounting balance on September 30, 2023, of the investment in Brasilprev, of R$ 5,344,948 thousand, includes R$ 13,983 thousand of unrealized results from the sale of Mapfre Nossa Caixa Vida e Previdência (MNCVP).

The book balance on September 30, 2023, of the investment in Brasilcap of R$ 567,480 thousand, includes the goodwill of R$ 110,749 thousand, in the acquisition of equity interest in the company Sulacap by BB Seguros, which occurred on 07.22.2011.

Due to operational issues, from January 2023 the accounting recognition of the investment in Brasildental, through equity equivalence, is being carried out with a delay of one month, as provided for in CPC 18 [IAS 28]. According to the aforementioned standard, the recognition of investment using the equity method must be carried out based on the balance sheet or verification balance drawn up on the same date or up to two months out of date.

Despite the delay in the accounting recognition of the investment in Brasildental, of the dividends received in the 9-month period ended September 30, 2023, which total R$ 18,750 thousand, R$ 3,000 thousand were received in September and are already reflected in the investment balance.

BB MAPFRE adopts BRGAAP in its accounting information. Therefore, it makes the necessary adjustments to standardize the practices adopted by its subsidiaries, Brasilseg and Aliança do Brasil, which adopt the accounting standards defined by SUSEP (SUSEPGAAP).

R$ 7,448,118 thousand of dividends (R$ 3,629,262 thousand in 01.01 to 09.30.2023) were received from investments in equity interests, evaluated by the equity method, by the Controller, R$ 2,946,660 thousand of dividends (R$ 2,144,793 thousand in 01.01 to 09.30.2023) by Consolidated.

Increase in Equity Interest in Brasilcap

In November 2022, the increase in the shareholding of BB Seguros was completed in the subsidiary Brasilcap, through the exercise of the option to purchase 430,635 preferred shares owned by shareholders Companhia de Seguros Aliança da Bahia (“Aliança da Bahia”) and Icatu Seguros S.A. (“Icatu”), corresponding to 0.11 percentage points of the total capital of the subsidiary, pursuant to the Private Instrument of Commitment for Subscription of Equity Interest and Other Covenants (“Subscription Instrument”), entered into on December 22, 2021.

c) Summary financial information on Investments in Equity Holdings

The amounts presented below refer to the financial statements of the investees with accounting practices in the international standard (IFRS).

**c.1) BB MAPFRE Participações, Brasilseg e Aliança do Brasil Seguros**

**c.1.1) BB MAPFRE Participações S.A. (BB MAPFRE)**

**Income Statement Information**

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 3rd Quarter 2023 | 01.01 to 09.30.2023 | 3rd Quarter 2022 (Restated balances) | 01.01 to 09.30.2022 (Restated balances) |
| Equity income | **1,012,236** | **2,795,127** | **819,729** | **1,824,933** |
| Financial result | **333** | **1,011** | **259** | **552** |
| Financial income | 333 | 1,011 | 259 | 566 |
| Financial expenses | -- | -- | -- | (13) |
| Other income and expenses | **(261)** | **(889)** | **(284)** | **(709)** |
| Income before taxes | **1,012,308** | **2,795,249** | **819,704** | **1,824,776** |
| Taxes | (17) | (29) | 6 | (18) |
| Net income | **1,012,291** | **2,795,220** | **819,710** | **1,824,758** |
| Other comprehensive results | 2,328 | 72,089 | 42,416 | (567) |
| Comprehensive income | **1,014,619** | **2,867,309** | **862,126** | **1,824,191** |
| Attributable to BB Seguridade | **759,117** | **2,096,136** | **614,702** | **1,368,387** |
| Amortization of intangible assets (1) | (3,852) | (11,555) | (3,682) | (11,045) |
| Equity income | **755,265** | **2,084,581** | **611,020** | **1,357,342** |

1. Arising from the partnership agreement with MAPFRE.

The impacts of adopting CPC 50 [IFRS 17] and CPC 48 [IFRS 9] on net income and comprehensive income, for comparability purposes, are shown in the following table:

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 3rd Quarter 2023 | 01.01 to 09.30.2023 | 3rd Quarter 2022 | 01.01 to 09.30.2022 |
| Net income - BRGAAP e IFRS | 1,012,291 | 2,795,220 | 819,710 | 1,824,758 |
| Net income - SUSEPGAAP | 1,053,517 | 2,934,511 | 853,184 | 1,942,343 |
|  |  |  |  |  |
| Comprehensive income - BRGAAP e IFRS | 1,014,619 | 2,867,309 | 862,126 | 1,824,191 |
| Comprehensive income - SUSEPGAAP | 1,064,507 | 2,998,665 | 882,144 | 1,947,698 |

**Balance Sheet Information**

**R$ thousand**

|  |  |  |
| --- | --- | --- |
|  | Sept 30, 2023 | Dec 31, 2022 (Restated balances) |
| Current Assets | **11,892** | **23,362** |
| Cash and cash equivalents | 391 | -- |
| Receivables | 409 | 12,082 |
| Financial Instruments | 9,389 | 9,487 |
| Current tax asset | 1,426 | 1,651 |
| Other assets | 277 | 142 |
| Non-current assets | **3,148,929** | **2,720,155** |
| Deferred tax asset | 279 | -- |
| Investments in associates | 3,148,650 | 2,719,867 |
| Other assets | -- | 288 |
| Total Assets | **3,160,821** | **2,743,517** |
|  |  |  |
| Current Liabilities | **171** | **175** |
| Amounts payable | 3 | 2 |
| Current tax liability | 168 | 173 |
| Equity | **3,160,650** | **2,743,342** |
| Capital and reserves | 1,763,817 | 2,686,447 |
| Retained earnings | 1,446,917 | 179,067 |
| Other comprehensive results | (50,084) | (122,172) |
| Liabilities and Equity | **3,160,821** | **2,743,517** |
| Attributable to BB Seguridade | **2,370,172** | **2,057,232** |
| Intangible (1) | 483,730 | 495,285 |
| Investment balance | **2,853,902** | **2,552,517** |

1. Includes in the book value of the investment, intangible assets with a defined useful life in the amount net of amortizations of R$ 144,726 thousand (R$ 156,281 thousand on Dec 31, 2022) and intangible assets with an indefinite useful life in the amount of R$ 339,004 thousand arising from of the partnership agreement with the MAPFRE Group.

The impacts of adopting CPC 50 [IFRS 17] and CPC 48 [IFRS 9] on Shareholders' Equity, for comparability purposes, are shown in the following table:

**R$ thousand**

|  |  |  |
| --- | --- | --- |
|  | Sept 30, 2023 | Dec 31, 2022 |
| Equity - BRGAAP e IFRS | 3,160,650 | 2,743,342 |
| Equity - SUSEPGAAP | 3,137,089 | 2,588,425 |

**c.1.2) Brasilseg Companhia de Seguros S.A. (Brasilseg)**

**Income Statement Information**

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 3rd Quarter 2023 | 01.01 to 09.30.2023 | 3rd Quarter 2022 (Restated balances) | 01.01 to 09.30.2022 (Restated balances) |
| Result of insurance contracts | **3,807,858** | **11,013,828** | **3,212,170** | **8,892,621** |
| Result of contracts BBA (1) | 775,352 | 2,069,084 | 582,451 | 1,645,607 |
| Result of contracts PAA (1) | 3,032,506 | 8,944,744 | 2,629,719 | 7,247,014 |
| Insurance expenses | (2,437,405) | (7,155,968) | (2,045,133) | (6,210,660) |
| Insurance margin | **1,370,453** | **3,857,860** | **1,167,037** | **2,681,961** |
| Financial result | **166,164** | **436,265** | **138,026** | **322,423** |
| Financial income | 251,860 | 727,831 | 209,780 | 577,778 |
| Financial expenses | (85,696) | (291,566) | (71,754) | (255,355) |
| Non-Attributable Expenses | (184,924) | (616,101) | (189,321) | (510,967) |
| Other income and expenses | (3,938) | (7,273) | (7) | 257 |
| Income before taxes | **1,347,755** | **3,670,752** | **1,115,735** | **2,493,674** |
| Taxes | (334,172) | (868,214) | (296,371) | (687,134) |
| Shares on the result | (7,671) | (23,876) | (6,616) | (19,369) |
| Net income | **1,005,912** | **2,778,661** | **812,749** | **1,787,171** |
| Other comprehensive results | 2,097 | 72,112 | 42,357 | (639) |
| Comprehensive income | **1,008,009** | **2,850,773** | **855,106** | **1,786,532** |

1. BBA - *Building Block Approach* and PAA - *Premium Allocation Approach*.

The impacts of adopting CPC 50 [IFRS 17] and CPC 48 [IFRS 9] on net income and comprehensive income, for comparability purposes, are shown in the following table:

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 3rd Quarter 2023 | 01.01 to 09.30.2023 | 3rd Quarter 2022 | 01.01 to 09.30.2022 |
| Net income - BRGAAP e IFRS | 1,005,912 | 2,778,661 | 812,749 | 1,787,171 |
| Net income - SUSEPGAAP | 1,042,388 | 2,912,549 | 846,327 | 1,903,883 |
|  |  |  |  |  |
| Comprehensive income - BRGAAP e IFRS | 1,008,009 | 2,850,773 | 855,106 | 1,786,532 |
| Comprehensive income - SUSEPGAAP | 1,053,146 | 2,976,725 | 875,230 | 1,909,166 |

**Balance Sheet Information**

**R$ thousand**

|  |  |  |
| --- | --- | --- |
|  | Sept 30, 2023 | Dec 31, 2022 (Restated balances) |
| Current Assets | **10,075,425** | **8.876.270** |
| Cash and cash equivalents | 3,454 | 5.220 |
| Receivables | 373,036 | 278.638 |
| Financial Instruments | 8,606,521 | 7.047.554 |
| Insurance contracts | 995,180 | 1.462.281 |
| Current tax asset | 76,650 | 65.291 |
| Other assets | 20,584 | 17.286 |
| Non-current assets | **3,058,084** | **3.251.536** |
| Financial Instruments | 1,226,952 | 1.581.690 |
| Deferred tax asset | 270,070 | 204.656 |
| Fixed and intangible | 480,828 | 427.718 |
| Investments in associates | 23,783 | 1.106 |
| Other assets | 1,056,451 | 1.036.366 |
| Total Assets | **13,133,509** | **12.127.806** |
|  |  |  |
| Current Liabilities | **6,789,030** | **6.391.263** |
| Amounts payable | 183,189 | 184.651 |
| Current tax liability | 613,500 | 533.422 |
| Debt from insurance operations | -- | 16.097 |
| Insurance contract | 5,971,438 | 5.639.369 |
| Other liabilities | 20,903 | 17.724 |
| Non-Current Liabilities | **3,826,033** | **3.618.871** |
| Insurance contract | 2,782,432 | 2.615.175 |
| Other liabilities | 1,043,601 | 1.003.696 |
| Equity | **2,518,446** | **2.117.672** |
| Capital and reserves | 731,583 | 2.055.510 |
| Retained earnings | 1,837,061 | 184.473 |
| Other comprehensive results | (50,198) | (122.311) |
| Liabilities and Equity | **13,133,509** | **12.127.806** |

The impacts of adopting CPC 50 [IFRS 17] and CPC 48 [IFRS 9] on Shareholders' Equity, for comparability purposes, are shown in the following table:

**R$ thousand**

|  |  |  |
| --- | --- | --- |
|  | Sept 30, 2023 | Dec 31, 2022 |
| Equity - BRGAAP e IFRS | 2,518,446 | 2,117,672 |
| Equity - SUSEPGAAP | 2,484,074 | 1,957,350 |

**c.1.3) Aliança do Brasil Seguros S.A. (Aliança do Brasil)**

**Income Statement Information**

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 3rd Quarter 2023 | 01.01 to 09.30.2023 | 3rd Quarter 2022 (Restated balances) | 01.01 to 09.30.2022 (Restated balances) |
| Result of insurance contracts | **279,725** | **845,368** | **256,290** | **693,392** |
| Result of contracts PAA (1) | 279,725 | 845,368 | 256,290 | 693,392 |
| Insurance expenses | (264,624) | (794,729) | (239,428) | (603,947) |
| Insurance margin | **15,101** | **50,639** | **16,862** | **89,445** |
| Financial result | **18,329** | **46,697** | **15,750** | **36,392** |
| Financial income | 17,074 | 49,525 | 11,684 | 39,403 |
| Financial expenses | 1,255 | (2,828) | 4,066 | (3,011) |
| Non-attributable expenses | (21,584) | (68,970) | (20,449) | (61,272) |
| Other income and expenses | -- | -- | (1) | 36 |
| Income before taxes | **11,846** | **28,367** | **12,162** | **64,600** |
| Taxes | (5,273) | (11,711) | (4,773) | (25,797) |
| Shares on the result | (249) | (190) | (408) | (1,041) |
| Net income | **6,324** | **16,466** | **6,981** | **37,762** |
| Other comprehensive results | 231 | (23) | 58 | 72 |
| Comprehensive income | **6,555** | **16,443** | **7,039** | **37,834** |

1. PAA - Premium Allocation Approach.

The impacts of adopting CPC 50 [IFRS 17] and CPC 48 [IFRS 9] on net income and comprehensive income, for comparability purposes, are shown in the following table:

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 3rd Quarter 2023 | 01.01 to 09.30.2023 | 3rd Quarter 2022 | 01.01 to 09.30.2022 |
| Net income - BRGAAP e IFRS | 6,324 | 16,466 | 6,981 | 37,762 |
| Net income - SUSEPGAAP | 11,074 | 21,870 | 6,875 | 38,635 |
|  |  |  |  |  |
| Comprehensive income - BRGAAP e IFRS | 6,555 | 16,443 | 7,039 | 37,834 |
| Comprehensive income - SUSEPGAAP | 11,305 | 21,847 | 6,933 | 38,707 |

