[00:00:16] Felipe Peres - Good morning. Thank you for participating in our virtual meeting to present the 2Q23 results. A few quick reminders before we get started. This event is being recorded and has simultaneous translation into English. Those who wish to hear the audio in English, just click on the "interpretation" button at the bottom of the screen. During the meeting, we will show the presentation in Portuguese. To view the document in English, simply access it on the investor relations website at www.bbseguridaderi.com.br. During the presentation, anyone wishing to submit questions just click on the "Q&A" button. We will also allow some questions to be asked via audio after the presentation exclusively in Portuguese. With us today are Ullisses Assis (CEO), Chief Executive Officer of BB Seguridade and Rafael Sperendio (CFO), Chief Financial Officer and Investor Relations. I now pass the floor to Ullisses, who will begin the presentation.

[00:01:24] Ullisses Assis - Thank you, Felipe. Good morning, everybody! It is a great pleasure to be here with you again to talk about the results of our 2Q23 and the 1H23. I'm going to start the presentation, as usual, talking a little bit about our big numbers and our strategies and then Rafael comes in talking a little bit, detailing the numbers a little more. You can pass Felipe, please. So, we ended our 1H23 with a profit of R$3.7 billion, 37% higher than the same period last year. A result that, more than anything else, makes us very happy because it was built on solid foundations, showing the resilience of our company, of our business. A strong growth in the operating result, also a growth in the financial result, but an operating result, maintaining or even above what we had been growing historically. So, something that we really believe in and that really builds solid foundations for our company. In insurance premiums, we had a first half 16% higher than the same period last year, a loss ratio of 29%, 7.3 percentage points below 2022. In Pension plans, a very solid growth in collection, R$27 billion in contributions, 10% growth, a positive net inflow of R$2.2 billion. You remember that in recent years we have been reporting negative net funding or sometimes going sideways like last year. This year we already see growth. Capitalization, since last year we have had a strong recovery, we have resumed, including market leadership. This year, in the 1H23, we collected R$3.1 billion, an 18% growth. And when we look at the balance of reserves, we arrive at practically R$11 billion, with a 28% growth. Obviously, this commercial performance also leads to an increase in revenue at the brokerage firm, where we had 15% more than last year, reaching R$2.4 billion in brokerage revenue. All this is enabling us to distribute R$3.2 billion in dividends, which represents 86% of our net income for 1H23. Talking a little bit about the strategies we have been doing here. Anyone who has followed our company over the last 2 years, our management has made some commitments in terms of lines of strategy and one of them was the issue of digital transformation. The other is the issue of new distribution channels and the customer experience. Accounting here for what we have done. In the line of digital transformation in 1H23, we invested R$250 million in technology distributed among products, channels and analytical intelligence, this amount is 12% higher than what we invested last year. We had challenged ourselves last year, you remember, to put all of our products in a service-oriented cloud architecture. This we concluded until last year, obviously it gives us a very interesting sales traction power and customization, whether for BB branches or for digital - the bank's app has proven to be an excellent sales tool - it was also fundamental to reinforce products for distribution in partners, and it has already served us a lot, in terms of "embedded insurance", where we already have some very interesting experiences. This has allowed us, on the one hand, to consolidate our leadership in some segments - you can see it in the lower left corner -. We maintained our leadership in life, rural credit life, Pension plans, both contributions and reserves and Premium bonds reserves, and it has also helped us to develop new products, such as the corporate one. We recently launched a new product. Obviously, with a lot of technology utilization where it's been driving growth. We have grown more than twice the market and our ambition is to have a "fair share" that we understand as ideal, according to our market size. I spoke a little about products, I want to talk a little bit about channels quickly. You can pass, Felipe. Our digital channel grew 13% in terms of sales compared to the same period last year. When we look at independent products, which do not depend directly on credit; are not correlated with credit, we grew 38% of these sales, 96% growth in digital sales and post-sales transactions. 121% growth in PM bonds sales, using the Banco do Brasil app, and 218% in BB Protection. You can even see it on the right side of the screen. We embarked on the BB Protection solution within the bank's PIX transaction and that made us much more attractive. And that's what we've been trying to do, putting our product according to the journey, according to what the customer needs at that moment, using services in the bank's app, we ship the related product, as long as it's of that customer's profile. And through this we have been able to really expand our sales volume and the tendency is for us to grow more and more. Today, of our almost 9 million customers, 71% of them are active in digital channels, which gives us opportunities for relationship with this customer, offering, mainly, talking about "cross sell", and this is what we have been doing and we have also invested a lot in WhatsApp - which is a very effective tool, including with NPS, very interesting. So, we are remarketing Insurance for life, home insurance, Pension plans, but our mission here is to ship as many solutions as possible for all products via WhatsApp, because it is a channel that really has, it has stood out a lot. And finally, talking about analytical intelligence, nothing would be possible without us using data effectively. I think that a company that is ready, or that has data or asks for data from the customer, must know what to do with that data. And this is a very big concern of ours, so analytical intelligence has been used a lot here, whether in terms of engagement and customer satisfaction through personalizing the relationship with each one of them. We know that the future of the Insurance market is hyper-customization and we have been working hard in that direction. We have been using analytical intelligence to develop other products or to add value to the products we already have, this is very important. We have been carrying out tests focusing on a value proposition for each client, in terms of business, not to mention the issue of strategy. That in the accelerated strategic execution, really because of it we have the democratization of data. So, data is something that we have invested a lot in and that we believe is what will help our company to perpetuate itself in the market, also because a personalized offer delivers value propositions at the right time for the profile of each client, at the right moment of life, it is extremely important. Let's quickly talk about the strategy for new channels, let Felipe pass. This is something we've been talking about for the last

