[00:00:12] Felipe Peres – Good morning! Thank you for attending our virtual meeting to present the results for the third quarter of 2023. This conference call is being recorded, hence a simultaneous interpretation into English. Those who wish to listen to the audio in English, just click on the interpretation button at the bottom of your screen. During the meeting, we will show the presentation in Portuguese. To view the document in English go to our Investor Relations website at the address www.bbseguridaderi.com.br/en. During the presentation, anyone who wishes 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, we have Mr. Ullisses Assis CEO of BB Seguridade; and Rafael Sperendio, Chief Financial Officer and Investor Relations Officer. Now I turn over to Mr. Assis, who's going to start the presentation. Mr. Assis, please, you can start.

[00:01:22] Ullisses Assis - Good morning, everyone. It's a great pleasure to be here today with you to talk about the third quarter of our company, and we are very proud of our performance in Q3. It shows how solid our strategy is and how resilient our business is and that we are on the right path for BB Seguridade to be more and more a market leader and generate more value to its shareholders. I'm going to go over the main numbers and to show you our strategy and then Rafael is going to give you more details about our numbers. So, with total net income of BRL 5.8 billion in the first 9 months of this year, 32% up in comparison to the same period last year. If we compare the whole year last year, we had BRL 6 billion, and this year, in only 9 months, we have BRL 5.8 billion. These numbers are really founded on very, very solid basis. So, we have seen growth in all our business lines. Going to BRL 13 billion in premiums and then with a loss ratio of 28%, 4.7 percentage points lower than last year. So, we have net inflows of BRL 7.3 billion inflows pension plans, 7x higher than we had in the first 9 months of 2022 because we reviewed our portfolio over the past few years. We improved our customer relationship with financial advice. And this is really reflected in the net inflow in pension plans. In premium bonds, we are solidifying the recovery of the market. We recovered the leadership and more than ever with a 12% growth in collection and 25% growth in reserves. We are thereby consolidating our market leadership. Obviously, all of this increase in sales generates more revenue to our brokerage firm with BRL 3.7 billion in brokerage revenues, 11% up if you compare year-on-year. Now talking about our strategies. It's kind of repetitive, but I need to talk about it because ever since I, Rafael, Bruno, Marcelo took over the company. We define 3 strategic pillars for the company's operations, and we have been following this strategy, and we are very successful in doing that. We are very -- we do it with a lot of discipline. And it's important to always show you the numbers that demonstrate that we have a well-defined and well-executed strategy and especially that is providing good results for the company. We continue our digital transformation journey. This year, in the first 9 months of the year, we invested BRL 393 million in digital transformation, 10% more than last year. And as you can see on the lower left-hand corner, 72% of our customers use digital channels. So, more than ever, we need to have all the solutions, complete journeys in all channels to provide services where they want to get services. So,when we see the number and what our company do, thus, 15% are fully digital sales, and we analyze the sales growth in digital regardless of line and regardless of credit, we have had a growth of 31% year-on-year. In premium bonds, an increase of 85%. And in terms of transaction journeys in terms of sales and post sales, we had an increase of 95%. So,we want to offer to customers increasingly more comprehensive strategy, and I talk about app, the BB app, with almost 15 million access in insurance area and WhatsApp channel that has been growing a lot. And we want to have all our projects and transactions with the entire journey from contracting to after sales and to filing claim, we want everything to be done through WhatsApp, and this channel is very successful with a quite interesting NPS. And then obviously, we are investing very much in technology and to improve processes, products, journeys and also in analytics intelligence and the number that translates that in between contributions, portability and migrations of pension funds boosted by analytical intelligence to get to almost BRL 10 billion in the first 9 months of the year. Now I'm talking about digital transformation. I talked about our portfolio. And this is just a few more details about this process. We have been investing in improving our portfolio of offering an adequate value proposition to our customers. And this has led us to consolidate business leadership in some leaderships and also to seek fair share in other business lines. Rural insurance, for example, even though we've been the historical market leaders, we have included many new benefits in our products with new crops. Now we have a total of 41 crops covered all over Brazil because there are different needs depending on the crop, and this provides us when we compare ourselves to the market, while the market dropped 2.4% in the first 9 months of this year, we went up. We had an increase of 12.3% in our sales. In terms of credit life insurance, same thing. We were changing our portfolio. We've been implementing it for almost 2 years. We increased penetration in the loan portfolio. And we have had a 40% growth this year as compared to a decrease of almost 4% in the market. We are market leaders. We recovered market leadership in credit life insurance, but it's not just because we are leaders that we are happy with it. We want to grow and we want to grow fast, and this shows that we have a successful intelligence. Business Insurance is a product that we need to find the appropriate fair share. There has been a whole change in our product portfolio with many coverages and exclusive benefits in line with what we had done with Life residential. And then we have grown more than twice as much as the market. The market grew 20%, and we grew almost 45%. In terms of pension plans, we have the focus on digital transformation, digital customer and customer and seller experience and we had been focusing. But here for a long time, we're focused on this, and we grew twice as much as the rest of the market. In terms of premium bonds, we have recovered market premiership, both in reserves and collection. We have launched DOADIN, a low income and philanthropic premium bond. We have all modalities of premium bonds possible. So,in our portfolio available to our customers, we have all these offers. We've grown 20% year-on-year, where while the market grew 4%. This is just an example of what we've been doing in terms of adapting our portfolio, in terms of adapting our value proposition and what this means in terms of growth and the growth compared to the rest of the market. Now talking about our second pillar, number one, digital transformation; number two, diversification. So, I'm very proud to show you this. This is a project that we started back in 2021. We started almost from scratch. We wanted to sell outside BB channels, the first 9 years of -- the first