**Balance Sheet Information**

**R$ thousand**

|  |  |  |
| --- | --- | --- |
|  | Sept 30, 2023 | Dec 31, 2022 (Restated balances) |
| Current Assets | **755,008** | **627,142** |
| Cash and cash equivalentes | 1,592 | 5,997 |
| Receivables | 14,764 | 11,249 |
| Financial Instruments | 587,804 | 448,529 |
| Insurance contracts | 140,010 | 153,066 |
| Current tax asset | 10,503 | 8,080 |
| Other assets | 335 | 221 |
| Non-current assets | **93,243** | **127,114** |
| Financial Instruments | -- | 40,487 |
| Deferred tax asset | 20,260 | 16,699 |
| Fixed and intangible | 12,040 | 9,161 |
| Investments in associates | 343 | 343 |
| Other assets | 60,600 | 60,424 |
| Total Assets | **848,251** | **754,256** |
|  |  |  |
| Current Liabilities | 535,775 | **472,695** |
| Amounts payable | 41,512 | 17,781 |
| Current tax liability | 2,514 | 3,718 |
| Debt from insurance operations | -- | 1,978 |
| Insurance contract | 489,115 | 433,658 |
| Other liabilities | 2,634 | 15,560 |
| Non-Current Liabilities | **47,347** | **44,441** |
| Other liabilities | 47,347 | 44,441 |
| Equity | **265,129** | **237,120** |
| Capital and reserves | 253,955 | 242,389 |
| Accumulated losses | 11,059 | (5,407) |
| Other comprehensive results | 115 | 138 |
| Liabilities and Equity | **848,251** | **754,256** |

The impacts of adopting CPC 50 [IFRS 17] and CPC 48 [IFRS 9] on Shareholders' Equity, for comparability purposes, are shown in the following table:

**R$ thousand**

|  |  |  |
| --- | --- | --- |
|  | Sept 30, 2023 | Dec 31, 2022 |
| Equity - BRGAAP e IFRS | 265,129 | 237,120 |
| Equity - SUSEPGAAP | 275,940 | 242,526 |

**c.2) Brasilprev Seguros e Previdência S.A. (Brasilprev)**

**Income Statement Information**

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 3rd Quarter 2023 | 01.01 to 09.30.2023 | 3rd Quarter 2022 (Restated balances) | 01.01 to 09.30.2022 (Restated balances) |
| Result of insurance contracts | **1,006,726** | **2,856,321** | **855,085** | **2,595,922** |
| Result of contracts BBA (1) | 195,433 | 491,545 | 118,138 | 371,775 |
| Result of contracts VFA (1) | 811,293 | 2,364,776 | 736,947 | 2,224,147 |
| Insurance expenses | (70,734) | (329,178) | (272,857) | (1,687,748) |
| Result of reinsurance | **83** | **615** | **243** | **(1,326)** |
| Insurance margin | **936,075** | **2,527,758** | **582,471** | **906,848** |
| Financial result | **190,873** | **540,463** | **182,628** | **1,397,270** |
| Financial income | 9,701,316 | 32,506,837 | 10,135,151 | 25,365,203 |
| Financial expenses | (9,510,443) | (31,966,374) | (9,952,523) | (23,967,933) |
| Non-attributable expenses | (18,759) | (54,026) | (17,562) | (50,512) |
| Other income and expenses | -- | 16 | 1 | 1 |
| Income before taxes | **1,108,189** | **3,014,211** | **747,538** | **2,253,607** |
| Taxes | (444,544) | (1,205,780) | (330,879) | (939,936) |
| Shares on the result | (4,485) | (10,015) | (5,208) | (12,677) |
| Net income | **659,161** | **1,798,416** | **411,451** | **1,300,994** |
| Other comprehensive results | (309,226) | 109,986 | (16,611) | 153,064 |
| Comprehensive income | **349,934** | **1,908,402** | **394,840** | **1,454,057** |
| Attributable to BB Seguridade | **494,336** | **1,348,722** | **308,568** | **975,680** |
| Adjustment (2) | 371 | 8,847 | -- | -- |
| Equity income | **494,707** | **1,357,569** | **308,568** | **975,680** |

1. BBA - *Building Block Approach* and VFA - *Variable Fee Approach*.
2. Recognition of unrealized results of Mapfre Nossa Caixa Vida e Previdência (MNCVP).

The impacts of adopting CPC 50 [IFRS 17] and CPC 48 [IFRS 9] on net income and comprehensive income, for comparability purposes, are shown in the following table:

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 3rd Quarter 2023 | 01.01 to 09.30.2023 | 3rd Quarter 2022 | 01.01 to 09.30.2022 |
| Net income - BRGAAP e IFRS | 659,161 | 1,798,416 | 411,451 | 1,300,994 |
| Net income - SUSEPGAAP | 527,604 | 1,404,273 | 289,510 | 921,827 |
|  |  |  |  |  |
| Comprehensive income - BRGAAP e IFRS | 349,934 | 1,908,402 | 394,840 | 1,454,057 |
| Comprehensive income - SUSEPGAAP | 472,078 | 1,365,017 | 289,144 | 920,896 |

**Balance Sheet Information**

**R$ thousand**

|  |  |  |
| --- | --- | --- |
|  | Sept 30, 2023 | Dec 31, 2022 (Restated balances) |
| Current Assets | **365.599.033** | **331.038.326** |
| Cash and cash equivalents | 62.580 | 35.010 |
| Financial Instruments | 365.355.719 | 330.849.804 |
| Credit from operations | 9.504 | 2.156 |
| Other assets | 171.230 | 151.356 |
| Non-current assets | **19.827.168** | **18.745.632** |
| Financial Instruments | 19.497.989 | 18.404.469 |
| Credit from operations | 54.763 | 58.859 |
| Other assets | 274.416 | 282.304 |
| Total Assets | **385.426.201** | **349.783.958** |
|  |  |  |
| Current Liabilities | **43.971.333** | **39.551.936** |
| Amounts payable | 1.385.606 | 1.149.231 |
| Debt from insurance operations | 11.796 | 19.499 |
| Insurance contract | 42.309.565 | 38.334.006 |
| Other liabilities | 264.366 | 49.200 |
| Non-Current Liabilities | **334.309.151** | **303.744.707** |
| Insurance contract | 333.057.813 | 302.852.245 |
| Other liabilities | 1.251.338 | 892.462 |
| Equity | **7.145.717** | **6.487.315** |
| Capital and reserves | 5.972.591 | 6.722.592 |
| Retained earnings | 1.298.416 | -- |
| Asset valuation adjustment | (38.672) | 584 |
| Other comprehensive results | (86.618) | (235.861) |
| Liabilities and Equity | **385.426.201** | **349.783.958** |
| Attributable to BB Seguridade | **5.358.931** | **4.865.162** |
| Unrealized result (1) | **(13.983)** | (22.830) |
| Investment balance | **5.344.948** | **4.842.332** |

1. Amount refers to the unrealized result of the sale of the shareholding in MAPFRE Nossa Caixa Vida e Previdência (MNCVP) in July 2012.

The impacts of adopting CPC 50 [IFRS 17] and CPC 48 [IFRS 9] on Shareholders' Equity, for comparability purposes, are shown in the following table:

**R$ thousand**

|  |  |  |
| --- | --- | --- |
|  | Sept 30, 2023 | Dec 31, 2022 |
| Equity - BRGAAP e IFRS | 7,145,717 | 6,487,315 |
| Equity - SUSEPGAAP | 6,163,042 | 6,048,025 |

**c.3) Brasildental Operadora de Planos Odontológicos S.A. (Brasildental)**

**Income Statement Information**

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 3rd Quarter 2023 (3) | 01.01 to 08.31.2023 (3) | 3rd Quarter 2022 (Restated balances) | 01.01 to 09.30.2022 (Restated balances) |
| Result of insurance contracts | **30,679** | **78,667** | **28,050** | **84,131** |
| Result of contracts BBA (1) | 9,582 | 22,487 | 6,915 | 20,984 |
| Result of contracts PAA (1) | 21,097 | 56,180 | 21,135 | 63,147 |
| Insurance expenses | (22,486) | (54,930) | (20,129) | (57,162) |
| Insurance margin | **8,193** | **23,737** | **7,921** | **26,969** |
| Financial result | **1,567** | **3,751** | **482** | **1,577** |
| Financial income | 1,774 | 4,061 | 1,147 | 3,089 |
| Financial expenses | (207) | (310) | (665) | (1,512) |
| Other income and expenses | (905) | (2,560) | (1,790) | (4,545) |
| Income before taxes | **8,855** | **24,928** | **6,613** | **24,001** |
| Taxes | (2,849) | (7,819) | (2,206) | (8,198) |
| Profit sharing | (437) | (510) | (137) | (39) |
| Net income | **5,569** | **16,599** | **4,270** | **15,764** |
| Comprehensive income | **5,569** | **16,599** | **4,270** | **15,764** |
| Attributable to BB Seguridade | **4,176** | **12,449** | **3,203** | **11,823** |
| Adjustment (2) | -- | -- | (19) | -- |
| Equity income | **4,177** | **12,449** | **3,184** | **11,823** |

1. BBA - *Building Block Approach* and PAA - *Premium Allocation Approach*.
2. Refers to change of result.
3. Balance with a one-month lag.

The impacts of adopting CPC 50 [IFRS 17] and CPC 48 [IFRS 9] on net income and comprehensive income, for comparability purposes, are shown in the following table:

1. **R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 3rd Quarter 2023 | 01.01 to 08.31.2023 | 3rd Quarter 2022 | 01.01 to 09.30.2022 |
| Net income - BRGAAP e IFRS | 5,569 | 16,599 | 4,270 | 15,764 |
| Net income - ANSGAAP | 5,918 | 16,687 | 6,544 | 21,222 |
|  |  |  |  |  |
| Comprehensive income - BRGAAP e IFRS | 5,569 | 16,599 | 4,270 | 15,764 |
| Comprehensive income - ANSGAAP | 5,918 | 16,687 | 6,544 | 21,222 |

**Balance Sheet Information**

**R$ thousand**

|  |  |  |
| --- | --- | --- |
|  | Aug 31, 2023 (2) | Dec 31, 2022 (Restated balances) |
| Current Assets | **38,442** | **44,174** |
| Cash and cash equivalents | 1,640 | 2,639 |
| Financial Instruments | 35,515 | 41,111 |
| Current tax assets | 304 | 265 |
| Other assets | 983 | 159 |
| Non-Current Assets | **4,187** | **4,697** |
| Deferred tax assets | 3,595 | 4,264 |
| Fixed and intangible | 326 | 179 |
| Other assets | 266 | 254 |
| Total Assets | **42,629** | **48,871** |
|  |  |  |
| Current Liabilities | **22,042** | **26,628** |
| Amounts payable | 3,853 | 3,411 |
| Current tax liability | 1,734 | 2,219 |
| Debt from insurance operations | 79 | 57 |
| Insurance Contract | 16,198 | 20,773 |
| Other liabilities | 178 | 168 |
| Non-Current Liabilities | **300** | **251** |
| Other liabilities | 300 | 251 |
| Equity | **20,287** | **21,992** |
| Capital and reserves | 24,331 | 28,644 |
| Accumulated losses | (6,804) | (6,716) |
| Other comprehensive results | 2,760 | 64 |
| Liabilities and Equity | **42,629** | **48,871** |
| Attributable to BB Seguridade | **15,216** | **16,495** |
| Adjustment (1) | **(3,000)** | **--** |
| Investment balance | **12,216** | **16,495** |

1. Recognition of dividends.
2. Balance with a one-month lag.

The impacts of adopting CPC 50 [IFRS 17] and CPC 48 [IFRS 9] on Shareholders' Equity, for comparability purposes, are shown in the following table:

**R$ thousand**

|  |  |  |
| --- | --- | --- |
|  | Aug 31, 2023 | Dec 31, 2022 |
| Equity - BRGAAP e IFRS | 20,287 | 21,992 |
| Equity - ANSGAAP | 24,331 | 28,644 |

**c.4) Brasilcap**

**Income Statement Information**

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 3rd Quarter 2023 | 01.01 to 09.30.2023 | 3rd Quarter 2022 | 01.01 to 09.30.2022 |
| Net income from capitalization operations | **(14,938)** | **(39,993)** | **(10,425)** | **(17,354)** |
| Income from operations | 178,631 | 539,938 | 187,768 | 493,226 |
| Costs | (193,569) | (579,931) | (198,193) | (510,580) |
| Financial result | **124,462** | **330,261** | **62,600** | **240,121** |
| Financial income | 318,768 | 891,755 | 228,858 | 617,546 |
| Other financial income | 3,672 | 28,448 | 68,418 | 301,790 |
| Financial expenses | (193,579) | (545,166) | (151,218) | (395,828) |
| Other financial expenses | (4,399) | (44,776) | (83,458) | (283,387) |
| Equity result | **(257)** | **(766)** | **(232)** | **(679)** |
| Depreciation and amortization | (257) | (766) | (232) | (679) |
| Other income and expenses | **15,834** | **46,725** | **14,236** | **41,802** |
| Other income | 16,350 | 48,775 | 14,517 | 42,638 |
| Other expenses | (516) | (2,050) | (281) | (836) |
| Operational result | **125,101** | **336,228** | **66,179** | **263,890** |
| Gains/losses on non-current assets | (6) | (7) | -- | (262) |
| Income before taxes | **125,095** | **336,221** | **66,179** | **263,628** |
| Taxes | (49,351) | (131,157) | (26,078) | (105,046) |
| Profit sharing | (2,853) | (6,044) | (2,593) | (3,704) |
| Net income | **72,890** | **199,019** | **37,508** | **154,878** |
| Other comprehensive results | 9,616 | (32,111) | (79,812) | (79,812) |
| Comprehensive income | **82,506** | **166,908** | **(42,304)** | **75,066** |
| Attributable to BB Seguridade | **48,667** | **132,880** | **25,002** | **103,241** |
| Equity income | **48,667** | **132,880** | **25,002** | **103,241** |

**Balance Sheet Information**

**R$ thousand**

|  |  |  |
| --- | --- | --- |
|  | Sept 30, 2023 | Dec 31, 2022 |
| Current Assets | **9,485,250** | **7,412,208** |
| Cash and cash equivalents | 23 | 12 |
| Financial instruments | 9,414,003 | 7,371,353 |
| Other assets current | 71,224 | 40,843 |
| Non-Current Assets | **3,632,461** | **4,079,098** |
| Financial instruments | 2,208,866 | 2,694,594 |
| Other non-current assets | 1,423,595 | 1,384,504 |
| Current Liabilities | **11,213,954** | **9,698,777** |
| Technical provisions | 11,091,503 | 9,608,351 |
| Dividends payable | 2,081 | 22,127 |
| Other liabilities | 120,370 | 68,299 |
| Non-Current Liabilities | **1,219,694** | **1,142,749** |
| Financial liabilities | 11,123 | 11,071 |
| Other liabilities | 1,208,571 | 1,131,678 |
| Equity | **684,063** | **649,780** |
| Attributable to BB Seguridade | **456,731** | **433,841** |
| Adjustment (1) | 110,749 | 110,749 |
| Investment balance | **567,480** | **544,590** |

(1) Goodwill on the acquisition of equity interest in the company Sulacap by BB Seguros, which took place on 07.22.2011.