2 years as well. You remember that back in 2021 we had no distribution outside the Banco do Brasil channel when our management took over here, we challenged ourselves to build new sales channels without leaving Banco do Brasil aside at any time. Of course, I always like to repeat this here, but it's a new business, a company the size of ours, we can't have to choose between one strategy or another, we must be able to do several strategies at the same time. And this strategy has proven to be very successful, we ended the 1H23 with R$858 million in written premiums. It is a volume 64% higher than what we did in 2022, which was practically the beginning of our strategy. This generated results for our company - last line of the Balance Sheet - R$66 million in the first semester. When we look - and I even commented earlier with the press - but when we look at BRL 66 million, compared to BRL 3.7 billion, sometimes we even think that it is little, but well, because it is a new strategy, because it is something that is growing, we understand that it is a very interesting number, not least because how many companies in Brazil generate R$66 million in results in the year. We are talking here about a semester with the strategy that has barely started. And, of course, we know very well that a large retail company is built with small strategies, and this is a strategy that we started from scratch, but that we understand that even due to the volume of growth, we will drive more and more. And we will be increasingly representative within the results of our company. I made a point of bringing the result of the strategy because, as we've been talking about it for a long time, nothing fairer than reporting to you on the financial result (last line). We know, and our expectation is for growth, because we have really had acceptance and a great demand for new partners. There were 24 new partnerships signed in 1H23 already with the diversification in the segments in which it operates. So, like this, shipping new products to existing partners and partnering to sell different products. Do you remember that 2 years ago we didn't sell anything through Banco do Brasil correspondents, whether they were business or transactional, and we already have a series of shipped products, a series of new partnerships with great potential in progress and we hope to implement them in the second half of the year so that this strategy becomes even more robust. You can pass, Felipe. Finally, I want to quickly touch on the issue of customer experience here. We had a 3% expansion in our customer base from 2021 to 2022, we have expanded 2%. Now we come to 3%. A highlight for 13% in the Premium bonds customer base, 4.3% in credit life and 6.3% in Pension plans. What makes us very happy is that the customer base has grown, and we continue to grow in terms of satisfaction. Our NPS according to the latest results, you remember well that it was already growing robustly. In addition to that growth, we also achieved 4 points of growth in rural NPS, practically 10 points in Premium bonds, 18 points. in life, 14 points in Pension plans, that is, our value proposal has been increasingly well received by the customer and, consequently, the number of complaints last year had fallen by 31%. Here we have a fall of 18% half-year against half-year, already accumulated on top of a strong comparative basis. And Life Insurance churn - which has a specific measurement - is down 15% year over year. Especially because it is an extremely interesting product within the total composition of our result. So, I think that by delivering an adequate value proposition, we can achieve higher and higher NPS, fewer complaints, less churn, which is our main objective. And finally, I want to talk quickly, give an overview, of the Relationship program. We launched the Relationship program in a pilot model

last year, which I had mentioned to you. So, it's inside the bank's app (BB) where the customer receives his rating of what level of protection he has at that time. We started with 50,000 customers in a pilot model. In June, we placed another 230,000 customers in the program, in July, another 1.2 million and now, in the third quarter, we will conclude, migrating our entire customer base to the Relationship program. We learned a lot this last year with the tests we did. Today we already have a total NPS of 4.2 p.p. higher than protected customers. I'm talking about customers, who are overprotected. So, our goal is to migrate more and more customers to the super protected and both in terms of cross sell and upsell. Especially because our overprotected customers provide our company with 10 times more profitability than other customers. And not to mention that we have 68% of them with more than one product. Our idea is really to work on a very strong strategy using data, technology, through the right channels, but for us to bring more and more solutions that add value to the customer and that help us drive our sales. Well, I'll finish here, I'll turn it over to Rafael to talk a little bit about the numbers and we'll get back to the questions and answers. Thanks.

[00:14:22] Rafael Sperendio – Thank you, Ullisses, Good morning, everyone. Well, let's start here on page 10. Here we briefly detail our result in the new accounting standard IRFS17. Then we turn the key – to the pattern that we are already familiar with – and discuss the result in this previous pattern. Yet the outlook is the same as I mentioned last quarter. SUSEP did not disappoint, we still do not have a disappointing perspective, it continues to work in the previous accounting standard, therefore, a consequence of all the evident flow that we receive is based on the previous accounting standard. So, passing here briefly on the main differences between the two accounting standards. So, starting here at Brasilseg. To recap, we have the changes in relation to the previous standard concentrated in credit life and housing products, which are products that we used the BBA approach, in the other products in the portfolio, we still follow the simplified approach very similar to the accounting standard above, but in credit life and housing BBA, the recognition of premiums ceases to happen in a linear fashion, and starts to happen based on our historical experience as a result of risk, which in these products, specifically more particularly in credit life, the recognition and result ends up happening faster. That explains it there, in the Transition balance sheet (here in the table on the left). A recognition of R$423 million in December 2021 while under IFRS 4 – due to this slower recognition of results – we end up observing a result being appropriated in the year, under IFRS 4, which was already appropriated under IFRS 17 in the Transition Balance. Therefore, this impact of R$423 million on shareholders' equity, back in December 2021. As these crops mature – and we have been seeing an acceleration of this movement happening, mainly due to the strong growth of credit life – this situation should reverse, and it is already clear here when we look at the 2Q23 result. Where the difference in Brasilseg's equity income for IFRS 4 was only R$9 million against R$42 million in 2Q22. In Brasilprev the opposite situation, there we have on the operation side a greater recognition of result because the acquisition cost ends up being deferred for a longer period, not just for the three years that was deferred on average in IFRS4. And on the other hand, we have the recognition of an onerous contract, which is the traditional plan, which was recognized at the start.