9 months of last year, we sold BRL 1.1 billion. And then this year, we had BRL 1.7 billion, almost 55% growth, an operation that went from 0 that already contributed BRL 144 million to BB Seguridade journey in the first 9 months of this year. And we think of the company's numbers that are very big. You might think that BRL 144 million is little. But it's not. We started it from scratch. This is additional to our bottom line. and how many companies are there in Brazil that can have a bottom line of BRL 144 million. I'm sure this is a strategy that will be increasingly more relevant in the mid and long term. Think about BB Seguridade. Of course, we have a strategy of consolidating the partnerships that we developed in recent years. We are improving those, and we are seeking new partners. And, So, we have 12 new partners in the quarter that may provide a greater contribution So, that we have more profitable and better qualified partners. This is our aim. Customer experience. Now talking about the third pillar of our strategy. Well, it's useless to have a good portfolio, have good solutions, if we can deliver the value proposition appropriately to our customers. What we've been seeking in recent years is exactly that. To have the appropriate products at the right time, right product, right time, right price for their time in their lives. What we've been seeing is an increase in our customer base and at the same time, an increase in our NPS for our main products. And when we look at the growth of the NPS, year-on-year, we come from a good basis. You remember that since last year, we've been having a significant improvement in NPS. And this, for the first 3 quarters of last year, we had an increase of 7.2 points for rural insurance; 8.4 points in premium bonds; 9 in-home; 10 in term life; and 14 in pension plans. So, we -- our NPS has been going up. The complaints have been going down. And also churn has been going down, especially for Term Life insurance. It's a product that is very important in terms of the share it has in our bottom line. So, in terms of portfolio, products, appropriate right product, right channel and the right value proposition, and we've been successful in delivering what we intend to do with our strategy. Still talking about customer experience and very quickly about our response to disasters. We are very worried in terms of being close to our customers at difficult times, not just at good times, but difficult times. There have been many disasters in the states of Sao Paulo, Paraná, Santa Catarina, Rio Grande, Do Sul the south of the country. So, 22 customers were served through our 24-hour dedicated channel for priority services. We have an entire strategy that is ready for this kind of event. So, whenever there is a disaster, we have this plan that we can be activated immediately. In addition to proactive services, the customers of these areas, we can talk to 80% of those customers and some customers sometimes didn't even remember they had our product. We got in touch with the customer said we were available. So, we increased even in terms of assistance. So, for all, our increased limit, the contract limit for 3x. We served 6,500 customers. In addition to having a very fast in terms of responding to more than 1,300 claims that were filed. As part of this, our strategy of being with our customers wherever they need. And now I think this is the last slide. and briefly talking about the relationship program. As we've been saying in our previous conference calls, we have created a relationship program. We -- by level of protection, we classify our customers between protected, over protected. Since we started this program, you remember that we started just with our employees and then we extended it to 50,000 customers. And then we included all our customers. And since August. It's available for everyone. It's widely open. We

have had 400,000 access since the beginning of the year to October. So, there is a program. We want them to be aware of their level of protection through analytical intelligence we show them an offer a proposal for an appropriate portfolio in terms of coverage. And we can see that our strategy is successful because the NPS for these customers has grown 9 percentage points since the first quarter 2023 to the third quarter. Our over protected customers have an NPS that is 6 percentage points higher than the protected customers. So, we have the over protected and protected customers. So, these are customers that since the first contact, they relate to our value proposition, 3%, bought a product. So, soon as they got to know about the program, and now we have many inputs, and we are going to offer many monthly benefits, and with the arrival of CRM that now is being implemented and in the brokerage house, we are going to be able to deliver increasingly more appropriate or suitable value proposition. We are going to have more appropriate cross-sell, upsell, encouraging customers to be increasingly more engaged with our company. I think this is it. And now I'll turn it over to Rafael to go over our numbers. And at the end, I will be available to answer any questions you may have.

[00:16:28] Rafael Sperendio - Thank you, Ullisses. Good morning, everyone. Now going to Page 10 of our presentation. So, here, you can see the evolution of the managerial net income and managerial reflects the fact that these numbers do not include the changes introduced by IFRS 17. So, according to SUSEP as the regulator has not yet accepted the changes imposed by IFRS 17. Our cash flow and dividend flow is still based on the previous accounting standard, these are the numbers that the market has been monitoring. That's why we decided to show your numbers in our presentation showing the accounting standard that was in effect last year. That is still in effect for all insurance companies that are regulated by SUSEP. As to the net income for the third quarter this year, BRL 2 billion, BRL 2.1 billion, if we round it up, 24% growth as compared to the same period last year. And year-to-date numbers, the growth was 34%. The main driver for the growth is still is our operational performance that we are going to go details in terms of consolidated net invest income with good performance. In the third quarter, we had BRL 460 million in terms of net investment income with a 22% contribution accumulated for the year, 21% percent share of our bottom line along the year. We've been seeing not just in terms of year-to-date numbers, not just a significant share of our average -- of a higher Selic rate than we had last year. But especially in Q3, we had a quite significant contribution with the reduction of the liabilities of traditional pension plan that was very intense. In the end of the second and third quarters, inflation according to IGP-M has contributed greatly to reduce the cost of liability and increase in the net investment income of Brasilprev. Now on the next page. Here, you can see the net income broken down. This is Page 11. So, we have here the operating result and the net investment income from -- So, the growth of BRL 1.4 billion, almost BRL 900 million, coming from the growth in the operation, either because we carried over the commercial performance of the last 2 years that is reflected in the earned premiums and brokerage revenues and a strong sales performance that we've been seeing in the first 9 months of 2023. Especially rural insurance, credit life and in the inflow of pension plans. Pension plans contributed with BRL 54 million to the growth of the net income.