**c.5) Ciclic**

**Income Statement Information**

**R$ thousand**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 3rd Quarter 2023 | 01.01 to 09.30.2023 | 3rd Quarter 2022 | 01.01 to 09.30.2022 |
| Commission income | 10,046 | 32,473 | 11,147 | 30,255 |
| Costs | (3,541) | (10,560) | (3,932) | (11,265) |
| Financial result | **(344)** | **(900)** | **(225)** | **(682)** |
| Interest income | -- | 1 | -- | 4 |
| Other financial income | 19 | 57 | 19 | 93 |
| Interest expense | (39) | (50) | (7) | (7) |
| Other financial expenses | (324) | (908) | (237) | (772) |
| Resultado patrimonial | **(4,666)** | **(13,745)** | **(5,009)** | **(13,208)** |
| Depreciation and amortization | (678) | (1,889) | (427) | (968) |
| Other equity income/expenses | (3,988) | (11,856) | (4,582) | (12,240) |
| Other income and expenses | **247** | **(4,062)** | **(2,299)** | **(6,160)** |
| Other income | 2,265 | 2,265 | -- | 9 |
| Other expenses | (2,018) | (6,327) | (2,299) | (6,169) |
| Operational result | **1,742** | **3,206** | **(318)** | **(1,060)** |
| Income before taxes | **1,742** | **3,206** | **(318)** | **(1,060)** |
| Taxes | **(6)** | **(21)** | **(6)** | **(29)** |
| Net income | **1,736** | **3,185** | **(324)** | **(1,089)** |
| Comprehensive income | **1,736** | **3,185** | **(324)** | **--** |
| Attributable to BB Seguridade | **1,302** | **2,390** | **(243)** | **(1,089)** |
| Balance adjustment | -- | -- | (372) | (819) |
| Equity income | **1,302** | **2,390** | **(615)** | **(819)** |

**Balance Sheet Information**

R$ thousand

|  |  |  |
| --- | --- | --- |
|  | Sept 30, 2023 | Dec 31, 2022 |
| Current Assets | **9,391** | **12,898** |
| Cash and cash equivalents | 1,109 | 1,487 |
| Financial instruments | -- | 1 |
| Other assets | 8,282 | 11,410 |
| Non-Current Assets | **8,110** | **7,677** |
| Other assets | 8,110 | 7,677 |
| Current Liabilities | **12,600** | **18,567** |
| Financial liabilities | 1,845 | 1,683 |
| Technical provisions | 4,344 | 3,017 |
| Other liabilities | 6,411 | 13,867 |
| Equity | **4,901** | **2,008** |
| Attributable to BB Seguridade | **3,676** | **1,506** |
| Adjustments from previous periods | (166) | -- |
| Investment balance | **3,510** | **1,506** |

**c.6) BB Corretora**

**Income Statement Information**

R$ thousand

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 3rd Quarter 2023 | 01.01 to 09.30.2023 | 3rd Quarter 2022 | 01.01 to 09.30.2022 |
| Operating income | **1,145,814** | **3,269,544** | **1,114,876** | **2,970,183** |
| Commission income, net | 1,145,814 | 3,269,544 | 1,114,876 | 2,970,183 |
| Cost of Services Provided | **(45,585)** | **(146,446)** | **(51,224)** | **(153,024)** |
| Gross Profit | **1,100,229** | **3,123,098** | **1,063,652** | **2,817,159** |
| Other income and expenses | **(41,797)** | **(112,228)** | **(38,581)** | **(98,961)** |
| Income from investments in equity interests | 1,302 | 2,390 | (615) | (819) |
| Personnel expenses | (15,880) | (46,000) | (12,928) | (35,652) |
| Administrative and selling expenses | (18,752) | (37,735) | (8,592) | (18,680) |
| Tax expenses | (6,299) | (16,725) | (5,165) | (12,478) |
| Provision for brokerage to return | -- | -- | (9,824) | (29,472) |
| Others | (2,168) | (14,158) | (1,457) | (1,860) |
| Income Before Financial Income and Expenses | **1,058,432** | **3,010,870** | **1,025,071** | **2,718,198** |
| Financial result | **130,435** | **320,138** | **111,015** | **249,295** |
| Financial income | 130,937 | 352,815 | 111,067 | 266,532 |
| Financial expenses | (502) | (32,677) | (52) | (17,237) |
| Income before taxes | **1,188,867** | **3,331,008** | **1,136,086** | **2,967,493** |
| Taxes | (398,034) | (1,125,669) | (385,481) | (1,009,774) |
| Net income | **790,833** | **2,205,339** | **750,605** | **1,957,719** |
| Other comprehensive results | (138) | (386) | 691 | 691 |
| Comprehensive Income | **790,695** | **2,204,953** | **751,296** | **1,958,410** |
| Attributable to BB Seguridade | **790,832** | **2,205,339** | **750,605** | **1,957,719** |
| Equity income | **790,832** | **2,205,339** | **750,605** | **1,957,719** |

**Balance Sheet Information**

R$ thousand

|  |  |  |
| --- | --- | --- |
|  | Sept 30, 2023 | Dec 31, 2022 |
| Current Assets | **3,325,011** | **4,764,890** |
| Cash and cash equivalents | 2,187,922 | 3,650,518 |
| Commissions receivable | 1,132,746 | 1,114,256 |
| Other assets | 4,343 | 116 |
| Non-Current Assets | **2,785,040** | **1,292,715** |
| Financial assets at fair value through profit or loss | 1,543,012 | 350,217 |
| Current tax assets | 5,800 | 5,800 |
| Deferred tax assets | 8,767 | 4,378 |
| Commissions receivable | 992,282 | 708,990 |
| Investments in associates | 3,510 | 1,506 |
| Other assets | 231,669 | 221,824 |
| Total Assets | **6,110,051** | **6,057,605** |
|  |  |  |
| Current Liabilities | **2,792,778** | **4,254,929** |
| Statutory obligation | -- | 1,522,364 |
| Contingent liabilities | 11,657 | 4,088 |
| Current tax liabilities | 712,007 | 893,651 |
| Unearned commissions | 2,005,792 | 1,760,473 |
| Other liabilities | 63,322 | 74,353 |
| Non-Current Liabilities | **2,520,488** | **1,796,338** |
| Other provisions | 14,154 | 8,791 |
| Commissions to be appropriated | 2,506,334 | 1,787,547 |
| Total Liabilities | **5,313,266** | **6,051,267** |
|  |  |  |
| Equity | **796,785** | **6,338** |
| Capital | 1,000 | 1,000 |
| Capital reserves | 4,975 | 4,975 |
| Income reserves | 200 | 200 |
| Other comprehensive results | (223) | 163 |
| Total Liabilities and Equity | 790,833 | **6,057,605** |
| Attributable to BB Seguridade | **6,110,051** | **6,338** |
| Investment balance | **796,784** | **6,338** |

# **8 – COMMISSIONS INCOME**

R$ thousand

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | | | **Consolidated** | | | **Consolidated** | |
|  |  | **3rd Quarter 2023** | | **01.01 to 09.30.2023** |  | **3rd Quarter 2022** | **01.01 to 09.30.2022** |
| **Gross commission income** |  | **1,295,340** | | **3,695,772** |  | **1,261,814** | **3,360,023** |
| Brasilseg/ABS |  | 963,753 | | 2,775,763 |  | 919,177 | 2,456,180 |
| Brasilprev |  | 179,202 | | 456,758 |  | 179,036 | 466,203 |
| Brasilcap |  | 120,859 | | 344,771 |  | 122,817 | 320,459 |
| Mapfre Seguros Gerais (1) |  | 28,786 | | 111,952 |  | 38,744 | 110,988 |
| Other companies |  | 2,740 | | 6,528 |  | 2,040 | 6,193 |
| **Deductions from commission income** |  | **(149,526)** | | **(426,228)** |  | **(146,938)** | **(389,840)** |
| Cofins |  | (98,196) | | (280,274) |  | (95,758) | (254,959) |
| ISS |  | (30,011) | | (85,105) |  | (30,390) | (79,528) |
| PIS |  | (21,319) | | (60,849) |  | (20,790) | (55,353) |
| **Net commission income** |  | **1,145,814** | | **3,269,544** |  | **1,114,876** | **2,970,183** |

1. Includes Auto and Major Risk Insurance.

There are no amount of commissions income in parent.

# **9 – COSTS OF SERVICES PROVIDED**

R$ thousand

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | **Consolidated** | | | | | |
|  | |  | **3rd Quarter 2023** | **01.01 to 09.30.2023** |  | **3rd Quarter 2023** | | **01.01 to 09.30.2022** |
| Administrative cost products | |  | (27,181) | (92,626) |  | | (33,591) | (99,019) |
| Operational support cost | |  | (12,403) | (37,313) |  | | (12,454) | (38,382) |
| Cost of data processing | |  | (6,001) | (16,507) |  | | (5,179) | (15,623) |
| **Total** | |  | **(45,585)** | **(146,446)** |  | | **(51,224)** | **(153,024)** |

There are no service costs provided in Parent.

# **10 – PERSONNEL EXPENSES**

R$ thousand

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | Parent | |  | Consolidated | |
|  | |  | **3rd Quarter 2023** | **3rd Quarter 2022** |  | **3rd Quarter 2023** | **3rd Quarter 2022** |
| Salaries | |  | (1,638) | (2,011) |  | (11,792) | (10,481) |
| Social security costs | |  | (879) | (1,097) |  | (6,022) | (5,394) |
| Benefits | |  | (260) | (346) |  | (1,994) | (1,972) |
| Fees | |  | (239) | (372) |  | (1,160) | (1,045) |
| Training | |  | (30) | (40) |  | (208) | (276) |
| Total | |  | **(3,046)** | **(3,866)** |  | **(21,176)** | **(19,168)** |

R$ thousand

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | Parent | |  | Consolidated | |
|  | |  | **01.01 to 09.30.2023** | **01.01 to 09.30.2022** |  | **01.01 to 09.30.2023** | **01.01 to 09.30.2022** |
| Salaries (1) | |  | (5,248) | (5,629) |  | (34,855) | (28,997) |
| Social security costs | |  | (2,973) | (3,072) |  | (18,263) | (15,330) |
| Benefits | |  | (812) | (895) |  | (5,707) | (5,151) |
| Fees | |  | (776) | (1,098) |  | (3,328) | (3,028) |
| Training | |  | (84) | (89) |  | (481) | (600) |
| Total | |  | **(9,893)** | **(10,783)** |  | **(62,634)** | **(53,106)** |

1. BB Seguridade has an employee award program, created in 2019 and updated on October 28, 2022, both with the approval of the Board of Directors, which aims to recognize employees in non-statutory positions of the Company, with outstanding performance in the Development and Career Committee, Considering the wording of § 4 of article 457 of the CLT, as amended by Law No. 13,467/2017, the program is classified as an award and there is no incidence of labor and social security charges. The activation of the program occurs annually and is subject to the achievement of the score defined in the work agreement defined by the Company. The target audience is limited to 40% of employees per position, in the case of managerial or equivalent roles, and per position and per directorship, in the case of technical roles. The criterion involves assessment of technical and behavioral skills, achievement of goals, and management style. The award is credited in cash, in a single installment, within 30 days after the disclosure of the results of the Development and Career Committee. In the period from Jan 01, 2023, to Sept 30, 2023, there was a payment in the amount of R$ 216.7 thousand as awards to employees at the controller.