This explains when we observe here, in the transition balance, this impact of more than R$500 million in December 2020 of the IRFS17, as an onerous contract identified the penalty must be carried out immediately. So, here, if on the one hand we have a lower result being recognized in Brasilseg, in Brasilprev we have a higher result due to the longer deferral than the acquisition and reversal of the burden of this traditional contract. Because when it was recognized there in the transition plan, the assumptions were much more aggravated than what we have observed in the actual one. That is why this burden has been reversed. Let's move on to page 11, returning now to the accounting standard that we are used to. So, as Ullisses said at the beginning of his presentation, our profit in 2Q23 was R$1.8 billion, growing 31% year-on-year. It just wasn't better because of that temporal mismatch effect - in updating the liabilities of traditional plans - that took R$128 million from our result. Even so, it was already an absolute quarterly record. If it weren't for that, we would have delivered almost R$2 billion in results in a quarter. We know that this R$128 million is a purely temporary matter, in a few months, as this IGP-M curve stabilizes, we should appropriate these R$128 million in the result, possibly in the second half. In the accumulated result for the year, our result would be R$3.6 billion, growing 39% the effect of the temporal mismatch here was a little stronger, R$154 million, but the result is very good, coming mainly from the operation - which I will detail more on the next page. About financials, the combined financials of all the companies in the group, after taxes. We saw that in 2Q23 it was greatly benefited by the closure of the term structure, a higher Selic, the IGP-M deflation itself, which greatly reduced the cost of our liabilities in these traditional plans and the increase in the average balance resulting from this performance It is very good in terms of sales, which we have been seeing mainly since last year. So, when we look at the financial result, it more than doubled in 2Q23 compared to 2Q22, reaching 20% of profit. Accumulated for the year, 19.8% of the total result, reaching R$714 million. On the next page, a better breakdown of what we have seen in the accumulated result so far. So, of this R$1 billion year-over-year profit growth, 70% came from the operation, with sales growth - especially Credit Life Insurance and an increase in Pension plans collection, which was also very strong, especially in 1Q23 - , so this boosted not only the growth of revenues before premiums earned there at the insurance company, or the growth of reserves at Pension plans, which will also impact an increase in revenue with management fees there, but it also helps and contributes a lot here with an increase in BB Corretora's revenue. So, these were the main drivers of how this strong selling movement has impacted the result for the semester. Another important driver, we have observed here, the high quality of the result, is the loss ratio, especially in Agricultural Insurance, which was greatly impacted last year due to “la Ninha”. This year, although “la Ninha” persisted, the severity of the events was much less, the frequency was much less. So, we see here an additional R$393 million in profit from this effect, softer, let's call it that, in the 2023 fiscal year. And the other 30%, 70% came from operations and the 30% came from finance. And here, as I mentioned, in the question of the quarter for the semester, the same thing, so the volume and rate added R$224 million, the time mismatch took R$131 million. And when we look at the market marking, unlike last year, while the term structure, both nominal and real, had been opening in the first half, this year, we observed closure. So, a good part of this R$127 million depends on the closing of the real structure, mainly due to the exposure that it has assets there in Brasilprev. So, this aggregate here added 316 million to our profit for the year. I will now move on to the Insurance operation. We have here in 2Q23 the premiums growing 2%, year on year. Here, as you can see, driven mainly by the growth of moneylenders, 27.7% growth. This year, what we have observed here is evident in the 7.1% retraction in the rural portfolio. It is a shift, a little higher in hiring, mainly Agricultural Insurance, for the third quarter, compared to what we observed in 1H22. So, we should now see a third quarter responding a little stronger in rural areas than last year. In life, we have a drop of 2.2%, year on year, in 2Q23 and here's the explanation: on the one hand, the IGP-M deflation benefits from a reduction in the cost of liabilities at Brasilprev, it has an impact here in life, once stock portfolios are adjusted, both premiums and insured amount per IGP-M. So, it turns out that, although we have seen an extraordinary performance in new sales, a very good performance in churn reduction, as Ullisses mentioned in his presentation, the IGP-M deflation, the impact it has on updating inventory Life Insurance ended up leading to a 2% decline in the portfolio. We are in a very intense process of migrating these portfolios to the IPCA, it no longer makes sense to remain linked to the IGP-M index. And we believe that in the medium term we should see less volatility in this frontline. Here, when we look at the accumulated result for the semester, the premium has already grown by 16%, slightly above our guidance for the year, driven by the even stronger growth of creditors, which was 27.7% in 2Q23, but it was stronger than that in 1Q23. It was a very weak foundation. So, when we look at the accumulated result for the year, almost 50% growth in credit life. And the rural segment grew a lot in the first quarter, it had a very good performance with 11% growth, especially in rural pledge lines. In the lower left corner, let's try to give a better detail regarding the quality in this subscription origination. So, we see here an improvement of 50 bases in a combined ratio in 2Q23 compared to 2Q22. Here, among the main ones, is the reduction in commissions, which is the result of that renegotiation we had with Mapfre on commissions for some products in December of last year. So, the average commission drops due to the increase in the representation of the rural pledge. The expense index goes up a little from 10% to 10.7%, 70 bases here, due to investments. All have been done in distribution, via partner channels, investment in technology, increase in staff to adapt to this new structure and, moreover, collective bargaining. So those are the explanations. And, also, a greater allocation of resources in internal marketing funds for the promotion of sales of Insurance products. The accident rate increases, year on year. Explained here, it's not a concentrated event, but it's a matter of a higher frequency in the credit life, greater severity in the line of life claims, it's not a trend, quite punctual events like that. In the accumulated, the index already improves by 8.4 points and here in the accumulated we already see a longer window. All the impact of the strong reduction in loss ratios that we observed mainly in the agricultural segment. The commission index drops 20 bases, the expense index rises 20 bases. Here, the explanations are the same as I just explained in the second quarter year-over-year variation. Financial, financial grew 37% compared to 2Q22. In the first half, 41%, basically the effect of the rate more concentrated in Selic and volume. As a result of all these movements, the growth of the earned premium, the improvement in the combined index and this strong increase in the financial result, with the combination of these factors, the profit of the operation grew 32% in relation to the second quarter of the last year and accumulates an increase of 73% in the year, reaching R$1.9 billion. Moving on to Pension plans, our revenue grew 5% year over year, second quarter, up 10% YTD. A very good quality of the flow, with a relevant reduction here in the redemption rate, which now we can already see the index, in the accumulated of the year, reaching 11.3%, in the second quarter it reached 10.8%. So, a very good flow performance bringing net funding to R$2 billion in the accumulated. While in 1H22, we had a net redemption of R$1 billion. And this improvement in the net flow, added here to the improvement in the return on assets, we observe that the total reserve grew 12%, apart from the traditional reserve, which fell 3.8% in the period of 12 months, the reserve PED grew 13.3% approaching the top of our guidance range. On the other hand, we continue to observe a strong movement of risk aversion in the market. This explains the reduction in the participation of hedge funds in total assets under management. So, it went from 31% of the total in June 2022 to 24.5% now, although there was already a slowdown in this at the margin. The investor, the customer, is starting to be a little more prone to risk with the reduction in the Selic rate, we expect that this behavior should start to gain a little more strength, but for the time being, the risk version will continue in this way reduction in the total multimarket share, explains why our revenues from management fees grow at a slower pace than the growth of assets. The average rate fell from 1.01% to 0.96% in the second quarter, growing 3% year-over-year and 4% growth in the accumulated. In financial terms, we see a substantial improvement both year-on-year and in the accumulated. The main driver here is the deflation of the IGP-M, especially in the last 3 months, which greatly reduced the cost of our liabilities and, on the other hand, the movement towards closing the term structure and the real rates that I mentioned earlier has been contributing quite on the revenue side. With that, we go from a financial loss of R$89 million in 2Q22, to a positive result here of R$223 million in 2Q23 and R$470 million already in financial result in the year. So here, in summary, with the flow improvement, the revenue growth with management fee and the financial improvement, we see the profit growing 91% year on year, 39% growth in the accumulated, reaching the mark of R $877 million in the half. Premium bonds, next page, collection grew by 35%, year on year, in 2Q23 and 18% growth in the accumulated, we hit the R$3 billion mark. Financial result grew 10% year on year, driven a lot by the increase in volume and, we observed a contraction here, in the financial margin of 40 bases, compared to 2Q22. So, remembering that the 2Q22 was very positively affected, all the curve opening movement, we had a hedge on the "Pre" exposure which is classified as available for sale. This generated a gain in 2Q22, something that was not repeated in 2Q23. So, because of this contraction here in the financial margin when we look year over year. In the financial accrued, it grew 16%. A dynamic very similar to what we observed here year on year in the second quarter. This growth in the financial result here contributes to the 7% growth in the accumulated. In the year against year, the profit retracts 1% and here, basically, due to the increase in the administrative and operational expenses: source of the investments that were made in, in particular, partnerships in technology and risks, in the structure that we reinforce in these areas, end up impacting the company's result here, consuming the improvement in the financial result, this increase in expenses when we look at the 2Q23, but in the accumulated result for the year the improvement in the financial more than compensates for this increase in expenses. Finally, the last operation, our brokerage, in 2Q23 a brokerage revenue that grew by 12%, year on year, driven here by that strong feeling that Ullisses commented there in the Beginning of Insurance creditors. Not only with all the volume that has been sold, but also with the accumulation of past sales, especially those that took place in 2H22. This has been driving a lot of brokerage revenue and the strong performance that we also observed with the growth in the Premium bonds segment. Year-to-date, 15% growth in brokerage revenue. And, in addition to credit life and cap, which now contribute here in 2Q23, we also had a very positive contribution in increasing the volume collected in Pension plans, especially in the first quarter. It helped a lot in the year-to-date revenue growth. In terms of margin, we see a slight contraction in the net margin here of 20 bases, year on year. It's because of a review that we did in our scope, in our civil contingency's actions, between a periodic review that was made, there was a small increase in the balance of this liability. And a review that we also made periodically, in the allocation model, a cost apportionment between the Insurance brokerage, BB Insurance and BB Seguridade, this ended up concentrating a little more expense on the brokerage. Therefore, this retraction of the net margin. In the accumulated result for the year, the margin has already increased by almost one percentage point (1 p.p.), which is basically explained by the increase in the financial result. And then, finally, revenue growth, but the improvement in the financial margin for the year ended up with net profit growing 17%. Slightly above revenue growth due to this improvement in net margin. In the second quarter, year-over-year growth was very much in line with revenue growth, 12% growth, reaching R$707 million in the second quarter. Finally, to close the presentation, our accountability regarding our "guidance". So, as we had already anticipated in the last "call" of results, we expected the indicators to converge to the "guidance" intervals, this has happened. We see here the non-interest operating result of 12% to 17%, it is closer, 25.7%. In premium growth, 10% to 15%, here there is a marginal overrun of 15.7%. So, all that extrapolation that happened very strongly in the first quarter due to a base effect for comparison. As the months go by, in which it has been realized that this convergence did not even reach the interval, this should continue to happen throughout 2H23. In terms of Pension plans bookings, this indicator was already within the range in 1Q22. It is 13.3% in realized now, approaching the top of the Guinean. There, within our scenarios, which were initially more optimistic, it has been coming true, showing a good performance. Well, these were the main highlights that I would like to bring up and we are now open for the question-and-answer session.