Then we have management fees because the membership grew in terms of assets under management. Reduction in the loss ratio, it's important component for our operational results in the year contributing with BRL 387 million. And obviously, part of all this growth ends up being taken by other components and these other components are basically the growth of admin operational expenses of the company, investments that we've been making as we've seen and in terms of technology. Now in terms of net investment income. We have BRL 544 million. We have -- in terms of volume and rate change, we have almost BRL 300 million. In terms of rates, we have Selic and the reduction of the liability cost that I mentioned in the previous space. And the time mismatch in the updates between assets and liabilities of traditional plans. And then we have a mismatch that total 0 over time, but we want to show the impact in our bottom line. Last year, it was negative. But it reversed more towards the end of the year. And now this year, we have a time mismatch here contributing BRL 116 million and then mark-to-market, BRL 83 million positive from January to September this year, in contrast with a loss of BRL 48 million in the first 9 months of 2022. And here, there is a relevant component in terms of hedge of pre-fixed positions in Brasilcap, which and then the pre portfolio is allocated in what is available for sales, but this position is translated into DRE and this ends up generating a loss last year. But this year, we didn't see anything, yes So, significant. So, the mark-to-market provides a positive contribution contributing to our net investment income in the first 9 months of the year. Now going into the details of each one of our operations, starting on Page 12 with our insurance. So, we had a good performance, as I mentioned, in terms of written premiums, we grew 8% year-on-year, 12% in terms of the first 9 months of the year. The main highlight is rural in the quarter, especially term life as compared to 3Q last year and credit life. Credit life has been very strong this year with very positive results, grew 15% year-on-year, 35% in the first 9 months of the year. And when we look at the first 9 months, when we talk about Rural insurance, it's not just life, but for rural this year, we have had some very good points of performance. In terms of home and mortgage insurance, both of them have good performance. If both in the quarter-on-quarter and for the first 9 months of the year and the lower left-hand corner, you can see the performance ratio. So, here, you can see on the first line in dark blue, an improvement of the combined ratio, which is a result especially of reduction in commissions. And this reduction compared to the third quarter last year is a result both of the mix and also of the operation that we had in commission agreements, that in the vehicle operation that was sold, then we had a consensus. We changed a few things. We eliminated the performance bonus that was provisioned on the year and fully paid in the beginning of the next business year. And So, this additional commission was related to performance, now it's part of the fixed commission of the product. And now once it becomes the fixed commission, it is before the long the life of the operation. This reduces a little bit commissions in comparison to what we had been doing in the third quarter. In terms of cash flow, nothing changes. It's just accounting changes. In terms of admin expenses, gets a little bit worse, 0.4% as part of the reduction in commissions. And then loss ratio is flat. It's important to remember that Q3, we had a recovery of the stability of rural insurance and G&A slightly below the average that we had been having in 2022. So, the comparison basis was favored in Q3 2022 with a different level from '23 onwards. And here too, it's important to emphasize that if we segregate the effects, the recovery in terms of stability of rural insurance, which, in fact, led to an increase in G&A to a higher volume of funds. If we look at year-to-date numbers, this is all very similar. The dynamics is very similar. The only difference -- the difference in combined ratio is if we compare year-on-year because of the strong reduction in loss ratio and especially in the crop insurance. So, that's why we had a more intense or significant improvement in January to September. And then net investment income, excellent. So, 20% better year-on-year , 20% better quarter-on-quarter. And here, 32% better if we compare the first 9 months of the year. And then if we look at the growth and earned premiums and that has carried off from sales in past years with a strong commercial performance. Especially rural and credit life. This year better in the combined ratio and financial net income has grown 23% year-on-year and 51% growth in the first 9 months of the year comparing '23 to '22. And now in terms of pension, excellent performance. If we look at the combined numbers, whether both gross and net. So, net inflows has grown 9%, getting to BRL 16 billion in the third quarter, a 9% increase as compared to the third quarter last. Year-to-date numbers, same pace of growth, BRL 44 million. Collections, 9% high. So, net