# **11 – ADMINISTRATIVE EXPENSES AND SALES**

**R$ thousand**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | | **Parent** | |  | | **Consolidated** | |
|  | |  | **3rd Quarter 2023** | | **3rd Quarter 2022** |  | **3rd Quarter 2023** | | **3rd Quarter 2022** |
| Selling expenses (1) | |  | -- | | -- |  | (3,721) | | (3,015) |
| Donation and sponsorship expenses (2) | |  | -- | | -- |  | (8,475) | | (2,346) |
| Data processing | |  | (177) | | (179) |  | (3,712) | | (1,364) |
| Rent expenses and condominium fee | |  | (243) | | (274) |  | (1,335) | | (1,147) |
| Specialized technical services | |  | (209) | | (168) |  | (1,058) | | (934) |
| Service travel | |  | (158) | | (137) |  | (564) | | (466) |
| Publications | |  | (25) | | (22) |  | (190) | | (178) |
| Promotions and public relations | |  | (15) | | (7) |  | (282) | | (82) |
| Other | |  | (78) | | (72) |  | (950) | | (508) |
| **Total** | |  | **(905)** | | **(859)** |  | **(20,287)** | | **(10,040)** |

1. Refers to expenses with partnerships signed with correspondents, in new channels, for the sale of insurance products, and sales incentive commercial campaigns.
2. Refers to donations and sponsorships within the scope of laws of Culture Support Program and Sport Incentive.

**R$ thousand**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | | **Parent** | |  | **Consolidated** | |
|  | |  | **01.01 to 09.30.2023** | | **01.01 to 09.30.2023** |  | **01.01 to 09.30.2023** | **01.01 to 09.30.2023** |
| Selling expenses (1) | |  | -- | | -- |  | (11,268) | (6,238) |
| Data processing | |  | (518) | | (493) |  | (9,175) | (4,432) |
| Rent expenses and condominium fee | |  | (839) | | (901) |  | (4,028) | (3,782) |
| Specialized technical services | |  | (695) | | (518) |  | (3,204) | (2,563) |
| Donation and sponsorship expenses (2) | |  | -- | | -- |  | (8,475) | (2,346) |
| Service travel | |  | (378) | | (217) |  | (1,426) | (1,106) |
| Publications | |  | (86) | | (102) |  | (664) | (844) |
| Promotions and public relations | |  | (33) | | (17) |  | (1,036) | (186) |
| Costs communicating | |  | (44) | | (560) |  | (270) | (794) |
| Other | |  | (196) | | (189) |  | (2,783) | (1,249) |
| **Total** | |  | **(2,789)** | | **(2,997)** |  | **(42,329)** | **(23,540)** |

(1) Refers to expenses with partnerships signed with correspondents, in new channels, for the sale of insurance products, and sales incentive commercial campaigns.

(2) Refers to donations and sponsorships within the scope of laws of Culture Support Program and Sport Incentive.

# 

# **12 – TAXES**

**a) Breakdown of income tax (IR) and social contribution expenses (CSLL)**

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Parent** | |  | **Consolidated** | |
|  |  | **3rd Quarter 2023** | **3rd Quarter 2022** |  | **3rd Quarter 2023** | **3rd Quarter 2022** |
| **Current values** |  | **(7,702)** | **(1,501)** |  | **(412,767)** | **(397,932)** |
| Domestic income tax and social contribution |  | (7,702) | (1,501) |  | (412,767) | (397,392) |
| **Deferred values** |  | **43** | **--** |  | **682** | **3,302** |
| **Deferred tax assets** |  | **43** | **--** |  | **682** | **3,302** |
| Temporary differences |  | 43 | -- |  | 682 | 3,302 |
| **Total** |  | **(7,659)** | **(1,501)** |  | **(412,085)** | **(394,630)** |

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | Parent | |  | Consolidated | |
|  |  | **01.01 to 09.30.2023** | **01.01 to 09.30.2022** |  | **01.01 to 09.30.2023** | **01.01 to 09.30.2022** |
| Current values |  | **(7,955)** | **(1,501)** |  | **(1,156,642)** | **(1,030,670)** |
| Domestic income tax and social contribution |  | (7,955) | (1,501) |  | (1,156,642) | (1,030,670) |
| Deferred values |  | **63** | **--** |  | **4,433** | **8,421** |
| Deferred tax assets |  | **63** | **--** |  | **4,433** | **8,421** |
| Temporary differences |  | 63 | -- |  | 4,433 | 8,421 |
| Total |  | **(7,892)** | **(1,501)** |  | **(1,152,209)** | **(1,022,249)** |

**b) Reconciliation of Income Tax and Social Contribution Expenses**

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Parent** | |  | **Consolidated** | |
|  |  | **3rd Quarter 2023** | **3rd Quarter 2022**  **(Restated balances)** |  | **3rd Quarter 2023** | **3rd Quarter 2022**  **(Restated balances)** |
| **Profit before income tax and social contribution** |  | **2,131,935** | **2,028,508** |  | **2,536,361** | **2,421,637** |
| a) Total income tax (25%) and CSLL (9%) chages |  | (724,858) | (689,693) |  | (862,363) | (823,357) |
| **Effect on the tax calculation:** |  |  |  |  |  |  |
| b) Nontaxable income - share of profit (loss) of subsidiaries associates and joint ventures (34%) |  | 716,050 | 687,948 |  | 443,400 | 427,497 |
| c) Non-deductible expenses, net of nontaxable income (34%) |  | 1,106 | 244 |  | 6,196 | (2,072) |
| **Income tax and social contribution** **(a+b+c)** |  | **(7,702)** | **(1,501)** |  | **(412,767)** | **(397,932)** |
| **Intertemporal Differences** |  |  |  |  |  |  |
| **Constitution/(Reversal) of the Period:** |  | **43** | **--** |  | **682** | **3,302** |
| d) (Expenses)/Deferred Tax Income |  | 43 | -- |  | 682 | 3,302 |
| **Total IR and CS (a+b+c+d)** |  | **(7,659)** | **(1,501)** |  | **(412,085)** | **(394,630)** |

**R$ thousand**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Parent** | |  | **Consolidated** | |
|  | **01.01 to 09.30.2023** | **01.01 to 09.30.2022**  **(Restated balances)** |  | **01.01 to 09.30.2023** | **01.01 to 09.30.2022**  **(Restated balances)** |
| **Profit before income tax and social contribution** | **5,857,300** | **4,741,753** |  | **7,001,617** | **5,762,501** |
| a) Total income tax (25%) and CSLL (9%) chages | (1,991,482) | (1,612,196) |  | (2,380,550) | (1,959,250) |
| **Effect on the tax calculation:** |  |  |  |  |  |
| b) Nontaxable income - share of profit (loss) of subsidiaries associates and joint ventures (34%) | 1,981,865 | 1,610,679 |  | 1,220,556 | 937,534 |
| c) Non-deductible expenses, net of nontaxable income (34%) | 1,662 | 16 |  | 3,353 | (8,954) |
| **Income tax and social contribution** **(a+b+c)** | **(7,955)** | **(1,501)** |  | **(1,156,642)** | **(1,030,670)** |
| **Intertemporal Differences** |  |  |  |  |  |
| **Constitution/(Reversal) of the Period:** | **63** | **--** |  | **4,433** | **8,421** |
| d) (Expenses)/Deferred Tax Income | 63 | -- |  | 4,433 | 8,421 |
| **Total IR and CS (a+b+c+d)** | **(7,892)** | **(1,501)** |  | **(1,152,209)** | **(1,022,249)** |

**c) Tax Expenses**

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Parent** | |  | **Consolidated** | |
|  |  | **3rd Quarter 2023** | **3rd Quarter 2022** |  | **3rd Quarter 2023** | **3rd Quarter 2022** |
| **On financial income and other** |  |  |  |  |  |  |
| Cofins |  | (1,370) | (550) |  | (7,504) | (6,337) |
| PIS/Pasep |  | (233) | (107) |  | (1,229) | (1,046) |
| IOF |  | (10) | (23) |  | (10) | (23) |
| Other |  | (2) | (5) |  | (214) | (10) |
| **Total** |  | **(1,615)** | **(685)** |  | **(8,957)** | **(7,416)** |

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | Parent | |  | Consolidated | |
|  |  | **01.01 to 09.30.2023** | **01.01 to 09.30.2022** |  | **01.01 to 09.30.2023** | **01.01 to 09.30.2022** |
| On financial income and other |  |  |  |  |  |  |
| Cofins |  | (5,315) | (2,122) |  | (23,884) | (15,541) |
| Pis/Pasep |  | (886) | (371) |  | (3,901) | (2,549) |
| IOF |  | (13) | (29) |  | (13) | (29) |
| Other |  | (106) | (94) |  | (428) | (184) |
| Total |  | **(6,320)** | **(2,616)** |  | **(28,226)** | **(18,303)** |

**d) Current tax assets**

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Parent** | |  | **Consolidated** | |
|  |  | **Sept 30, 2023** | **Dec 31, 2022** |  | **Sept 30, 2023** | **Dec 31, 2022** |
| **Current Assets** |  | **20,427** | **16,131** |  | **46,426** | **16,131** |
| Antecipation of IR e CS |  | 6,852 | -- |  | 412,201 | -- |
| IRRF |  | 20,427 | 16,131 |  | 127,976 | 89,867 |
| (-) Current taxes deducted/offset |  | (6,852) | -- |  | (493,751) | (73,736) |
| **Non-Current Assets** |  | **92,058** | **75,177** |  | **99,424** | **80,977** |
| Taxes to compensate |  | 92,520 | 75,237 |  | 99,886 | 82,482 |
| (-) Current taxes deducted/offset |  | (462) | (60) |  | (462) | (1,505) |
| **Total (1)** |  | **112,485** | **91,308** |  | **145,850** | **97,108** |

1. The balances at Sept 30, 2023, and December 31, 2022 (parent company and consolidated) refer mainly to the IRRF of previous years uncompensated/deducted.

**e) Deferred Tax Assets**

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Parent** | | | | |
|  |  | **Dec 31, 2022** | **Addition** |  | **Derecognition** | **Sept 30, 2023** |
| **Temporary differences** |  |  |  |  |  |  |
| Liabilities provision |  | 28 | 105 |  | (42) | 91 |
| **Total deferred tax assets** |  | **28** | **105** |  | **(42)** | **91** |
| Incone tax |  | 20 | 77 |  | (31) | 66 |
| Social contribution |  | 8 | 28 |  | (11) | 25 |

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Consolidated** | | | | |
|  |  | **Dec 31, 2022** | **Addition** |  | **Derecognition** | **Sept 30, 2023** |
| **Temporary differences** |  |  |  |  |  |  |
| Liabilities provision |  | 4,720 | 9,858 |  | (5,425) | 9,153 |
| Amortization of goodwill |  | 3,053 | -- |  | -- | 3,053 |
| **Total deferred tax assets** |  | **7,773** | **9,858** |  | **(5,425)** | **12,206** |
| Incone tax |  | 6,521 | 7,248 |  | (3,989) | 9,780 |
| Social contribution |  | 1,252 | 2,610 |  | (1,436) | 2,426 |

**f) Expected Realization**

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Parent** | |  | **Consolidated** | |
|  |  | **Non Value** | **Present Value** |  | **Non Value** | **Present Value** |
| In 2023 |  | -- | -- |  | 7,745 | 6,724 |
| In 2024 |  | 28 | 21 |  | 28 | 21 |
| **Total** |  | **28** | **21** |  | **7,773** | **6,745** |

The expected realization of deferred tax assets (tax credits) is supported by a technical study prepared for de base date of Dec 31, 2022, and is calculated based on the discounted present value of the average Selic rate (TMS) projected for each reporting period.

Over the nine-month period ending September 30, 2023, tax credits were realized in the amount of R$ 42 thousand in the parent company and R$ 5,425 thousand in the consolidated.

**g) Current tax liabilities**

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Parent** | |  | **Consolidated** | |
|  |  | **Sept 30, 2023** | **Dec 31, 2022** |  | **Sept 30, 2023** | **Dec 31, 2022** |
| Icome tax |  | 5,927 | -- |  | 848,328 | 720,405 |
| Social contribution |  | 2,029 | -- |  | 308,314 | 235,655 |
| Cofins |  | 389 | 52 |  | 34,480 | 56,710 |
| ISS |  | -- | -- |  | 9,877 | 14,121 |
| Pasep |  | 73 | 8 |  | 7,389 | 12,162 |
| Other |  | 21 | 31 |  | 34 | 62 |
| (-) Current taxes deducted/offset |  | (7,314) | (60) |  | (494,213) | (75,241) |
| **Total** |  | **1,125** | **31** |  | **714,209** | **963,874** |

**h) Deferred Tax Liabilities**

**R$ thousand**

|  |  |  |
| --- | --- | --- |
|  | **Consolidated** | |
|  | **Sept 30, 2023** | **Dec 31, 2022** |
| Arising from partnership with Mapfre (1) | 223,387 | 223,387 |
| Arising from amortization of Brasilcap’s goodwill | 4,647 | 4,647 |
| Other temporay differences | 531 | 531 |
| **Total** | **228,565** | **228,565** |

1. Refers to the provision for deferred taxes arising from intangibles in the investment in BB Mapfre.

There is no balance of deferred tax liabilities in the Controller.