[00:36:40] Felipe Peres - Thank you, Rafael! Let's start our question-and-answer session. If you want to ask a question, just click on the "Rase Hand" button, and release the microphone when authorized. Or send it in writing by clicking on the "Q&A" button at the bottom of the screen. Our first question comes from Antônio Ruette, from Bank of America (BofA). Please Antonio, could you follow?

[00:37:06] Antonio Ruette - BofA - Good morning, guys! Thanks for the opportunity to ask questions, and congratulations on the results. There are 2 (two) questions from my side, ok? The first in the "guidance". So, I would like you to discuss a little bit what's new since you gave guidance, both in terms of loss ratio in rural areas and since the announcement of the harvest plan? And looking forward, in the second half, what would be a potential trigger? The message you already communicated was that the idea is to converge to the middle of the “guidance” given a base effect, right? Now, what could generate a change that should trigger? And just a follow up here on the byback. Is it purely complementary to the payout by Dividends or, depending on the byback volume, could there be a change here in the Dividends policy? That's it on my side. Thanks!

[00:38:09] Rafael Sperendio – Thanks for the question, Antonio! Let's start by answering the second one, okay? The byback will be financed by generating cash flow at BB Seguridade. So today we practically don't leave money, we don't leave money in the holding company. I mean, in short, how do you evaluate the issue of Dividends payout. The final payout for the year will be distributed dividends, minus shares repurchased. So, let's call it that. The origin of the resource that will be distributed as Dividends or buybacks is the same. So, if we were saying that the expectation was to maintain a payout in the average that we have been practicing, between 80% and 90%, in recent years, it will not be 80% to 90%, this interval plus byback, no, the byback will consume some of it. I don't know if it was clear, but they are complementary, as you said. Can I move on to the first question now?

[00:39:20] Antonio Ruette - BofA - Of course, it's super clear!

[00:39:27] Rafael Sperendio - Regarding guidance, we had some positive surprises in the agricultural loss ratio. In fact, it turned out better than we expected. But I would say that these positive surprises that we observed are enough to bring the company's growth, more towards the optimistic zone, I would say within those intervals that we disclose to the market and in the upper half of the "guidance". And today, when we review our projections, it goes beyond. That for the end of 2023, there are no indications of any material extrapolation of the intervals that we disclosed that would lead us to review these intervals, this is the panorama for August, ok? So, therefore, the option was to maintain, we are still working on the convergence of both for the interval. Although we are more convinced now that we should stay in this more optimistic zone of the indicators, in the upper half.

[00:40:38] Antonio Ruette – BofA - It's super clear, thanks, Sperendio!