inflows, significant improvement here more than doubled year-on-year in the third quarter. In year the numbers we had BRL 1 billion from January to September 2022. This year, already BRL 7 million So, not just increase in gross inflows in terms of redemptions and portabilities. So, we went from 11.9% to 9.5% in the third quarter. So, year-to-date numbers, this drop of almost 1 percentage points in redemption ratio and better inflows in assets really driving. The growth of reserves 13% year-on-year. 12 months, if I take traditional plans, this growth would been stronger, 14% growth because in traditional year, the balance of funds has been, has shrunk in terms of inflows. So, all of this ended up taking out a little bit of the growth when we look at total reserves but reserves, there are the core business of Brasilprev reserves of PGBL and VGBL. And as a consequence, this drives in the lower left-hand corner, the growth in management fee 7% year-on-year, 5% growth if we compare the first 9 months of the year, even though the average management fee has dropped 3 basis points year-on-year and 5 basis in year-to-date numbers, which even though we've been seeing a quite favorable movement in terms of net inflows, most of these funds are allocated in very defensive instruments with a risk aversion that is still present in the market. This is reflected here. If we're going back to the right-hand corner -- top, in terms of multi-market funds and their share in total reserves. Net investment income, the 33% growth quarter-on-quarter and year-to-date numbers. And then we had financial losses of BRL 35 million, while in the third quarter this year, almost BRL 300 million. In terms of net investment income, year-to-date number BRL 69 million, and has BRL 767 million, January to September. 2023. So, there's a combination of factors. But the main highlight here is what I said in the beginning. So, deflation of IGP-M with immediate reduction in the update of the liabilities of traditional plans, a reduction in financial expenses, which combined with a positive variation in IPCA ends up being more favorable than it would be then just a reduction in IGP-M with a positive variation in IPCA, which really strengthens the investment income in the period and ends up helping and reversing the losses that we have had in the last 3 years in this product, traditional products. And, as a consequence of all of this, the net income and growth in management fees, we have better net income. The net income has grown 82% year-on-year, in the third quarter, and this supports 52% growth if we compare the first 9 months of the year. Now in terms of Brasilcap, Here, we have the savings bonds. So, there's a growth of 22% in collections, 12% accumulated to BRL 4.7 billion, the single payment product is the highlight, especially the shorter ones. The net investment income with a considerable growth almost doubling year-on-year. If we look at the third quarter, as a result not just of the growth in the average balance, but also better financial margin going from 2.7% to 4.3%. In terms of net interest margin, a significant growth. As I said, in the third quarter last year we had the negative adjustment of hedge. And this is normalized. So, the financial margin is 4 points as it reflects. Also in the first 9 months, 38% growth in the first 9 months and the margin going from 3.3% to 3.7%. And, also, So, there's a direct impact in the net income, explaining the variation of 94% year-on-year growth and 29% growth if we look at the first 9 months of the year. On the next page, this is our distribution company. The BB Brokerage House. And So, 3% growth year-on-year and 9% growth quarter-on-quarter, 11% growth. If we look at the first 9 months of the year with insurance, providing a significant contribution here with the biggest share. If we look at the broken down revenue, from brokerage, pension has been having good performance and same thing with the bonds to and the main driver has been insurance, especially rural insurance and life insurance and credit life. The net margin is better by 1 percentage point year-on-year. And, also, same thing for the first 9 months of the year for better financial results both in terms of volume and fees because these funds are invested with Selic. And that's why the net income grew faster than revenues, 5% year-on-year and 13%, if we look at the first 9 months of the year. To end the presentation, on Page 17, this is our guidance for 2023. Since our first conference call, we've been stressing that our expectation was to have a convergence towards the ranges that we announced. And this is what is happening in terms of noninterest operating results, 19%, still bigger than the range. But this is going to converge along the fourth quarter. It's going to interval into the range in terms of written premiums that we've been delivering above the range in the first half of the year. Now it is within the range in Q3. And in terms of pension reserves that was always within the range is now it's closer to the more optimistic, more closer to the higher end of the range. These were the main highlights. And now I am available to answer any questions you may have in our Q&A session.