# **13 – OTHER INCOME AND EXPENSE**

**R$ thousand**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | **Parent** | | | | |  | | | **Consolidated** | | | |
|  |  | | **3rd Quarter 2023** | | **3rd Quarter 2022** | | |  | | | **3rd Quarter 2023** | **3rd Quarter 2022** |
| Income of ADR (1) | | 2,694 | | 5,494 | |  | | | 2,694 | | | 5,494 | |
| (Addition)/Reversal of provisions for labor, tax and civil lawsuits (2) | | (125) | | -- | |  | | | (2,027) | | | 109 | |
| Depreciation/amortization expense | | (42) | | (41) | |  | | | (328) | | | (336) | |
| Income/(expense) earn in earn out (3) | | -- | | -- | |  | | | -- | | | (6,855) | |
| Provision for brokerage to returned (4) | | -- | | -- | |  | | | -- | | | (9,824) | |
| Other | | (3) | | 2 | |  | | | 1 | | | (1,334) | |
| **Total** | | **2,524** | | **5,455** | |  | | | **340** | | | **(12,746)** | |

1. Refers to the sharing, by the depositary bank of the ADR Level I program, of the income from issuance fees, cancellation and processing of dividends charged to investors holding ADRs (American Depositary Receipts) of BB Seguridade, with the purpose of defray Program expenses,
2. In 3rd Quarter 2023, at BB Corretora, there was, in addition to an increase in the volume of civil claims, a revision of the classification of existing lawsuits, with an increase in the probability of loss,
3. Refers to the price adjustment mechanism of the assets of the Brasilveiculos (current Mapfre Seguros Gerais) asset sold to Mapfre Brasil on November 30, 2018, with calculation, monthly provisions, and annual payment, made based on the fulfilment of goals in the sales of auto insurance, The mechanism provides for the possibility of earn in or earn out, that is, payment from MAPFRE Brasil to BB Seguros or from BB Seguros to MAPFRE Brasil and will be calculated for each financial year until 2031, On December 29, 2022, the 1st Amendment to the Partnership Restructuring Agreement was signed, providing for the elimination of the price adjustment mechanism, effective for three years, renewable successively, starting in 2023,
4. Refers to the recognition of the brokerage provision to be returned to Brasilprev, In December 2022, brokerage returns are processed automatically, recognized in operating commission income (commission income net of returns), and there is no longer any need to recognize the provision from that date,

**R$ thousand**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | **Parent** | | | | |  | | | **Consolidated** | | | |
|  |  | | **01.01 to 09.30.2023** | | **01.01 to**  **09.30.2022** | | |  | | | **01.01 to 09.30.2023** | **01.01 to**  **09.30.2022** |
| Income of ADR (1) | | 5,939 | | 8,121 | |  | | | 5,939 | | | 8,121 | |
| (Addition)/Reversal of provisions for labor, tax and civil lawsuits (2) | | (186) | | -- | |  | | | (13,064) | | | 152 | |
| Depreciation/amortization expense | | (124) | | (114) | |  | | | (973) | | | (950) | |
| Income/(expense) earn in earn out (3) | | -- | | -- | |  | | | -- | | | (19,522) | |
| Provision for brokerage to returned (4) | | -- | | -- | |  | | | -- | | | (29,472) | |
| Other | | (5) | | (74) | |  | | | 1,341 | | | (1,420) | |
| **Total** | | **5,624** | | **7,933** | |  | | | **(6,757)** | | | **(43,091)** | |

1. Refers to the sharing, by the depositary bank of the ADR Level I program, of the income from issuance fees, cancellation and processing of dividends charged to investors holding ADRs (American Depositary Receipts) of BB Seguridade, with the purpose of defray Program expenses,
2. In the 9-month period ended on September 30, 2023, at BB Corretora, there was, in addition to an increase in the volume of civil claims, a review of the classification of existing lawsuits, with an increase in the probability of loss,
3. Refers to the price adjustment mechanism of the assets of the Brasilveiculos (current Mapfre Seguros Gerais) asset sold to Mapfre Brasil on November 30, 2018, with calculation, monthly provisions, and annual payment, made based on the fulfilment of goals in the sales of auto insurance, The mechanism provides for the possibility of earn in or earn out, that is, payment from MAPFRE Brasil to BB Seguros or from BB Seguros to MAPFRE Brasil and will be calculated for each financial year until 2031, On December 29, 2022, the 1st Amendment to the Partnership Restructuring Agreement was signed, providing for the elimination of the price adjustment mechanism, effective for three years, renewable successively, starting in 2023,
4. Refers to the recognition of the brokerage provision to be returned to Brasilprev, In December, 2022, brokerage returns are processed automatically, recognized in operating commission income (commission income net of returns), and there is no longer any need to recognize the provision from that date,

# **14 – FINANCIAL RESULT**

R$ thousand

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Parent** | |  | **Consolidated** | |
|  |  | **3rd Quarter 2023** | **3rd Quarter 2022** |  | **3rd Quarter 2023** | **3rd Quarter 2022** |
| **Financial Income** |  | **29,474** | **5,352** |  | **183,130** | **150,337** |
| Yield from financial investments |  | 27,136 | 3,333 |  | 177,258 | 144,586 |
| Monetary adjustment of judicial deposits |  | -- | -- |  | 3,494 | 3,599 |
| Monetary adjustment of taxes |  | 2,338 | 2,019 |  | 2,378 | 2,152 |
| **Financial Expenses** |  | **(526)** | **(266)** |  | **(1,036)** | **(325)** |
| Monetary Variation |  | -- | -- |  | (384) | -- |
| Financial system services |  | (207) | (93) |  | (333) | (152) |
| Loss on financial investments |  | (319) | (173) |  | (319) | (173) |
| **Financial Result** |  | **28,948** | **5,086** |  | **182,094** | **150,012** |

R$ thousand

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Parent** | |  | **Consolidated** | |
|  |  | **01.01 to 09.30.2023** | **01.01 to**  **09.30.2022** |  | **01.01 to 09.30.2023** | **01.01 to**  **09.30.2022** |
| **Financial Income** |  | **122,735** | **40,547** |  | **510,360** | **354,892** |
| Yield from financial investments |  | 38,291 | 13,225 |  | 492,840 | 331,362 |
| Monetary adjustment of judicial deposits |  | -- | -- |  | 10,437 | 6,560 |
| Monetary adjustment of taxes |  | 6,953 | 5,212 |  | 7,075 | 16,966 |
| Monetary adjustment of dividends and interest on equity capital |  | 77,483 | 22,106 |  | -- | -- |
| Other |  | 8 | 4 |  | 8 | 4 |
| **Financial Expenses** |  | **(81,073)** | **(27,623)** |  | **(81,764)** | **(28,963)** |
| Monetary adjustment of dividends and interest on equity capital |  | (77,280) | (25,745) |  | (77,280) | (25,745) |
| Reversal of monetary adjustment of judicial deposits |  | -- | -- |  | -- | (1,167) |
| Financial system services |  | (1,159) | (849) |  | (1,465) | (1,022) |
| Loss on financial investments |  | (2,634) | (1,029) |  | (2,634) | (1,029) |
| Monetary Variation |  | -- | -- |  | (385) | -- |
| **Financial Result** |  | **41,662** | **12,924** |  | **428,596** | **325,929** |

# **15 – CASH AND CASH EQUIVALENTS**

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Parent** | |  | **Consolidated** | |
|  |  | **Sept 30, 2023** | **Dec 31, 2022** |  | **Sept 30, 2023** | **Dec 31, 2022** |
| Cash |  | 441 | 427 |  | 3,507 | 3,567 |
| Repurchase agreements (1) |  | 386,499 | 58,576 |  | 3,363,606 | 6,073,051 |
| **Total** |  | **386,940** | **59,003** |  | **3,367,113** | **6,076,618** |

1. Refers to investments in repurchase agréments with Banco do Brasil S.A., backed by federal govermment securities with daily liquidity and insignificante risk of change in fair value.

The financial investments in repurchase agreements are categorized as financial assets at fair value through profit or loss and level 1 in the fair value hierarchy.

# **16 – FINANCIAL INSTRUMENTS**

1. **Financial Assests at Fair Value through Profit or Loss**

**R$ thousand**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Parent** | | | | | | |
|  | **Dec 31, 2022** | |  |  |  | **Sept 30, 2023** | |
|  | **Cost Value** | **Market Value** | **Applications** | **Redemptions** | **Yield** | **Cost Value** | **Market Value** |
| Long-term fund | 10,572 | 18,064 | 3,525 | (1,568) | (1,180) | 12,528 | 18,841 |
| **Total** | **10,572** | **18,064** | **3,525** | **(1,568)** | **(1,180)** | **12,528** | **18,841** |

**R$ thousand**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | | | | | |
|  | **Dec 31, 2022** | |  |  |  | **Sept 30, 2023** | |
|  | **Cost Value** | **Market Value** | **Applications** | **Redemptions** | **Yield** | **Cost Value** | **Market Value** |
| TPF (1) | 347,020 | 350,217 | 1,086,090 | -- | 106,705 | 1,433,111 | 1,543,012 |
| Long-term fund (2) | 10,572 | 18,064 | 3,525 | (1,568) | (1,180) | 12,528 | 18,841 |
| **Total** | **357,592** | **368,281** | **1,089,615** | **(1,568)** | **105,525** | **1,445,639** | **1,561,853** |

1. Amounts invested in Federal Public Bonds, in their entirety LFTs maturing in 09.2025, 03.2026 and 09.2026.
2. Refers to investments in Private Equity Investment Funds (FIP) whose objective is to invest its Shareholders' Equity in the acquisition of shares, or financial instruments that present participation, in companies in the initial stage of operation.
3. **Fair Value Hierarchy**

The Company classifies financial instruments into three levels of subjectivity in determining fair value. The different levels are defined as follows:

* Level 1: Quoted prices in active markets for identical assets or liabilities.
* Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices);
* Level 3: Assumptions for the asset or liability that are not based on observable market data (unobservable inputs). There are no financial instruments classified in level 3 of the investment portfolio.

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Parent** | | | | | |
|  | **Sept 30, 2023** | | | **Dec 31, 2022** | | |
|  | **Level 1** | **Level 2** | **Total** | **Level 1** | **Level 2** | **Total** |
| Long-term fund | -- | 18,841 | 18,841 | -- | 18,064 | 18,064 |
| Cash and cash Equivalents | 386,940 | -- | 386,940 | 59,002 | -- | 59,002 |
| **Total** | **386,940** | **18,841** | **405,781** | **59,002** | **18,064** | **77,066** |

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | | | | |
|  | **Sept 30, 2023** | | | **Dec 31, 2022** | | |
|  | **Level 1** | **Level 2** | **Total** | **Level 1** | **Level 2** | **Total** |
| Long-term fund | -- | 18,841 | 18,841 | -- | 18,064 | 18,064 |
| TPF | 1,543,012 | -- | 1,543,012 | 350,217 | -- | 350,217 |
| Cash and cash Equivalents | 3,367,113 | -- | 3,367,113 | 6,076,618 | -- | 6,076,618 |
| **Total** | **4,910,125** | **18,841** | **4,928,966** | **6,426,835** | **18,064** | **6,444,899** |

# **17 – DIVIDENDS / INTEREST ON EQUITY CAPITAL RECEIVABLE**

R$ thousand

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | **Parent** | |  | **Consolidated** | |
|  | |  | **Sept 30, 2023** | **Dec 31, 2022 (1)** |  | **Sept 30, 2023** | **Dec 31, 2022** |
| Dividends receivable | |  | -- | 3,683,356 |  | -- | 13,519 |

1. Refers to dividends received from BB Corretora and BB Seguros on Mar 01, 2023.

# **18 – COMMISSIONS RECEIVABLE**

R$ thousand

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | |  | **Consolidated** | |
|  |  |  | **Sept 30, 2023** | **Dec 31, 2022** |
| **Current Assets** |  |  | **1,132,746** | **1,114,256** |
| Brasilseg/ABS (1) |  |  | 1,039,678 | 1,014,707 |
| MAPFRE Seguros Gerais |  |  | 80,981 | 81,025 |
| Brasilprev |  |  | 7,363 | 12,627 |
| Brasilcap |  |  | 4,615 | 5,802 |
| Others |  |  | 109 | 95 |
| **Non-Current Assets** |  |  | **992,282** | **708,990** |
| Brasilseg |  |  | 992,282 | 708,990 |
| **Total** |  |  | **2,125,028** | **1,823,246** |

1. On 12.31.2022, R$ 203 million refers to the additional commission according to the restructuring agreement between BB Seguros and the MAPFRE Group in force until the end of 2022. The additional commission was recognized monthly and received on 02.27.2023.

There are no amount of comissions receivable in parent.

Comissions Receivables are classified as financial assets valued at amortized cost, as described in Note 4.

In the partnership model signed between BB Seguros and the MAPFRE Group in effect until the end of 2022, the payment of additional remuneration by Brasilseg Companhia de Seguros SA to BB Corretora was foreseen to exceed the sales growth target in some specific products, following the rules of the 2nd Amendment to the Operating Agreement for Operation in the Insurance Segment and its annexes ("Operating Agreement" or "Agreement") which Brasilseg and BB Corretora have been signatory since November 30th, 2018.

On 12.29.2022, the 3rd Amendment to the Operating Agreement for Operating in the Insurance Segment (“Amendment to the Operating Agreement”) was formalized, effective from 01.01.2023, which excludes the additional remuneration mechanism paid by Brasilseg to BB Corretora, increases the percentage of commission paid by Brasilseg to BB Corretora on premiums written for life and credit life insurance and reduces the percentage of commission paid by Brasilseg to BB Corretora on premiums written for rural pledge insurance.

The new Amendment to the Operating Agreement will be in force for a period of 3 (three) years, starting from January 1, 2023, being automatically renewed for new subsequent periods of 3 (three) years.