[00:40:44] Felipe Peres - Our next question, does it come from Tiago Binsfeld, from Goldman Sachs? Tiago, could you follow, please?

[00:40:52] Tiago Binsfeld - Goldman Sachs - Hey! Good morning, Ullisses, Rafael and Felipe! I wanted to ask 2 (two) questions. Thinking about this issue of interest rates starting to drop. First on the operational side; How do you see the company's ability to keep revenues at a high level and also defend portability in an environment where interest rates are starting to drop, I won't say low interest rates, but interest rates are starting to fall? And second on the financial side; if you have any sensitivity to interest rates, to the fall in the Selic rate, the consolidated financial result and if you cannot pass on the number, at least discuss the quality, it would help us here. Thanks.

[00:41:33] Rafael Sperendio - Hello Tiago! thanks for the question. In terms of sensitivity, we can handle this without any problems. It's easy to get there. Just observe the portfolio allocation there, which is public and the sensitivity that we disclose in the explanatory notes. Today, for every 100 bases of decrease in the Selic rate, we have an impact of R$100 million on net income, approximately. Although this effect is not isolated, I am only dealing with the rate reduction here, but we know that this event is accompanied by an adjustment in expectations in the tactical term structure, which we observed here in the second quarter, observed in the third quarter, we have been carrying out positive mark-to-market, which should offset, not totally, but at least partially, the reduction in the Selic expected from now to the end of the year. 2024 is too early for us to estimate, okay? But I would treat it this way: 100 bases, R$100 million, is near what we expect today. We do not work with interest rates falling to the level we experienced in recent years until 2021, early 2022. Obviously, it should fall, but it should remain at a higher level than what we have seen in recent history. And because of that, we don't expect any significant changes in the competition environment. Looking at the long term, this is what we always emphasize: an environment of low interest rates, controlled inflation is the best environment we must develop an insurance culture. If, on the one hand, we lose financially, we look at sustainable growth in the medium and long term, this for our business is much more positive. When you look at Insurance penetration in PIB and compare Brazil with other countries, you can see that there is a very strong correlation, with low interest rates, controlled inflation, and Insurance penetration in PIB. The product is discretionary, so it is obviously a scenario of high inflation, high interest rates, the customer ends up choosing to focus on the first needs and not necessarily on insurance products. So that's it, that's the scenario we see, all this coming true. The economy continues to improve with inflation under control and lower interest rates. The perfect environment for us to go back to developing the Insurance industry in Brazil more intensively.

[00:44:31] Tiago Binsfeld - Goldman Sachs - Thank you, Rafael. Had I asked a first question about Pension plans as well? I don't know if you have any consideration along those same lines.

[00:44:34] Rafael Sperendio - Sorry, actually I even answered her in a more general way that we don't expect a significant change in the competitive environment. On the one hand, we should see a reduction in returns when we look at the assets, there in that initial moment of transition. But as other assets respond, private credit spreads close, the stock market recovers more strongly. We must compensate for this in a while. Investors taking more risk again, people managing to work on products with higher added value, reversing the downward trend that has been observed in revenue from management fees, this environment would be the best. For the time being, we do not see a slightly more aggressive competition scenario as we have experienced in the last 2 years.

[00:45:39] Tiago Binsfeld - Goldman Sachs – And Rafael last follow up. During the presentation you said that there were already investors a little more prone to risk, but does that mean that there was already an inflection in the allocation to multimarket, or is it too early to say?

[00:45:50] Rafael Sperendio - It's still early, but on the bank, we've already seen it, improving, saw Tiago. We have observed in net funding a greater direction than we had to go to multimarket funds. We have a very broad portfolio, despite this risk aversion, we continue to expand this portfolio, both internally managed by BB Asset and multi-manager, the open architecture itself, we continue to increase and we are well prepared for when With this fund, we have an adequate portfolio to meet the client's needs, but for now there is no inflection, but at the margin, the multimarket share has increased.

[00:46:36] Tiago Binsfeld - Goldman Sachs – Thank you Rafael, it's clear!

[00:46:45] Felipe Peres - Our next question comes from Guilherme Grespan, from JP Morgan. William, could you follow, please?

[00:46:54] Guilherme Grespan – JP Morgan – Ullisses, Sperendio and Felipe, good morning! Thanks for the presentation. I would like to focus my question here again on the byback, it caught my attention more than the result, I think it was a relevant increase over what you were doing previously. The last programs were near 10 million shares annually and very little executed. So, there was a significant increase in the amount to be repurchased. I would like to explore a little here with you, the rationale, like, I think there are several readings: one of them is potentially a greater profit sharing in the controlling bank, but I think there is a relevant secondary effect here too, that the concentration of the controller's ownership, which could favor a future renegotiation. The greater the ownership of Banco do Brasil, in theory, the smaller the economic loss in the renegotiation of the contract, which increases the probability of success in this renegotiation. So, there are several readings here of the byback that I would like to explore with you. First, what is the rationale for this amount being so much higher than in past programs? And second, should we expect this level of byback to be something recurring from now on or if it was a very oneoff thing, specific to this year? Thanks!

[00:48:14] Rafael Sperendio – Hey! Grespan, thanks for the question! So, regarding the byback, the rationale behind it, in our view the market does not adequately price our potential for value creation. And we have some shareholders, not just the controlling shareholder, but some shareholders who have been with the company for over 10 years since the IPO. So, the byback idea, since we do not agree with the current value that our paper is being negotiated, which does not adequately reflect our potential, in fact to reinvest our cash that is being generated in our own operation. We trust, we are convinced of its potential in the medium and long term. The term we set for a year and a half, we recently noticed some dysfunctions, at times, in the pricing of the paper. The results are very strong, we do not believe that the reduction in interest rates is an argument to impact our sustainable growth rate in the medium and long term. On the contrary, I just mentioned here that an environment, low interest rates, controlled inflation, is the best environment for us to develop our business in the long term. So, that's why we understand that leaving a program open is going within the deadline of one year and a half. Every time this type of malfunction happens because the share is not priced correctly by the market, we will carry out the repurchase, to add value to the shareholders who have been with us for a long time in society and recognize the generation potential there. of company value. And, in this case, the remaining shareholders will observe this added value, observe their increased participation in the company as a whole and in the flow of future dividends. The idea is to generate value, okay?