[00:34:33] Felipe Peres – Thank you very much Rafael. Now we are going to start the question-and-answer session. If you wish to ask a question via audio in Portuguese, just click on the "rase hand" button and release the microphone when authorized. If you prefer to send the question in writing, you can ask it in Portuguese or English by clicking on the "Q&A" button, if it is not possible to answer all the questions sent live, through "Q&A", we undertake to send them by email as soon as possible. end the "call". Our first question here by audio comes from Daniel Vaz from Safra Bank. Daniel, you can open your microphone and ask your question, please.

[00:35:14] Daniel Vaz – Banco Safra - Thank you very much. Felipe, thank you So, much and congratulations on your performance. And I would like to talk about 2024 budget. So, did you consider the pricing environment that is favorable, considering the competition. And also in terms of financial results, going back having, again, a significant share in your bottom line. If we compare the major or the prevailing trends in 2023 and what you are designing for 2024, what are the main trends that you are designing for 2024 in terms of insurance pricing, what about new contracts? And are you designing a special strategy to have a higher penetration. Could you give us a few comments on that? And I would appreciate, if you could answer these questions. Thank you So, much!

[00:36:21] Rafael Sperendio – Thank you, Daniel, for your question. As to 2024, I'm going to focus. Daniel, placed a higher emphasis in rural insurance. In fact, the environment was very good quality, and this is reflected in our loss ratio. Now when we look at sales, and I am going to focus on crop insurance, but in terms of the crop insurance has a different dynamics. Even though we have had excellent quality, low loss ratio and a good competitive environment that is more benign. When we look at the situation, the financial situation of crop insurance compared to previous years, we can see a strong compression of margins. Even though the cost of inputs has dropped compared to the same period last year, the revenue coming from the sales and the price of commodities, especially soybean and especially corn, the drop in commodities was much higher then the reduction in the cost of production. So, farmers had a significant margin compression along the period going from January to September. And this naturally has an impact on demand. Sharing with you some public numbers published by SUSEP in August, you can see that we have a flat performance in Beasilseg crop insurance and the market shrunk 21%. So, this is directly reflected on this lower demand for insurance considering the margin compression. And obviously, a lower perception of risk for the next crop. For 2024, we believe that this will revert. So, we are expecting 2024 to have a more favorable environment for insurance. And then, So, this is the prospect for crop insurance. This is what we are designing in the budget of 2024. And in terms of stronger sales and then 2023. Talking about other lines qualitative. And then we have a few factors associated to these variables. As we expect interest rates to go down and we expect a more favorable environment for credit origination. So, we are expecting credit life to go as strong in '24, maybe not as strong as in '23, but with significant growth in 2024. And in terms of life insurance, which is a line that has been suffering along '23, even though we have had a record of new sales, our inventory of policies in effect is updated by the IGP-M. So, the deflation of a IGP-M that reduces the cost of liability for pension has a negative compensation in terms of life insurance policy. So, the prices are updated by IGP-M and with a negative impact in terms of written premiums even though we were able to offset most of that with new sales, but it's difficult because inventory accounts for more than 80% of premiums written that we announced for life insurance. So, this is the dynamics that we expect to take place along 2024, and this is what we are translating in our budget.

[00:40:58] Daniel Vaz – Banco Safra – Thank you! Very clear so much.

[00:41:04] Felipe Peres - Our next question comes from Pedro Leduc from Itau BBA. Pedro, you can ask your question.

[00:41:12] Pedro Leduk – Itaú BBA – Well! Good morning! Thank you, Rafael. Congratulations on your performance for the first 9 months. As to Brasilprev, we have a good question with net inflows of BRL 5 billion in one quarter alone and BRL 7 billion in the first 9 months. So, this quarter really gets the attention with lower portability, everything in line. And we want to understand why this is, was there a specific campaign, incentive, channel? And how do you see this trend over the next few quarters? Congratulations again!

[00:42:00] Ullisses Assis - Pedro, thank you for your question. Can you hear me? Thank you for your question. Just now, we are having a press conference and they asked the exact same question. And what happens is that, actually, Brasilprev and everything that is going on with the company now, of course, the market scenario influences. This is a consequence of how well Brasilprev is doing in terms of more inflow. We are losing less customers. So, this is the result of a few actions that were implemented over the last few years. So, for a long time, we've been working in terms of portfolio with Brasilprev, So, that Brasilprev may show to customers all possible options. We started in the past in 2021 with the fund portfolios, which is an experience that our partner in the company was very successful in doing that in Chile, we brought the experience here. In terms of showing the multimarket to our customers, not necessarily with high volatility, but this was the first step mirror funds. There were many investment companies for us to sell this as part of our portfolio. So, we really worked intensely in terms of portfolio. This is one thing. Number two is that, in Brasilprev, we have structured a department of financial advice which is a significant number of workers. To give you an idea, Brasilprev has more than 100 employees spread throughout the chain of bank branches, especially where we expect to have more investors. We have 2 whole portfolio. In addition to having the relationship manager of Banco do Brasil, they have a close relationship with Brasilprev managers. So, we have an island of highly specialized consultants So, that we can talk to these customers that have higher volumes invested with us to show a value proposition in terms of financial consulting. So, we lost a lot because sometimes customers were approached by the competition. They talked about the possibilities of diverse investments and that they didn't know we had that. So, we are much closer to our customers in terms of taking to them. And So, why migrate if the solution is similar in home. So, this is another point. But of course, what explains this issue at the time in terms of collection. You know that, too. We have structured in Banco do Brazil ever since the verticalization in the high retail strategy of the bank in 2018, a highly specialized network for investment. So, we have high-end retail, which is where most of these the funds invested in pension is. So, this assures a very high sales potential. So, this traction in sales is thanks to this proximity, this very well-structured network of Banco do Brazil. So, I was one of the implementers, I was the director of this area in the bank. So, we'll work to get to a point when we're much closer to the customers. Another thing that we've been doing is that as part of our communication with customers, and I had and I said this in our last conference call that we are going to be more efficient in transfers , transfer in and will transfer out. So, this has proven to be a very successful strategy. So, redemptions have dropped, sales continue to go up as compared to last year. And in last year, we sold BRL 40 billion, much more than number two, this year, we sold BRL 44 billion, So, a very strong sales traction with a very well organized network with a defense system that is much more efficient than we used to have in the past. So, I can tell you that there's a combination of strategy that is being built and put in practice over the past periods where it can deliver a more efficient value proposition to customers, and this is reflected in NPS too. So, less people going out and more people coming in. So, and I mentioned until recently, there were a few players today when -- major players in BRL 50 billion, BRL 70 billion had very small portfolios. They grew a lot, but they didn't have to defend the portfolio. Now they have a portfolio to defend. And you can say the net growth is not So, significant. And we have shown that we are very efficient in terms of defending a BRL 380 billion portfolio. It's not just one thing. It's not a silver bullet, but many small actions that gives us more leverage.

[00:47:37] Pedro Leduk – Itaú BBA – Thank you very much, Ullisses. Congratulations.

[00:47:40] Ullisses Assis – Thank you, Pedro!

[00:47:44] Felipe Peres - Our next question comes from Antonio Ruette from the Bank of America.