# **19 – INTANGIBLE ASSET**

1. ERP - Enterprise Resource Planning

**R$ thousand**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Parent and Consolidated | | | | | | | | | | | | |
|  |  | **Dec 31, 2022** |  | **01.01 to 09.30.2023** | | | |  | **Sept 30, 2023** | | | | |
|  |  | **Book value** |  | | **Acquisitions** | | **Amortization** |  | **Cost value** | **Accumulated amortization** | | **Book value** | |
| Software – ERP (1) |  | 4,021 |  | | | 254 | (628) |  | 7,569 | | (3,922) | | 3,647 |

1. In January 2018, the amortization of Enterprise Resource Planning (ERP) began, according to CPC 04 [IAS 38] - Intangible Assets in which the amortization period of intangible assets with a defined useful life is 10 years and amortization is calculated at the annual rate of 10% and recognized to the income statement on a straight-line method.

a.1) Estimate for amortization

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | 2023 | 2024 | 2025 | 2026 | 2027 | Total |
| Amounts to be amortized | 215 | 858 | 858 | 858 | 858 | 3,647 |

# **20 – OTHER ASSETS**

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Parent** | |  | **Consolidated** | |
|  |  | **Sept 30, 2023** | **Dec 31, 2022** |  | **Sept 30, 2023** | **Dec 31, 2022** |
| **Current Assets** |  | **11,548** | **9,816** |  | **7,192** | **574** |
| Receivables from related comparies (1) |  | 8,704 | 9,365 |  | 3,878 | -- |
| Receivables from ADR |  | 2,793 | 423 |  | 2,793 | 423 |
| Other |  | 51 | 28 |  | 521 | 151 |
| **Non-Current Assets** |  | **44** | **58** |  | **231,713** | **221,882** |
| Judicial deposits (2) |  | 12 | 11 |  | 231,681 | 221,835 |
| Fixed asset |  | 32 | 47 |  | 32 | 47 |
| **Total** |  | **11,592** | **9,874** |  | **238,905** | **222,456** |

1. In the parent company, refers to the reimbursement of apportionment of administrative expenses between BB Seguridade and its subsidiaries BB Seguros and BB Corretora. In the consolidated, it includes amounts receivable related to the reimbursement agreement entered between BB Corretora, Brasilseg and Aliança do Brasil Seguros.
2. It refers, mainly, to a lawsuit of a fiscal nature, with the purpose of annulling an administrative decision that did not ratify declarations of compensation of negative balances of IRPJ with several taxes of its own. The updated value of the referred judicial deposit is R$ 173,234 thousand (R$ 165,385 thousand on December 31, 2022), monetary restatement using the SELIC rate.

# **21 – CORPORATE AND STATUTORY OBLIGATIONS**

R$ thousand

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | Parent | |  | Consolidated | |
|  | |  | **Sept 30, 2023** | **Dec 31, 2022** |  | **Sept 30, 2023** | **Dec 31, 2022** |
| Dividends payable (1) | |  | 212 | 3,673,952 |  | 212 | 3,673,952 |
| Capital reduction payable | |  | 75 | 75 |  | 75 | 75 |
| Total | |  | **287** | **3,674,027** |  | **287** | **3,674,027** |

1. The dividends distributed on, Dec 31, 2022, were paid to the shareholders on Mar 01, 2023.

# **22 – PROVISIONS AND CONTINGENT LIABILITIES**

**a) Contingent Assets**

In accordance with CPC 25 [IAS 37] - Provisions, Contingent Liabilities and Contingent Assets, no contingent assets were recognized in the individual and consolidated financial statements.

**b) Contingent Liabilities - Probable**

**b.1) Tax Lawsuits**

Tax lawsuits related to BB Corretora, which arise, mainly, from municipal/district tax assessments (discussing the collection of the Tax on Services of Any Nature - ISSQN); and lawsuits of the Federal Government filed in the administrative or judicial spheres discussing federal taxes (notably non-validation of offsetting of own taxes against other taxes).

On September 30, 2023, BB Corretora had a total of 38 (thirty eight) active tax lawsuits discussing tax matters, classified as remote, possible or probable, depending on the phase of the lawsuit and specific situation related to each case. These lawsuits are distributed as follows: (i) 25 (twenty five) of them in the administrative sphere, exclusively, with the Federal Revenue of Brazil (RFB); and (ii) 13 (thirteen) of them filed in the Brazilian courts, 9 (nine) of them in the State courts and 04 (four) in the Federal courts.

In the main lawsuit classified as probable, BB Corretora is a party in a lawsuit whose cause of action is related to the collection of ISSQN, in progress with the TJ/MG, to which the initial cause value of R$ 8.3 million was attributed and, filed on June 29, 1998. This action was judged by the competent court, which recognized the right of the Municipality to receive the ISSQN required. During the course of the lawsuit, in the context of discussion of stays of execution, a judicial deposit was made to guarantee the court with Banco do Brasil, whose residual value restated on Sept 30, 2023 is approximately R$ 88.4 thousand (one since there was a decision favorable to the plaintiff in settlement of the sentence, in which the court determined the withdrawal of R$ 527,842.98, on Oct 16, 2021 - related to the undisputed case). Furthermore, in said decision, the court determined that after the procedural reorganization measures; a permit is issued in favor of BB Corretora to raise any residual balance available to the court, which on Sept 30, 2023 is still pending analysis and measures by the court.

As for BB Seguridade and BB Seguros, they do not have tax lawsuits with significant amounts.

**b.2) Civil Lawsuits**

In civil lawsuits involving BB Seguridade, BB Seguros and BB Corretora, we highlignt the claims for various indemnities (material damages, moral damages, etc., for example), notably resulting from consumer relations involving security products and the like (personal insurance and equity, open private pension, capitalization and dental plans).

**b.3) Labor Lawsuits**

The labor claims involving BB Seguros and BB Corretora arise mainly from labor claims of a civil nature, arising mainly from business group life insurance, whose original employers (private companies customers of the conglomerate) contract for their employees and, the beneficiaries of these in the process of inventory and sharing, demand the payment of insurance indemnity; and third-party claims to the detriment of BB Seguros and its investees and BB Corretora, as a member of the BB Seguridade Group, especially, requiring any subordinate of the Companies. On the other hand, labor lawsuits involving BB Seguridade are filed by former employees (assigned by Banco do Brasil), discussing rights arising from the 7th and 8th bank overtime and the respective effects on other salary amounts.

**b.4) Provisions for civil, tax and labor lawsuits classified as probable**

In accordance with CPC 25 [IAS 37], BB Seguridade constitutes a provision for tax, civil and labor claims with a probable risk of loss.

These provisions refer, mainly, to the contingencies recorded in BB Corretora.

R$ thousand

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Consolidated** | | | | |
|  |  |  | **01.01 to 09.30.2023** |  |  | **01.01 to 09.30.2022** |
| **Labor Lawsuits** |  |  |  |  |  |  |
| **Initial balance** |  |  | **28** |  |  | **28** |
| Addition/Update |  |  | 42 |  |  | 25 |
| Reversal of the provision |  |  | -- |  |  | -- |
| Write-off by payment |  |  | -- |  |  | -- |
| **Closing balance** |  |  | **70** |  |  | **53** |
| **Tax Lawsuits** |  |  |  |  |  |  |
| **Initial balance** |  |  | **7** |  |  | **1,130** |
| Addition/Update (1) |  |  | 28 |  |  | 132 |
| Reversal of the provision |  |  | -- |  |  | (162) |
| Write-off by payment |  |  | -- |  |  | -- |
| **Closing balance** |  |  | **35** |  |  | **1,100** |
| **Civil Lawsuits** |  |  |  |  |  |  |
| **Initial balance** |  |  | **13,847** |  |  | **14,256** |
| Addition/Update (2) (3) |  |  | 18,091 |  |  | 4,130 |
| Reversal of the provision |  |  | (5,096) |  |  | (4,277) |
| Write-off by payment |  |  | -- |  |  | -- |
| **Closing balance** |  |  | **26,842** |  |  | **14,109** |
| **Total** |  |  | **26,947** |  |  | **15,262** |

1. In the period ending on Sept 30, 2023, includes the amount of R$ 2 thousand related to monetary restatement (R$ 88 thousand in the period ending on Sept 30, 2022).
2. In the period ending on Sept 30, 2023, includes the amount of R$ 1.243 thousand related to monetary restatement (R$ 711 thousand in the period ending on Sept 30, 2022).
3. In the period ending on Sept 30, 2023, at BB Corretora, in addition to an increase in the volume of civil claims, there was a review of the classification of existing lawsuits, with an increase in the likelihood of loss.

In the period ending on Sept 30, 2023, the amounts of R$ 28 thousand related to Labor claims and R$ 240 thousand related to Civil claims were provisioned in the BB Seguridade. To the Tax claims there are no provisions.

**Expected outflows of economic benefits**

R$ thousand

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Labor lawsuits** | **Tax lawsuits** |  | **Civil lawsuits** | **Total** |
| Up to 5 years |  | 66 | 15 |  | 25,796 | **25,877** |
| Over 5 years |  | 4 | 20 |  | 1,046 | **1,070** |
| **Total** |  | **70** | **35** |  | **26,842** | **26,947** |

Given the scenario of uncertainties in the duration of the proceedings, as well as the possibility of changes in the jurisprudence of the courts, the outflow of economic benefits has been estimated based on the best available information.

**c) Contingent Liabilities – Possible**

Tax and civil demands classified as possible risk are exempt from provisioning, in accordance with CPC 25 [IAS 37].

**c.1) Tax Lawsuits**

In the tax lawsuits, classified as possible, we have those referring to BB Corretora, which contests the non-recognition of IRPJ, CSLL, PIS and COFINS compensation requests made between 1999 and 2003, due to the non-recognition of negative balances from 1995 and 1997 and the deduction of CSLL amounts from the IRPJ calculation basis granted in a Writ of Mandamus decision.

In accordance with applicable legislation, notably CPC 25 - Provisions, Contingent Liabilities and Contingent Assets, actions with remote or possible risk classification are exempt from the constitution of a provision. However, in the main lawsuit classified as possible, BB Corretora has a legal dispute related to "DCOMP - IRPJ Negative Balance", with TRF1 / Court of Brasília/DF, whose initial value of the cause was R$ 82.3 million, filed on Apr 18, 2011. The process is in the initial knowledge phase (no judgment has been issued yet). It should also be mentioned that this process has a judicial deposit (coming from the administrative phase of the discussion) in the amount of approximately R$ 173.2 million (base date: Sept 30, 2023) deposited in a judicial account at Caixa Econômica Federal.

BB Seguridade and BB Seguros do not have tax claims with significant amounts.

**c.2) Civil Lawsuits**

In civil lawsuits involving BB Seguridade, BB Seguros and BB Corretora, we highlignt the claims for various indemnities (material damages, moral damages, etc., for example), notably resulting from consumer relations involving security products and the like (personal insurance and equity, open private pension, capitalization and dental plans).

**Balances of contingent liabilities classified as possible**

R$ thousand

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | **Parent** | |  |  | **Consolidated** | |
|  | |  | **Sept 30, 2023** | **Dec 31, 2022** |  |  | **Sept 30, 2023** | **Dec 31, 2022** |
| Tax lawsuits (1) | |  | -- | -- |  |  | 297,061 | 270,060 |
| Civil lawsuits | |  | 2 | -- |  |  | 2,468 | 2,215 |
| **Total** | |  | **2** | **--** |  |  | **299,529** | **272,275** |

(1) Refers mainly to the tax lawsuit filed by BB Corretora with the objective of annulling an administrative decision that did not ratify declarations of offsetting negative IRPJ balances with different taxes. There is a guarantee deposit for the mentioned action as shown in item d) Deposits in Guarantee of Funds.

BB Seguridade does not have contingent liabilities of its investees shared with other shareholders of the investees and is not jointly and severally liable for all or part of the liabilities of its investees.

**d) Deposits in Guarantee of Funds**

Guarantee deposits are cash deposits and are made with Banco do Brasil or another official financial institution, as a means of payment or as a means of guaranteeing the payment of convictions, indemnities, agreements and other expenses resulting from legal proceedings. The amounts are presented in the balance sheet under Other Assets.

**Balances of escrow deposits formed for provisions and contingent liabilities**

R$ thousand

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | **Parent** | |  | **Consolidated** | |
|  | |  | **Sept 30, 2023** | **Dec 31, 2022** |  | **Sept 30, 2023** | **Dec 31, 2022** |
| Tax lawsuits (1) | |  | -- | -- |  | 229,150 | 218,871 |
| Civil lawsuits | |  | -- | -- |  | 2,471 | 2,907 |
| Labor lawsuits | |  | 12 | 11 |  | 60 | 56 |
| **Total** | |  | **12** | **11** |  | **231,681** | **221,834** |

(1) Refers mainly to a tax lawsuit aimed at annulling an administrative decision that did not ratify declarations of offsetting negative IRPJ balances with various taxes. The updated amount of the aforementioned judicial deposit is R$ 173,234 thousand (R$ 165,385 thousand on Dec 31, 2022), referring to the investee BB Corretora.

# **23 – UNEARDED COMMISSIONS**

R$ thousand

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | | | **Consolidated** | |
|  | | | **Sept 30, 2023** | **Dec 31, 2022** |
| **Current Liabilities** |  |  | **2,005,792** | **1,760,473** |
| Brasilseg/ABS |  |  | 1,911,564 | 1,656,677 |
| MAPFRE Seguros Gerais |  |  | 94,049 | 103,560 |
| Others |  |  | 179 | 236 |
| **Non-Current Liabilities** |  |  | **2,506,334** | **1,787,547** |
| Brasilseg/ABS |  |  | 2,474,794 | 1,761,161 |
| MAPFRE Seguros Gerais |  |  | 31,540 | 26,386 |
| **Total** |  |  | **4,512,126** | **3,548,020** |

There are no amount of unearned commissions in parent.

# **24 – OTHER LIABILITIES**

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Parent** | |  | **Consolidated** | |
|  |  | **Sept 30, 2023** | **Dec 31, 2022** |  | **Sept 30, 2023** | **Dec 31, 2022** |
| **Current Liabilities** |  |  |  |  |  |  |
| Amounts payable to related companies (1) |  | 33,786 | 8,054 |  | 87,729 | 99,353 |
| Annual variable remuneration program of the Executive Board |  | 1,914 | 3,929 |  | 1,914 | 3,929 |
| Other |  | 45 | 201 |  | 1,688 | 2,081 |
| **Total** |  | **35,745** | **12,184** |  | **91,331** | **105,363** |

1. Refers to the apportionment of expenses calculated in accordance with the contract for sharing customer data, use of staff, distribution network and technological and administrative material resources, entered between Banco do Brasil, BB Seguridade, BB Corretora and BB Seguros. In the Consolidated, it also includes amounts payable to related companies, resulting from brokerage commissions to be returned. On Dec 29, 2022, the 1st Amendment to the Partnership Restructuring Agreement was signed, providing for the elimination of the price adjustment mechanism, effective for three years, renewable successively, starting in 2023.