[00:50:31] Guilherme Grespan – JP Morgan – All right, and just to clarify, Sperendio, the idea is that this is something more cyclical and not a change in the approach to shareholder remuneration. It is not a policy that you intend to follow in the medium term as a form of shareholder remuneration.

[00:50:48] Rafael Sperendio – First we are working with a year and a half, but let's see how it goes. For the time being, we are not structurally changing the remuneration policy, obviously, depending on what happens in the discussions involving tax reform, we may have a different bias, but for now, this is not the case. For the time being this year and a half from now on, when it expires around February 2025, we'll discuss again and see if it generated the value we expected, if we keep it or not. This is still independent of what will happen in terms of external events, if suddenly we see the one that is more efficient to maintain due to a change in taxation, we alter it structurally. Not for now, okay?

[00:51:36] Guilherme Grespan – JP Morgan – Okay, super clear, thanks.

[00:51:40] Felipe Peres – Next question from Kaio Prato, from UBS. Kaio, could you follow? Please.

[00:51:49] Kaio Prato - UBS - Good morning, guys. Good morning, Sperendio, Ullisses and Felipe [...]

[00:52:00] Felipe Peres – Kaio, can you repeat that, please? There was a little problem here, he ended up withdrawing his permission to speak.

[00:52:07] Kaio Prato - UBS - Do you hear me now?

[00:52:10] Felipe Peres – Yes!

[00:52:11] Kaio Prato - UBS – Good, beauty! Two quick questions here on my side, thanks for the opportunity! The first one is a little bit about 2024. I think he's experienced, he commented a little bit, but after this year it must be very strong, right? Again, this leads to a drop in interest rates, which he has already mentioned a little bit. I would like to understand with you that we can imagine to be the main drivers of growth for the result in 2024? If you have a specific focus, that you will have a product, well, if you have a little more detail that you can share with us, that would be great. And the second question is about rural areas. I would like to see with you that you can share in relation to the rural performance? After the announcement of the harvest plan, how has this first month and a half been, both on the loss ratio and on the premium side as well? Thanks!

[00:52:58] Ullisses Assis – Well, Kaio. I'll talk here later, Rafael, if necessary, complements. Thinking about it for the next few years. So, I think it's clear how much we've been investing in the company to prepare the company for the future. And I would tell you today, Kaio, without fear of making a mistake, that we are at the forefront of some issues in the Insurance market. And technology, I have no doubt about that, we are a gigantic company today, but we have speed, in most things, startup speed. So, we are prepared and the last step, which was the CRM issue, is what we are solving now. We will always be prepared for open insurance, for example, which starts to run there next year. So, first, we are very concerned about improving our portfolio, value proposition, customer relationships. We strongly believe in the program's strategy, which already brings benefits to us in terms of cross up and cross sell. We already have a base of 9 million customers, almost 9 million customers. So, we have a very large potential for exploiting this base in terms of cross sell, and we strongly believe in this potential. We really have, as Rafael said, a low penetration even at the base of some products in BB's customer base, not to mention the Insurance market, these even followed, captained by CNSeg itself with the insurance companies behind it. We launched an insurance market development program so that we move from the current 4.5% of GDP to 10% of GDP in 2030. So, we see a scenario where we think there, as Rafael said just now, in Lower Selic, but with the potential to increase sales across our large portfolio, because you know the market well, it is extremely resilient, I mean higher Selic, financial result, but a little less sale. Lower Selic, we already have the opposite, a better market exploration potential. So, I would say that we are very attentive, with very solid strategies, not to mention the issue of distribution in new channels, which was something that we did not have, and we are talking about almost R$1 billion in premiums sold in the first half of that year, a business that was not part of our result. So, on the bottom, but Rafael said that each percentage point is R$100 million in the Selic reduction, it is R$100 million less in results, we have R$66 million here in results in one semester in the new strategy, the business you acquired from scratch. So, this will compensate for part of this Selic that we lose in the financial result. So, I would say, adequate portfolio, well-defined strategy, solid customer base in here to work with and opportunity for growth in new businesses. And then we also see a scenario, for example, moneylender. We have a new level of borrowing since last year, but when we talk about a scenario of Selic, low Selic, the trend is that the credit portfolio is renewed, and we have even more potential to make moneylender. So, we have good grounds for thinking about growth. When we talk about rural areas, today we have consolidated leadership in the market, but we are not standing still, quite the contrary, we are concerned with adding value to our products, seeking new products and delivering differentiated solutions for each segment of producer and not to mention that in the recent past, we closed below 15% of assured planted area, that is, we have a gigantic growth potential in this product, which is something that we already dominate, and we distribute it inside and outside from the BB channel. So, among these reasons, it's a little of what Rafael says, we believe a lot, and even because of the bybeck program, we believe a lot in our potential to generate results in the short, medium, and long term, including, and mainly due to, the increase in sales. And the rural, speaking quickly, we started in mid-July, since the release of the harvest plan, it comes at a speed that we understand is adequate. It comes at a very good hiring volume, and we expect to close 2023 with a very interesting performance in terms of rural areas, but it started strong and remains strong. I believe that we will finish this there within our expectations. I don't know if I answered everything. If you bring any more information?

[00:57:40] Kaio Prato - UBS – Okay, Ullisses is super clear! Thank you very much!

[00:57:49] Felipe Peres - The next question is from Eduardo Nishio, from Genial. Nishio, could follow please?

[00:57:40] Eduardo Nishio – Genial - Good morning, guys. Thanks for the opportunity. Good morning, Ullisses, Sperendio and Felipe. Congratulations on the result. I think my question is kind of a follow-up to Ullisses' comments earlier, investment in technology and distribution. In technology, if you could give a little more color to the investments, you are making and suddenly quantify, if you must share with us the results of the analytical intelligence, of WhatsApp. How much more are you selling on each of these initiatives, or others that you are doing? What do you expect? Is it just an increase in sales, or a new CRM, or is there an improvement in underwriting as well? Can you envision something like that? Are these additional ones already included in the "guidance" or not? Or it could be a surprise, suddenly, positive by the end of the year, next year, is it with these technology initiatives that you are doing? It was R$250 million so far. And in distribution, we noticed a significant improvement, going from about 7.5%, 8%, up to 5% if you take 2 years back from the volume of structured business and partnerships to something around 11% today. If you can talk a little more. How much do you think this could reach 15%, 20% in 2 or 3 years, I think it would be interesting for us. And another thing, I would like to know about this distribution part, is it more profitable than the banking channel or not? If you could also share with us these details, I would appreciate it. And finally, I think I forgot to comment there, 10% of GDP in 2030 seems to me to be a very aggressive number, if you could talk a little bit about how you would reach the industry, in fact, would you reach such a strong number? It's been at 4%, it's been a while, right? Thank you very much.