[00:47:53] Antonio Ruette – BofA – Good morning, everyone, thank you very much for your time! Congratulations on your results. I have 2 questions to ask. Number one is about the sale of products outside the banking channel. We see that those premiums are becoming more significant in your bottom line. And so, can you tell us more about the profitability of this product, especially when we compare to the products sold at the counter and, also, to digital? What is the comparison in terms of premium, loss ratio, commissions? This is my first question. The second question is if you can explore a little bit what you expect in terms of loss ratio, especially for rural? What do you see in terms of trend, in terms of fourth quarter, in terms of potential impact of the El Nino?

[00: 48:46] Ullisses Assis – So, I'm going to start answering your question. Antonio, and then Rafael may complement. Obviously, these products that are distributed in what we call miscellaneous channels or open sea, they have a lower profitability. If you analyze our bank assurance business model. So, bank assurance goes through the BB Brokerage House and BB Brokerage is 50% of our bottom line. So, when we sell in new business models, we can have a cold brokerage model using BB, but direct partnership with Brasilseg with a captive brokerage house that has our partners. So, half of the bottom line, we do not earn in many of these businesses. Of course, and I say it's better to make less of something than a lot of nothing. So, if we didn't go into those markets, number one, we have the cost, we have the capacity. So, the factory, the product factory is good. It's well oiled. And if we didn't start sending, the competitor would do that. So, we're just occupying space even though we get more in the equity method and not So, much in brokerage, but we are occupying market niche that we think it's important and someone would take it in any way. Some of those partners are credit correspondence of Banco do Brasil, the agronomists that distribute the bank's credit products. And these are professionals that are directly involved in the business of farmers. And if our products is not there available for them to sell. So, they would sell the credit from Banco do Brasil Insurance from a different insurer. So, it's a not So, profitable product. We knew that this would happen, but a completely new business that today, we occupy a significant space in the market. And even the numbers that we have announced So, far today, if this is a separate insurance, we wouldn't be one of the biggest in the market, even though it's 100% outside the bank. And all our competitors have not bank assurance model leave the commission to the partner already, and they win in managing the business as insurance companies. Did you understand my explanation and Rafael, if you want to complement, please, can answer the second question?

[00: 51:20] Rafael Sperendio – I'm just going to try and complement. In terms of most profitable the insurance sold digital channel to Banco do Brasil customers. Number two, Banco do Brasil customers to their physical channel and then number three, sold outside the Banco do Brasil channel, sold through partners and others. And now in terms of profitability and in terms of prospects, this business has generated 80% net margin that is in drop. That has been going down, but it's not compared to the banking channel. There is an essential component. If we sell through banks either physical or digital, specially physical, we have much more information available about the customer, behavior profile, history than through partners. So, with partners, we don't have So, much information, not as many data even So, it's profitable, but it will never be as profitable and also whenever as big as we have through our banking channel.

[00:52:38] Antonio Ruette - BofA – It's very clear.

[00:52:38] Rafael Sperendio – Is there anything else that I should answer?

[00:52:42] Antonio Ruette – BofA – Just the loss ratio of rural insurance.

[00:52:45] Rafael Sperendio – Well, about the loss ratio of rural insurance for this year, we are not expecting anything atypical. Next year, we have practically left a period of neutrality, especially considering El Nino. We are not seeing any threats to the crop. And in March next year, in the first quarter, we are not expecting any abnormal impact in terms of loss ratio for our crop insurance until the first half of 2024. On the second half of the year, we need to wait a little bit more because it's still not really predictable. But there is no indication of a significant impact, and it's still too early for us to talk about second half of 2024 onwards. We can tell that we don't expect any significant impacts as we can say, for the first half of 2024.

[00:53:52] Ullisses Assis – Just complementing, it's important to remember that as part of the distribution strategy for other channels, we take no, no energy whatsoever from the BB channel. It's completely stand-alone. It's an independent team. So, this bottom line, these numbers is net, it takes the expansions of all the personnel that were allocated for this business. So, it's 0 energy taken out from the BB channel or our main channel, but it's completely aggregated and it's completely stand-alone. So, that one business does not impact the other. So, we need to make the pie grow.

[00:54:39] Antonio Ruette – BofA – So, thank you very much for your answers.

[00:54:46] Felipe Peres – Our next question comes from Tiago Binsfeld from Goldman Sachs. Tiago you may continue, please.

[00:54:56] Tiago Binsfeld - Goldman Sachs – Good morning, Ullisses, Rafael and Felipe! My first question is about the growth of premiums in rural insurance and also the increase in crop insurance, why has it grown So, strongly. And when do we expect to see the growth rate of this product to flatten? What is the penetration in terms of consigned credit to see where we have the marginal growth coming from?

[00:55:32] Rafael Sperendio - Thank you for your question, Tiago. As to rural insurance. Life specifically, we made a few adjustments in the product, and we adopted the target company for farmers and the addressable basis has increased. And this explains the strong growth that we have been seeing in year-to-date numbers. And there, I would like to emphasize that we have expanded the market a little bit and the dynamic is not similar as agriculture. In the crop insurance, we're talking about the cost of grains. And if we talk about the [point] and I'm talking about investment, and this is not necessarily the same for the corn and soy. So, in addition, to the point that the factor is the main driver. So, this is the dynamics. For Credit Life, and we have a target population. So, the consigned is the main driver with the penetration and in terms of eligible volumes that has been helped us to grow in this modality. And So, summarizing the main driver was the increase in the eligible audience, in the modalities, in rural insurance and in credit life, the consigned increase the eligible audience.