# **25 – EQUITY**

**a) Book value per share and earnings per share**

The shareholders’ equity amounted R$ 10,663,193 mil thousand on Sept 30, 2023 (R$ 8,036,730 thousand on Dec 31, 2022 – restated balances), corresponding a book value per share of R$ 5.33 per share on Sept 30, 2023 (R$ 4.02 on Dec 31, 2022 - restated balances).

|  |  |  |
| --- | --- | --- |
|  | **Parent and Consolidated** | |
|  | **01.01 to 09.30.2023** | **01.01 a 09.30.2022 (Restated balances)** |
| Net income attributable to shareholders of the Bank (R$ thousand) | 5,849,408 | 4,430,068 |
| Weighted average number of shares | 1,996,314,575 | 1,996,709,128 |
| Earnings per share – basic and diluted (R$) | 2.93 | 2.22 |

The weighted average number of shares of common stock outstanding during the period is the number of total shares of common stock held by shareholders at the beginning of the period, adjusted by the number of shares reacquired or issued during the period multiplied by the number of days the shares outstanding have been shareholders in proportion to the total number of days in the period.

The basic earnings per share is calculated by dividing net income attributable to shareholders of the BB Seguridade by the weighted average number of common shares outstanding (not considered treasury shares) in each of the periods presented.

The diluted earnings per share is calculated by dividing net income attributable to shareholders of the BB Seguridade by the weighted average number of common shares outstanding (not considered treasury shares), including the effect of all dilutive potential ordinary shares.

The BB Seguridade has no option, bonus of subscription or its equivalents which provide their holder the right to acquire shares. Thus, the basic and diluted earnings per share are equal and was calculated by dividing the profit attributable to the holders of common shares of the company by the weighted average number of common shares held by shareholders during the period.

b) Dividends

BB Seguridade has a Dividend Policy, available on the Investor Relations website, and this Policy is revised at least every three years, or, extraordinarily, at any time, and submitted to the Board of Directors for approval, with the last one occurring on May 05, 2022.

On Dec 16, 2022, the Board of Directors approved the distribution of R$ 3,673,700 thousand in dividends, referring to the profit for the 2nd half of 2022, and R$ 24 thousand in prescribed dividends for the 1st half of 2019. The dividends were paid in March 2023. On these amounts, R$ 77,280 thousand of monetary adjustment was applied, at the Selic rate, totaling   
R$ 3,751,004 thousand.

On June 30, 2023, the Board of Directors approved the distribution of R$ 3,210,000 thousand in interim dividends, referring to the profit for the 1st half of 2023, and R$ 50 thousand in dividends prescribed for the period. Dividends were paid in August 2023.

c) Shareholdings (number of shares)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Stockholders | Sept 30, 2023 | |  | | Dec 31, 2022 | | | |
| **Shares** | **% Total** |  |  | | | **Shares** | **% Total** |
| Banco do Brasil | 1,325,000,000 | 66.25 |  |  | | 1,325,000,000 | | 66.25 |
| Other stockholders | 665,923,968 | 33.30 |  |  | | 671,726,433 | | 33.59 |
| Treasury shares | 9,076,032 | 0.45 |  |  | | 3,273,567 | | 0.16 |
| Total | 2,000,000,000 | 100,00 |  |  | | **2,000,000,000** | | **100** |
| Locals | 1,575,038,505 | 78,75 |  |  | | 1,538,774,783 | | 76.94 |
| Foreign | 424,961,495 | 21,25 |  |  | | 461,225,217 | | 23.06 |

**d) Capital**

The capital, fully subscribed and paid in, amounted to R$ 6,269,692 thousand on Sept 30, 2023 and Dec 31, 2022, it is divided into 2,000,000,000 (two billion) shares, represented in book-entry form and without par value.

**e) Capital and Profit Reserves**

R$ thousand

|  |  |  |
| --- | --- | --- |
|  | Parent and Consolidated | |
|  | **Sept 30, 2023** | **Dec 31, 2022** |
| Capital Reserves | **1,805** | **1,571** |
| Profit Reserves | **1,552,229** | **1,552,229** |
| Legal Reserve | 302,229 | 302,229 |
| Reserve for Equalization of Capital Remuneration | 1,250,000 | 1,250,000 |

The Capital Reserve is made up of the amounts relating to transactions with payment based on shares, as well as the gain or loss on the sale of treasury shares.

The purpose of the Legal Reserve is to ensure the integrity of the capital stock and may only be used to offset losses or increase the capital stock. Of the net income for the period, 5% is invested, before any other allocation, in the constitution of the legal reserve, which will not exceed 20% of the share capital and the balance of the legal reserve plus the amounts of capital reserves that will not exceed 30% of the capital stock.

The Statutory Reserve for Equalization of Capital Remuneration has the purpose of guaranteeing resources for the payment of dividends, including in the form of interest on own capital or its prepayments, limited to 80% of the capital stock value, being formed with resources: equivalent to up to 50% of the net income for the year and arising from the anticipation of dividends.

**f) Treasury shares**

**f.1) Number of Treasury Shares**

|  |  |  |
| --- | --- | --- |
| Description | Parent and Consolidated | |
| **Sept 30, 2023** | **Dec 31, 2022** |
| Variable Wage Program | 51,502 | 48,215 |
| Repurcharse Program (1) | 9,024,530 | 3,225,352 |
| Total | **9,076,032** | **3,273,567** |

(1) During the period, 27,622 shares were transferred from the Buyback Program to the Directors' Variable Remuneration Program, in addition to the acquisition of 5,826,800 shares in the Company's current Buyback Program.

The cost value of treasury shares is R$ 261,160 thousand and the exchange price on Sept 30, 2023 is R$ 283,263 thousand.

**f.2) Share-Based Payment – Variable Wage Program**

The Variable Wage Program Board of BB Seguridade determined that, of the total amount allocated to the payment of variable compensation, 50% will be made in shares of BB Seguridade (BBSE3). From the total paid in shares, 20% will be immediately transferred to the beneficiary ownership and 80% will be deferred for a period of four years.

On November 13, 2014, the Brazilian Securities and Exchange Commission (CVM) authorized BB Seguridade to make annually the private trading of its own shares, in order to fund, through these shares, part of the payment of the variable remuneration compensation of its Executive Board members, without the need to submit, every year, that commission new requests, in the case therefore of permanent authorization.

We present the statement of acquired shares, its distribution and its transfer schedule:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2019 Program** | **2020 Program** | **2021 Program** | **2022 Program** | **Total** |
| Shares Distributed | 22,668 | 13,486 | 10,087 | 5,451 | **51,692** |
| Shares to Distribute | 5,665 | 8,974 | 15,111 | 21,752 | **51,502** |
| **Total Program Shares** | **28,333** | **22,460** | **25,198** | **27,203** | **103,194** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Estimated Schedule Transfers** | | | | | | |
|  | **Period** | **2019 Program** | **2020 Program** | **2021 Program** | **2022 Program** | **Total** | |
| Shares to Distribute | March 2024 | 5,665 | 4,487 | 5,037 | 5,438 | 20,627 | |
| Shares to Distribute | March 2025 | -- | 4,487 | 5,037 | 5,438 | 14,962 | |
| Shares to Distribute | March 2026 | -- | -- | 5,037 | 5,438 | 10,475 | |
| Shares to Distribute | March 2027 | -- | -- | -- | 5,438 | 5,438 | |
| **Total shares to be distributed** |  | **5,665** | **8,974** | **15,111** | **21,752** | **51,502** | |

f.3) Repurcharse Program

On August 4, 2023, the Board of Directors approved the opening of a Share Buyback Program issued by the Company, intended for the acquisition of up to 64,249 thousand common shares, for maintenance in treasury and subsequent sale or cancellation, aiming to maximize the generating value for shareholders. The program term is 18 months.

g) Other Accumulated Comprehensive Income

The negative balance recorded in Accumulated Other Comprehensive Income in the amount of R$ 174,105 thousand   
(R$ 341,992 thousand negative on December 31, 2022 - restated balances) is mainly composed of:

i - Negative R$ 75,841 thousand, related to the devaluation resulting from the adjustment to market value, net of tax effects, of securities classified as fair value through other comprehensive income of BB MAPFRE and Brasilcap;

ii - R$ 75,048 thousand negative, related to other comprehensive income of BB MAPFRE, Brasilprev and Brasildental referring to the impacts of CPC 50;

iii – R$ 23,169 thousand negative related to the balance of other comprehensive income of BB Seguros absorbed by the statutory reserve, referring to adjustments for the purpose of standardizing the accounting practice of previous periods, related to leases, CPC 06 (R2) [IFRS 16] – BB MAPFRE, Brasilpev and Brasilcap leases.

Considering that BB Seguridade does not have securities classified as fair value through other comprehensive income, the amounts contained in its financial statements reflect the amounts existing in the companies in which BB Seguros holds an interest.

# **26 – RELATED PARTY TRANSACTIONS**

BB Seguridade and its subsidiaries have an agreement with Banco do Brasil S.A., signed on Jan 09, 2013, for a period of 20 years, for apportionment and/or reimbursement of expenses and direct and indirect costs resulting from the use of the staff, material, technological and administrative resources necessary to maintain the Companies' activities and, especially the sale of products in the banking channel.

The agreement aims to capture synergies resulting from the sharing of resources and its terms provide that the reimbursement follows apportionment criteria based on calculation methodologies foreseen in the referred agreement, observing the effective use of the resources. The apportionment amounts are calculated and paid monthly.

The costs of salaries and other benefits granted to key management personnel of the BB Seguridade (Executive Board, Audit Committee, Board of Directors, and Fiscal Council):

**R$ thousand**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | | | |  | 01.01 to 09.30.2023 | 01.01 to 09.30.2022 |
| Short-term benefits |  |  |  |  | **7,115** | **5,856** |
| Fees and social charges |  |  |  |  | **5,211** | **4,514** |
| Executive Board |  |  |  |  | 3,691 | 3,222 |
| Audit Committee |  |  |  |  | 587 | 545 |
| Board of Directors |  |  |  |  | 278 | 249 |
| Fiscal Council |  |  |  |  | 196 | 194 |
| Party Transactions Committee |  |  |  |  | 113 | 109 |
| Risks and capital Committee (1) |  |  |  |  | 346 | 195 |
| Variable Remuneration (2) |  |  |  |  | **1,407** | **886** |
| Other (3) |  |  |  |  | **497** | **456** |
| Variable Wage Program (4) |  |  |  |  | **1,124** | **813** |
| Total |  |  |  |  | **8,239** | **6,669** |

1. Committee established on April 20, 2022, according to the meeting of Board of Directors.
2. Refers to the value in kind of settlement of the Administrators' Variable Remuneration Program (PRVA) of 2022 and advance in kind of PRVA 2023. Gross value, before the discount related to Income Tax.
3. Benefits considered: medical care, health assessment (promotion and prevention actions in occupational health), life insurance, removal advantage (partial cost of expenses in case of removal to other locations) and supplementary pension plan of the administrators.
4. Refers to the cost of shares relating to the installments of the share-based payment programs for 2018, 2019, 2020, 2021 and 2022. Gross value, before the income tax discount.

In April 2023, through the approval of the Global Remuneration of the Administrators and other members of Boards and Statutory Committees for the period from April 2023 to March 2024, which took place at the Ordinary General Meeting held on April 28, 2023, there was the application readjustment of 9% in the remuneration received by the members of the Executive Board and of the Statutory Boards and Committees, according to item “c” below. Also, the difference presented in the Fees and charges of the Executive Board also refers to the increase in charges calculated on the variable compensation (in cash and shares) for the 2022 financial year, paid in the 1st half 2023. The latter increased in relation to the compensation variable for the 2021 fiscal year, paid in the 1st half 2023, as can be seen in the lines “Variable Compensation” and “Share-Based Compensation” in the table above. The increase observed in the line “Risks and Capital Committee” refers to the fact that, in 2022, the members were elected in April of that year, which impacted the total amount spent in the semester with said governance body.

According to the variable remuneration policy of BB Seguridade, established in accordance with Law 6404/1976, Article 152 and Accounting Pronouncements Committee 10 - CPC 10 (R1) [IFRS 2] - Share-based Payment, the part of variable remuneration of the Executive Board is paid in shares.

BB Seguridade does not provide post-employment benefits to its key management personnel or to its employees.

Current personnel costs are reimbursed to the controller Banco do Brasil S.A., under the employee assignment agreement, in the period in which they are allocated to the Company's activities.

The Group trades banking transactions with its Controller, Banco do Brasil S.A. such as current account deposits (unpaid), corporate cards, financial applications, service deliveries and warranty in conditions equivalent to those available to other customers.

The Group does not grant loans to its Directors, Fiscal Council members, Board of Directors and Audit Committee.

BB Seguros has commercialization contracts for insurance products in the banking channel with all its investees, the main ones being listed below:

* Brasilseg Companhia de Seguros S.A. and Aliança do Brasil Seguros S.A., subsidiaries of BB Mapfre Participações S.A., for the sale of insurance, signed on June 30, 2011, valid until June 30, 2031, renewable for subsequent periods of 5 years.
* Brasilprev Seguros e Previdência S.A., for the sale of private pension plans, signed on October 06, 1999, for a period of 5 years, automatically renewable for equal periods.
* Brasilcap Capitalização S.A., for the sale of capitalization bonds, signed on July 14, 1999, for a period of 5 years, automatically renewable for equal periods.