[01:00:32] Ullisses Assis – Well, let's go, I'll try to summarize here a little, but technology, I would tell you the following, that today the impact of this speaking here, I'll start from the end of your question over there in that first part, technology, analytics. Last year, we closed R$4 billion in premium issuance through analytics. Why do I tell you about the R$4 billion, they are customers who were directly impacted, who we are sure of the impact and who bought a product in the subsequent days, either at the time or in the subsequent days, whether digitally or physically. I'm even asking to raise the number for this semester here. If I succeed, I'll pass you, otherwise we'll pass in sequence here, Felipe can pass you. But so, without technology, to give you an idea, Nishio, we wouldn't have been able to expand, we wouldn't have been able to improve our NPS, we wouldn't have why we reviewed all the rules of relationship with our customers. And we deal with critical processes, including in relation to this, we stopped measuring NPS, for example, hiring by hiring, obligation to be a fluid process. So, we are measuring claims, we are measuring assistance activation, we are going to the neuralgic process, we are talking about customer centeredness here in fact, not customer centeredness on the outside. It is in the sense of really going into detail, and so, and everything that we have invested in technology in these last periods, in the last 2 years, has been fundamental. Because we wouldn't be able, first, to adjust the portfolio much faster. We used to spend 4 to 5 months to put a product on its feet; today there is a product that we put on in hours. So, if a partner wants to customize a product, we go there and prospect a new partner to distribute a home insurance product. If he wants a product today that has XYZ coverage, we go there and assemble a product for him in a short time and put it on sale. We have all products in API. So, we have a leap in quality in relation to this, without these technological solutions, I can tell you that this almost R$1 billion in premium issued in new channels would be practically impossible. So, this is a very material point, and I even made a point of bringing here the R$66 million in results, because it is the last line of the Balance Sheet, that already excluding employees, the team that we allocate in each of our affiliates. So, like, it's a business that we believe in, that we measure very carefully. But technology, as I told you, has helped with this whole combination of strategies. Another part that is quite material. When I have a decrease, for example, of 15% of churn in Life Insurance, thinking about the profitability of this product, the maintenance of the base for me - the bank is selling anyway, there is a new sales target for the bank - how much more am I able to retain? The more we can retain and at a rate of 15% I captured a lot more result from that. The more I am able to generate through analytical intelligence and technology and the right product, the right journey, the right time, an offer to cross up and cross sell, I am also enjoying a lot, and, without technology, I would not do any of this. And taking advantage of business opportunities. For this year's guidance, because this has been growing as a whole and it's not a silver bullet, it impacts on several issues. It is within what we are expecting there, including what is already contemplated in the guidance. Of course, we can have disruptions in the market, we can have disruptions in the market and then we've been working and working, including on that. did you talk about underwriting? We have been working at Brasilseg, for example, with several startups, with several initiatives to improve our underwriting issue. So, we have direct investment not only via holding company, but we have investment via affiliates, via our controlled companies through startups that may cause some kind of or solve a pain that we have or help us to cause some kind of disruption. So, I think it's a set of works, this whole issue of linked technology, the improvement of results. When we talk about the distribution of new channels, it's hard to tell you if it's going to be 15 or 20, because back then I confess to you that I had no expectation that the business would grow so fast. We went from zero to almost R$1 billion in the past, and now we did practically in one semester what we did last year. But we have increasingly robust teams within the companies and here at the holding company, and mainly focused on strengthening, through a broader portfolio, the partnerships that we have and that are already going very well. But mainly focused on attracting partnerships that add substantial value, partnerships that have greater distribution power. So, we have a team in the field today, which goes from prospecting to implementing the right product in this partnership, to monitoring sales, to training, to induction of the partner's sales force. It is a very well-structured work, I hope that it will be more and more representative and then, thinking about the next scenario. You see here, the bank, sales inside the bank are growing a lot. And this is an aggregate, so I'm talking about dividing the pizza, I'm talking about making the pizza bigger. Yeah, I think that's our big focus. Then you asked about profitability. The strategy is contemplated from a commissioning division with the partner, or sometimes it is the insurer making a direct agreement with the partner. So, it is less profitable in terms of the fact that BB Corretora earns less, but it earns less on something that did not exist. I say that sometimes you must have the mindset of earning less of something than a lot of nothing, because it is something that we didn't have, the revenue was zero, so we are taking solutions to other channels. In many cases we have a division, the commissioning division. We have a direct agreement with an affiliated company invested with the partner and then, obviously, we lose. We don't lose, we no longer have this revenue here at the brokerage, but we wouldn't have it at all. I don't know if I was clear, if I can contemplate everything, your question was very broad.

[01:06:47] Eduardo Nishio – Genial - Perfect, great, thank you! Only the last part of reaching a penetration of 10% of PIB.

[01:06:54] Ullisses Assis – Uh, yes, perfect.

[01:06:56] Eduardo Nishio – Genial - It seems aggressive to me until 2030.

[01:06:59] Ullisses Assis – The step is like this, The challenge [...]. That's why I say that I said just now that this involves the sector, if the project is very broad, see Nishio, he even has a complete project there on the CNSeg page we can even share it too with you there in the sequence, but it involves legislative issues, changes in some legislation, it involves an increase in the portfolio. It really involves new distribution channels and there, mainly, this investment in solutions that take a lower cost product, but not the larger layer of the population. So, it goes through a series of fronts and as I told you, not to mention the possibility of a substantial increase in agricultural insurance itself, which is also something that has been discussed with great affection by the Ministry of Agriculture itself in relation to the subsidy. So, there are many issues involved within this plan. He is quite ambitious, but he starts from a commitment of the whole market to invest. And then I've been saying, we're not going to avoid playing our role, we've been participating in all the events for the development of the sector. We recently had a big event there focused more on InsurTech in São Paulo, we participated, I was there, I opened the second day, so, we are in the bias of a market all united, I tell you a lot because I'm there inside of CNSeg, on the CNSeg management council, the major insurance companies together in order to develop, to bring financial education, to bring the importance of Insurance. We realize that the accident is our best advertisement, unfortunately, but that's how it works. Last year we already had a greater demand for rural insurance. I even commented that at certain times last year we operated alone in some regions, not because competitors didn't want to, but because they didn't have the capacity to continue operating, and we surfed a very interesting wave. And this wave, I think it will be more and more perennial, because as you have climate problems, you have more producers waking up to the need to have Insurance. The pandemic itself in relation to Life Insurance. So, I think this is a combination of factors. The question of Pension plans itself. Pension plans, we are having a year of effective market growth in Pension plans, something we haven't seen for a long time. We saw the steal market, not this year, we see an effective growth in the Pension plans market. What does it come with? With financial education, with awareness, with income improvement, with a series of issues, not to mention that we perceive a movement to stimulate consumption again. So, the Insurance market is not left out of this, it is the Insurance market to package products that are increasingly suitable for each layer of society to increase our participation. The project is ambitious, but we are very involved in this process to bring the Insurance market more and more to the fore.