[00:57:28] Tiago Binsfeld - Goldman Sachs - So, can you, do you have those numbers broken down? Do you know how much is the penetration of consigned credit over the credit line?

[00:57:32] Rafael Sperendio – No, we don't have the numbers.

[00:57:40] Tiago Binsfeld - Goldman Sachs – So, Thank you very much!

[00:57:41] Rafael Sperendio - Thank you!

[00:47:45] Felipe Peres - Our next question comes from Kaio from BB-UBS. Kaio you may continue, please.

[00:57:54] Kaio Da Prato - UBS - Good morning, Rafael and Ullisses! Thank you for take my question! I have 2 follow-ups. The main one regards a rural loss ratio. So, you mentioned about agriculture. Now considering the growth in pharma, the loss ratio is slightly more under control. Especially if we think of the first half of the year, where we have more visibility, can we see the consolidated loss ratio of the rule that has been smaller than this year? This is the #1 question. Still on partnerships, you said that you have 12 new partners this quarter, if I'm not mistaken. So, what is the pipeline of that like? So, more partners, how long? And this number 2 is about the bottom line, BRL 145 millions impact in your net income. And do you have any goals about these partnerships?

[00:59:11] Rafael Sperendio – I'm going to start answering your question. Thank you very much for your question. And then we are going to complement if necessary. As to loss ratio. The only thing here is the potential impact. So, we are not expecting anything unusual for the first half of 2024. But if we look at the comparison basis we are expecting a loss ratio in 2024 for crop insurance higher than this year, because

2023, the loss ratio is very low this year. So, -- and we're thinking that we are going to end the year at a very low levels historically, speaking. So, -- but the tail of La Nina, but it didn't really affect Brazil. It's just the southernmost part of the country. In 2024, we think that frequencies are going to go up, not too much not compared to what we saw in 2022, but higher than 2023 because of that. Because in 2023, it was very, very low. It's hard to get any better. As to partners. We don't have any goals in terms of quantities or volumes. We are now at a time when we are reassessing everything. We are reassessing our partners, and we are trying to identify which ones are profitable, which ones are not So, profitable. And for the ones that are not, we think that they deserve a work of improvement in whether it's worth it, the investment and keeping them as our partner and which ones we think doesn't make any more sense to operate. So, we want to optimize the results here, as a previous step to the process of escalating the strategy even further.

[01:01:47] Kaio Da Prato – UBS – Thank you very much, it's very clear.

[01:01:52] Felipe Peres - Our next question comes from Guilherme Grespan from JPMorgan. Mr. Grespan you may your question.

[01:01:52] Guilherme Grespan – JP Morgan – What about the tax reform? I know it's kind of too early to talk about numbers, but it's more in terms of the trends, overall trends. Two questions. And do you think that insurance will be within a special regimen just as after, as other banks and financial organizations, an impact of any changes in taxing for different business lines? So, sharing with you my vision in terms of insurance, to me, it's very clear that you can transfer to premium any increases. But now when I look into pension, I can't see any increases in admin fees in the price of the product. So, these higher tax rates in pension, are you worried about that? And how do you see the possibility of repricing pension and insurance, if there's any change? Thank you!

[01:03:18] Rafael Sperendio – Thank you very much for your question, Grespan. And So, insurance is going to receive the same approach as other financial institutions in terms of the taxing regimement. No, we have the same rules for taxing. So, yes, we think that this is going to be part of the special regimen. But it's still too early to say anything about that. And as you said, we don't know how this is going to happen, what is going to be the rate and everything. This is still under discussion. Now talking about the tax reform, there are 2 aspects. So, taxing on consumption and tax on income. So, tax on income, we still need to wait the discussion on taxing on income. We are expecting an increase an overall increase in taxes, but we still need to wait a little longer So, that this becomes clearer. As to the dynamics what you said really makes sense. It's easier to transfer prices to insurance than it is to pension. Now whether this is going to be necessary when, we do not yet know. It's difficult to tell.

[01:05:08] Guilherme Grespan – JP Morgan – It's just the reasoning lines that I wanted to confirm , thank you so much!

[01:05:18] Felipe Peres Our next question comes from Eduardo Nishio from Genial Investments. Mr. Nishio you may your question.

[01:05:26] Eduardo Nishio – Genial - I have 2 follow-ups. The first one is regarding 2024. You have just said that the loss ratio is at very, very low levels this year. So, premiums are going down this year and maybe next year, you're going to have the challenge of growing slightly faster, or increasing premiums slightly faster So, that your income grows. So, I would like to hear from you what are your prospects in terms of growth, in terms of premiums? And overall revenue considering this year. Could you talk about that, talk about the initiatives that you are taking. Loss ratio, as you said, this is going to be difficult, but if there's any other segment, other than rural that you can improve loss ratio too? I would like to hear from you. And financial. And then we saw it going down in 2024, you're probably going to have a challenge in terms of volume. As the rates are going to go down, there will be an impact in terms of rates. But can you offset the drop? And the second question is about pension. As you said, you've had an excellent quarter. And these retention measures that you are implementing are having an effect. But I would like to hear from you, the reasons for redemptions. In previous quarters, we saw that redemptions were very much because of expenses. So, you said that portability had a very small share of your redemptions last year or any previous quarters, better saying. But has anything changed now this quarter? And do you see any difference in terms of redemptions because of expenses? Could you talk about that, about the reasons, please? Thank you!