The schedules below introduce the main transactions involving the companies within the effective utilization of resources:

1. Summary of related party transactions

BB Seguridade – Controller

R$ thousand

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | Sept 30, 2023 | | Dec 31, 2022 | |
|  | | **Banco do Brasil** | **Subsidiaries (1)** | **Banco do Brasil** | **Subsidiaries (1)** |
| Assets | |  |  |  |  |
| Cash and cash equivalents | | 386,940 | -- | 59,003 | -- |
| Dividends/interest on equity receivable | | -- | -- | -- | 3,683,355 |
| Receive with related parties | | -- | 8,704 | -- | 9,365 |
| Liabilities | |  |  |  |  |
| Social and statutory obligations | | 190 | -- | 2,434,043 | -- |
| Obligations with related parties | | 9,605 | -- | 8,054 | -- |

R$ thousand

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | 3rd Quarter 2023 | | 3rd Quarter 2022 | |
|  | | **Banco do Brasil** | **Subsidiaries (1)** | **Banco do Brasil** | **Subsidiaries (1)** |
| Income | |  |  |  |  |
| Interest earnings of financial instruments | | 26,133 | -- | 2,485 | -- |
| Personnel expenses | | (3,046) | -- | (3,866) | -- |
| Administrative expenses (2) | | (474) | -- | (422) | -- |

1. BB Seguros and BB Corretora.
2. Refers to expenses as sharing contract customer data, use of staff, distribution network and resource materials technological and administrative, between the Banco do Brasil, BB Seguridade, BB Corretora and BB Seguros.

R$ thousand

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | 01.01 to 09.30.2023 | | 01.01 to 09.30.2022 | |
|  | | **Banco do Brasil** | **Subsidiaries (1)** | **Banco do Brasil** | **Subsidiaries (1)** |
| Income | |  |  |  |  |
| Interest earnings of financial instruments | | 36,837 | -- | 11,161 | -- |
| Personnel expenses | | (9,893) | -- | (10,783) | -- |
| Administrative expenses (2) | | (1,456) | -- | (1,423) |  |
| Monetary assets changes | | -- | 77,483 | -- | 22,106 |
| Monetary liabilities changes | | (51,198) | -- | (17,056) | -- |

1. BB Seguros and BB Corretora.
2. Refers to expenses as sharing contract customer data, use of staff, distribution network and resource materials technological and administrative, between the Banco do Brasil, BB Seguridade, BB Corretora and BB Seguros.

BB Seguridade – Consolidated

R$ thousand

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | **Sept 30, 2023** | |  |  | | | **Dec 31, 2022** | |
|  | | **Banco do Brasil** | | **Associates and joint ventures (1)** | | |  | **Banco do Brasil** | | **Associates and joint ventures (1)** |
| **Assets** | |  | |  | | |  |  | |  |
| Cash and cash equivalents | | 3,367,113 | | -- | | |  | 6,076,618 | | -- |
| Dividends/interest on equity receivable | | -- | | -- | | |  | -- | | 13,519 |
| Commissions to be received | | -- | | 2,044,046 | | |  | -- | | 1,742,221 |
| **Liabilities** | |  | |  | | |  |  | |  |
| Social and statutory obligations | | 190 | | -- | | |  | 2,434,043 | | -- |
| Obligations with related parties (2) | | 24,381 | | 39,143 | | |  | 25,003 | | 47,473 |
| Unearned Commissions | | -- | | 4,386,538 | | |  | -- | | 3,878,462 |

R$ thousand

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | **3rd Quarter 2023** | | | **3rd Quarter 2022** | | | |
|  | | **Banco do Brasil** | | **Associates and joint ventures (1)** |  | | **Banco do Brasil** | **Associates and joint ventures (1)** |
| **Income** | |  | |  |  | |  |  |
| Interest earnings of financial instruments | | 126,944 | | -- |  | | 143,738 | -- |
| Income from Commission | | -- | | 1,265,002 |  | | -- | 1,222,280 |
| Personnel expenses | | (21,176) | | -- |  | | (19,168) | -- |
| Administrative expenses/costs of services provided (2) | | (58,457) | | -- |  | | (54,793) | -- |

1. Related companies BB MAPFRE Participações S.A. and its subsidiaries, Brasilprev Seguros e Previdência S.A. Brasilcap Capitalização S.A. and Brasildental S.A.
2. Refers to expenses as sharing contract customer data, use of staff, distribution network and resource materials technological and administrative, between the Banco do Brasil, BB Seguridade, BB Corretora and BB Seguros.

R$ thousand

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | **01.01 to 09.30.2023** | | | **01.01 to 09.30.2022** | | | |
|  | | **Banco do Brasil** | | **Associates and joint ventures (1)** |  | | **Banco do Brasil** | **Associates and joint ventures (1)** |
| **Income** | |  | |  |  | |  |  |
| Interest earnings of financial instruments | | 384,296 | | -- |  | | 329,298 | -- |
| Income from Commission | | -- | | 3,580,922 |  | | -- | 3,246,625 |
| Personnel expenses | | (62,634) | | -- |  | | (53,106) | -- |
| Administrative expenses/costs of services provided (2) | | (165,973) | | -- |  | | (163,869) | -- |
| Monetary liabilities changes | | (51,198) | | -- |  | | (17,056) | -- |

1. Related companies BB MAPFRE Participações S.A. and its subsidiaries, Brasilprev Seguros e Previdência S.A. Brasilcap Capitalização S.A. and Brasildental S.A.
2. Refers to expenses as sharing contract customer data, use of staff, distribution network and resource materials technological and administrative, between the Banco do Brasil, BB Seguridade, BB Corretora and BB Seguros.
3. Compensation Paid to Employees and Directors

On April 15, 2021, and May 27, 2021, an agreement of assignment new version of employees of Banco do Brasil S.A, to BB Seguridade, for the office of Director levels, Management and other positions of trust was signed. The Banco do Brasil S.A. continues to process the payroll of the transferred employees, receiving a monthly repayment of all current costs from BB Seguridade. On September 30, 2023, there were 190 employees assigned (179 on September 30, 2022), considering those occupying non-statutory and statutory functions (Executive Board).

1. Remuneration of employees and managers

Monthly wages paid to employees and Directors of the BB Seguridade S.A.

**In Reais**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | | | |  | Sept 30, 2023 | Dec 31, 2022 |
| Lowest salary |  |  |  |  | 8,075,41 | 7,721,75 |
| Highest salary |  |  |  |  | 48,253,43 | 46,140,21 |
| Average salary |  |  |  |  | 18,645,97 | 18,151,96 |
|  |  |  |  |  |  |  |
| Management |  |  |  |  |  |  |
| Director-President |  |  |  |  | 67,105,66 | 61,564,83 |
| Director |  |  |  |  | 56,873,42 | 52,177,45 |
|  |  |  |  |  |  |  |
| Council members |  |  |  |  |  |  |
| Board of Directors |  |  |  |  | 6,438,41 | 5,906,80 |
| Fiscal Council |  |  |  |  | 6,438,41 | 5,906,80 |
| Audit Committee - Member |  |  |  |  | 10,758,58 | 9,870,26 |
| Risk and Capital Committee |  |  |  |  | 10,758,58 | 9,870,26 |

1. Application of a 9% adjustment to the remunerations received by members of the Executive Board, approved by the Ordinary General Meeting held on April 28, 2023.
2. Application of a 9% adjustment to the remunerations received by members of the Boards and Statutory Committees, approved by the Ordinary General Meeting held on April 28, 2023.
3. Application of a 4.58% adjustment to the remuneration received by CLT employees, in accordance with the category agreement, effective from September 2023.
4. Compensation and Benefits of Employees and Managers

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | | | |  | **Sept 30, 2023** | **Sept 30, 2022** |
| **Management (1)**  Lowest salary |  |  |  |  | 97,501.49 | 86,969.17 |
| Highest salary |  |  |  |  | 129,957.50 | 109,934.91 |
| Average salary |  |  |  |  | 111,244.75 | 94,671.72 |
|  |  |  |  |  |  |  |
| **Employees (2)**  Lowest salary |  |  |  |  | 10,405.47 | 6,997.97 |
| Highest salary |  |  |  |  | 80,102.36 | 62,914.13 |
| Average salary  Benefícios **(3)** |  |  |  |  | 27,027.43  4,853.02 | 23,900.35  4,624.50 |

1. Average monthly remuneration for the period of Directors who held the position during all months of the respective period, including the Chief Executive Officer, considering variable remuneration and benefits offered, except social charges.
2. Average monthly remuneration for the period of Employees who have remained with the company during all months of the respective period, considering expenses with salaries, personal benefits, commissions, bonuses, additional payments, overtime and other expenses linked to remuneration, including benefits offered, except social charges.
3. Overall average value of benefits offered to Employees, considering, for example, medical and dental assistance, food and meal allowances, daycare allowance, transportation allowance, supplementary pension.

|  |
| --- |
| **BB Seguridade Participações S.A.**  Report on Review of  Interim Financial Information  for the Nine-month Period Ended  September 30, 2023  Deloitte Touche Tohmatsu Auditores Independentes Ltda. |

(Convenience Translation into English from the Original Previously Issued in Portuguese)

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Management, Members of the Board and Shareholders of

BB Seguridade Participações S.A.  
Brasília - DF

**Introduction**

We have reviewed the accompanying individual and consolidated interim financial information of BB Seguridade Participações S.A. (“Company”), included in the Interim Financial Information Form (ITR), for the quarter ended September 30, 2023, which comprises the balance sheet as at September 30, 2023, and the related statements of income and of comprehensive income for the three and nine-month periods then ended and of changes in equity and of cash flows for the nine-month period then ended, including the explanatory notes.

The Executive Board is responsible for the preparation of the individual and consolidated interim financial information in accordance with technical pronouncement CPC 21 (R1) - “Demonstração Intermediária” and international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of review**

We conducted our review in accordance with Brazilian and international standards on review of interim financial Information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion on the individual and consolidated interim financial information**

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the ITR referred to above has not been prepared, in all material respects, in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34 applicable to the preparation of ITR and presented in accordance with the standards issued by the CVM.

**Other matters**

*Statements of value added*

The interim financial information referred to above includes the individual and consolidated statements of value added (“DVA”) for the nine-month period ended September 30, 2023, prepared under the responsibility of the Company’s Executive Board and presented as supplemental information for purposes of international standard IAS 34. These statements were subject to review procedures performed together with the review of the ITR to reach a conclusion on whether they are reconciled with the interim financial information and the accounting records, as applicable, and if their form and content are consistent with the criteria set forth in technical pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with such technical pronouncement and consistently with the accompanying individual and consolidated interim financial information taken as a whole.

The accompanying individual and consolidated interim financial information has been translated into English for the convenience of readers outside Brazil.

Brasília, November 3, 2023

|  |  |
| --- | --- |
| DELOITTE TOUCHE TOHMATSU | Roberto Paulo Kenedi |
| Auditores Independentes Ltda. | Engagement Partner |

# **DECLARATION OF THE MEMBERS OF THE EXECUTIVE BOARD ABOUT THE FINANCIAL STATEMENTS**

In accordance with Article 27 of CVM Rule 80, dated March 29, 2022, I declare that I have reviewed the Financial Statements for the fiscal year ended on September 30, 2023, of the BB Seguridade Participações S.A. and, based on subsequent discussions, I agree that such statements reflect fairly, in all material respects, the financial position for the period presented.

Brasília, November 03, 2023.

Ullisses Christian Silva Assis

Chief Executive Officer

Bruno Alves do Nascimento

Chief Strategy Officer

Marcelo Lopes Lourenço

Chief Commercial Officer

Rafael Augusto Sperendio

Chief Financial Officer

# **STATEMENT OF THE MEMBERS OF THE EXECUTIVE BOARD ON THE REPORT OF THE INDEPENDENT AUDITORS**

In accordance with Article 27 of CVM Rule N. 80, dated March 29, 2022, I declare that based on my knowledge, the planning submitted by the auditors and the subsequent discussions on the audit results, I agree with the opinions expressed in the Deloitte Touche Tohmatsu Independent Auditors’ report, dated November 03, 2023, related to the financial statements of BB Seguridade Participações S.A. for the fiscal year ended September 30, 2023, there being no disagreement.

Brasília (DF), November 03, 2023.

Ullisses Christian Silva Assis

Chief Executive Officer

Bruno Alves do Nascimento

Chief Strategy Officer

Marcelo Lopes Lourenço

Chief Commercial Officer

Rafael Augusto Sperendio

Chief Financial Officer

# **MEMBERS OF THE MANAGEMENT BODIES**

**DIRECTOR-PRESIDENT**

Ullisses Christian Silva Assis

**DIRECTORS**

Bruno Alves do Nascimento

Marcelo Lopes Lourenço

Rafael Augusto Sperendio

**BOARD OF DIRECTORS**

Marcelo Cavalcante de Oliveira Lima (President)

Daniel Alves Maria

Gilberto Lourenço da Aparecida

Guilherme Santos Mello

Marcos Rogério de Souza

Maria Carolina Ferreira Lacerda

Ullisses Christian Silva Assis

**FISCAL COUNCIL**

Lucinéia Possar

Adriano Pereira de Paula

Francisco Olinto Velo Schmitt

**AUDIT COMMITTEE**

Luiz Claudio Moraes

Artemio Bertholini

Gilberto Lourenço da Aparecida

Manoel Gimenes Ruy

Roberto Lamb

**ACCOUNTANT**

Pedro Kiefer Braga

CRC-DF 020.786/O-0

CPF 027.782.029-43