[01:10:13] Eduardo Nishio – Genial - Perfect thank you!

[01:10:17] Felipe Peres – Next question comes from William from Itaú BBA? William, will you follow, please?

[01:10:24] William Barranjard – Itaú BBA - Good morning, guys! Thanks for the opportunity. I have two questions more focused on the operation of Pension plans. I think that first here I would like to understand, if you could go through the reason for the improvement in the redemption rate, if it is just a reflection of the attractiveness of more conservative products in this high Selic scenario? Or if you made any changes to the operation? Was there a different mix in the portfolio? And then, thinking ahead, how do you expect this index in 2024? In a scenario with the Selic falling. And, in this same scenario, what do you expect for the contribution?

[01:11:07] Ullisses Assis – Let me talk a little bit here. I'll tell you a little, I'll focus a little here on what the company has been doing. It's because we are not waiting for a movement to happen to feel the impact it will have. Of course, we start from the following principle: I must have a broad portfolio. In any scenario, if I have a broad portfolio, if I have a good value proposition, if I have the solution that the customer needs, be it fixed income or multimarket, I have more customer retention capacity, so that it is a passive point for us. I must have a complete and accessible portfolio for each customer segment that I have within the company, and we have that. We have and continue to expand because we understand that it is interesting. Other than that, the relationship issue comes in again, I talk a lot about the relationship issue, it's not that I have a certain obsession with it, because I think that's the big issue, product, price, technology at some point world will have. You create a product today, compete tomorrow, copy it and be part of the market. Value proposition, that's something else, the value proposition not everyone will have and whoever has effective will, in my view, perpetuate itself. At Brasilprev, in addition to everything I said about portfolio, technology, etc.. We now have a very well-defined value proposition. I mean, we have a double portfolio of clients with the management of Banco do Brasil, for example. So, with the consultants that we have in-house today, we have highly specialized consultants in Pension plans, who provide very close assistance to these clients. So, before that I received a request to migrate to a competitor and then I was going to try to convince the customer not to do that. Not today, today we act proactively. We call Felipe, Sperendio, William and we discuss his portfolio, and we open investment options for the client. So, before he thinks about migrating abroad, he says: "I have an investment advisor over there who has already offered me other options, I want to listen to Brasilprev before migrating to the competition". So, I would say that today we are very well structured in terms of retention, and that explains part of the decrease in redemptions. But this same strategy is a strategy that we use to attack. It is from the moment that we talk more with customers that we have more suitable solutions, because we have information, including how the portfolio of that customer is out there, because we know where the customer is going his resource migrated back there, I mean, we can make a comparison with the customer today and what was promised to him out there and what we have today to offer. So, these weapons help us both in defense and attack. We have noticed a growth in collection year after year, the bank's sales force, it really is a product like this that is in the DNA of the bank's sales force. By the way, talking about the sale, we are repeating in the second half of this year the same sales campaign that we did there since 2H22 with the chain. It was the biggest campaign in history, we are repeating this campaign now in 2H23, something to bring an even greater engagement of the bank's network. We hope to keep our collection growing, but we hope, mainly to be able to retain more customers, to prevent customers from leaving. And that's when we gain in efficiency, we gain in results because the customer is already here, and nothing better than us delivering an adequate value proposition to keep him here longer and consequently possibility, and then it will open the possibility, with the drop in the Selic rate, for us to offer products with greater added value. More sophisticated products that also allow us to charge a higher management fee. So, we see a good scenario for the issue of Pension plans, both in terms of defense and attack bias.

[01:15:02] William Barranjard – Itaú BBA - Perfect, Ullisses, thank you very much!

[01:15:09] Felipe Peres – There's time for one more question here that's in the chat. In a way, it has already been discussed, but it is in relation to life insurance premium dynamics. "Why do we have a performance that today is a little below that of the industry?"

[01:15:28] Ullisses Assis – Felipe, just before going into that question, I just received the number. This year, considering sales of Insurance, Pension plans, upgrades - same concept as last year - R$6.5 billion in sales in 1H23, based on analytical intelligence. So, a very consistent number for that question that had been asked, if I'm not mistaken, by William, or by Kaio, I don't remember, sorry.

[01:15:56] Rafael Sperendio – It was Nishio who had asked.

[01:15:57] Ullisses Assis – Nishio, he was!

[01:16:05] Rafael Sperendio – Regarding this question, Felipe, about life insurance. As discussed in the presentation, a more modest performance - let's call it that - than that observed in the industry. When we look at the accumulated result for the year, it is mainly the result of the link that we make our contributions to the IGP-M, which is having deflation, while most of the market works in the IPCA. Until then, that's why.

[01:16:41] Felipe Peres – Thank you Rafael! Well, with that we conclude our 2Q22 results meeting. If possible, we ask you to answer a questionnaire that will appear at the end of the meeting. Ulysses, Rafael, do you want to make any final remarks?

[01:17:01] Ullisses Assis – It's just a matter of really thanking all of you for your participation, it's a great pleasure to be here. We are available to talk to you later any topic, and we are very confident in the solid foundations of the company's results and what is to come in the coming quarters and semesters. Big hug, thank you!

[01:17:21] Rafael Sperendio – Thanks! thank you all for participating in the disclosure of results, I am here at your disposal along with the IR (Investor Relations) team to clarify any type of question that remains. Thanks! Good morning everybody!