[01:07:59] Rafael Sperendio – Thank you for your question, Nishio. Well, it was many. If I fail to answer anything, please tell me. So, we are working on insurance first. For 2024, it's a quite favorable environment for credit life insurance. If this interest reduction trend is confirmed in terms of credit origination, especially the payroll loan. In terms of credit life, as I said before, the environment will be more favorable for growth, in 2024 for rural. So, there is a better prospect. It's always good to remember that when we look at 2024 and 2023, So, it grew 50% in last year, very strong basis for comparison. Despite of that, we expect the environment to be more favorable for crop insurance in 2024 in terms of penetration and also a higher perception of risk that will lead to an increase in demand. And I think this will help us in penetration, to improve penetration. In terms of life or term life insurance, we expect an improvement in, because we suffered a lot in the first 9 months of the year and when we consider the adjustment of policies and premiums because of the recovery of the accumulated IGP-M. So, we're going to no longer use IGP-M and to move towards IPCA in new policies, and this will help us to have a less volatile growth over the next few years. And this will help for an increase in premiums in 2024. In terms of loss ratio, we expect an increase in margin as compared to 2023. We're coming from very low margins. So, there's base to improve in other lines. We are working on that. We are working on some of these initiatives, and they might not have an effect in 2024. It might be later on, but it will have a more significant impact in the longer term, especially in terms of sanitation for many products especially the home insurance. And its share is not So, material in the profit. So, this is the overall picture for insurance. For pension, we've been seeing an improvement in the scenario. There is an overall thing. So, this comes from more income available, and here, we also have a correlation with your question for 2023. Most of it comes, is related to short-term needs. So, this ends up contributing to better redemptions in

2023 and we expect it to go on along 2024, considering our experience for a better economic scenario in 2024. So, in terms of gross inflows, So, we are still going to see a growth. There is no reason for it to grow any less than inflation considering the salary adjustments and So, on. And, also, we are going to have a more benign scenario in terms of outflow for 2024. So, we haven't yet finalized our planning for 2024. So, I can tell you much more than that. So, then what I can say, all I can talk about are more assumptions. And this will offset and of course, we work with the growth in earnings for 2024, even though the investment income has a significant share there. So, we have both fixed instruments. This is where we have our assets. So, a share of the portfolio we can offset in terms of volume. But this is the main challenge that we are going to deal with in 2024. When we assess the mid and long term, the more favourable environment for insurance is the low interest rate environment, globally. We will hardly ever see a country with a high penetration or have share insurance, in the GDP if they have a high inflation. They do not have space to focus on the long term, if there is a very, very high inflation. So,if we think in the mid and long term, this is the best environment. But at first, there is this financial impact and the operation gradually compensates or offsets that a long years, especially because of the dynamics, this movement, the accounting especially in terms of operational results and its share in the net investment income. If I talk about the commissions that we have or the commissions to be collected in terms of this operational result. So, we have in terms of prepaid insurance, we have a significant amount. So, this is the contracted result that is not yet reflected in our financial statements. And this will take place along the year. Now if we think this needs to be in a profit for So, that we can payout.

[01:15:25] Eduardo Nishio – Genial – thank you!

[01:15:33] Felipe Peres - We have some questions in the chat. All of them are related to the company's dividend policy. You know to know about the sustainability of the payout and the possibility of increase in the frequency of payments So, that it's quarterly, our buyback program and that's it.

[01:16:11] Rafael Sperendio - About payout of dividends. Well, today, we are not seeing any need to do anything different from what we've been doing for the last years and ranging between 80% to 90%. We see no indications that we should pay less or more than that. As a reminder, and this is related to one of the other questions. So, the return for our shareholders in 2 ways. So, the direct payout of dividends and increase in share through the buyback program, the buyback program that has been approved -- and considering public numbers until September. But the most recent numbers, almost 10% of the program has been executed by September. We do not yet have the numbers for October. So, this takes up part of the dividend funds that is being used to buy back shares. So, the buyback , the stock buyback program takes up some of the dividends. So, we get dividends if we want to dilute it, and then we sell what corresponds to a higher share. This is the overall scenario when we talk in terms of return for shareholders. So, we don't see any reasons to be any different from our historical range of payout of dividends. And as a reminder, some of the dividends are being used for the buyback program. and we have already executed 10% of it.

[01:18:19] Felipe Peres – And, so higher frequency, more frequent payments or more frequency payout of dividends.

[01:18:23] Rafael Sperendio – No, we do not yet have an intention to paying out dividends more frequently.

[01:18:31] Felipe Peres - Now we have no more questions, neither by audio nor in the chat. We are now ending our meeting to announce the results of the third quarter. We kindly request you to answer the questionnaire that you're going to see on your screen. Ullisses and Rafael, would you like to make any closing remarks?

[01:18:57] Ullisses Assis - Just to thank you once again, you, for your attendance. It's a great pleasure to have you here. We are available to answer any questions that you may have about our performance. And we are very happy because we feel that we are on the right track to make our company more and more a leader and that will provide more and more results and return to our shareholders. Thank you very much for your attendance.

[01:19:23] Rafael Sperendio - Thank you very much. I wish you can have a very, very good day and everything in our materials for publication. Thank you so much.