

1. SUMMARY

■ NET INCOME ANALYSIS

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

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

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

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

Table 1 – Income statement of the holding

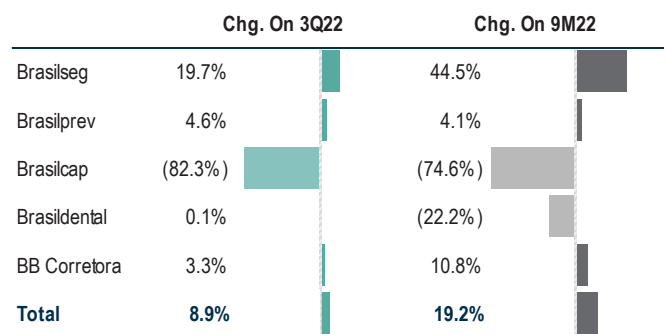
R\$ thousand	Quarterly Flow			Chg. %		9 Months Flow		Chg. %
	3Q22	2Q23	3Q23	On 3Q22	On 2Q23	9M22	9M23	On 9M22
Equity income	1,648,550	1,835,739	2,038,548	23.7	11.0	4,235,022	5,637,978	33.1
Underwriting and accumulation businesses	883,131	1,108,531	1,235,335	39.9	11.4	2,256,001	3,396,438	50.6
Brasilseg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

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

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

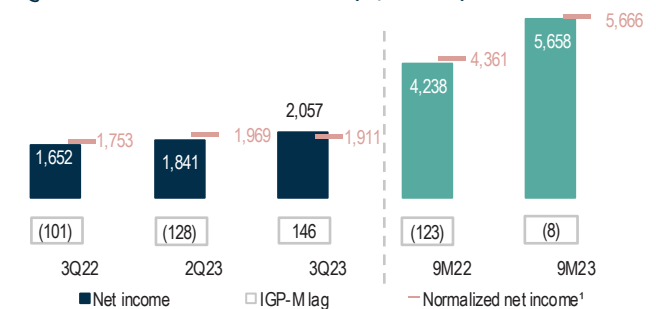
For the **9M23**, **net income** increased by R\$1.4 billion (+33.5%), reaching R\$5.7 billion. The most significant variations by business line were:

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

Figure 1 – Non-interest operating results¹

¹Non-interest operating results before taxes, weighted by the equity stake

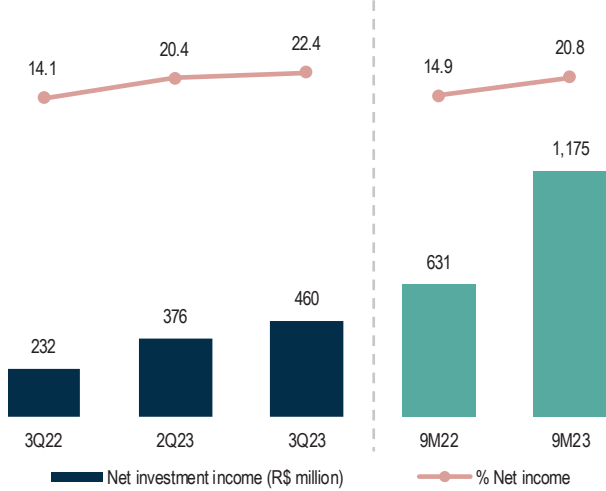
Figure 2 – Normalized net income (R\$ million)



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

NET INVESTMENT INCOME ANALYSIS

Figure 3 – Consolidated net investment income



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

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

Figure 4 – Inflation rate (%)

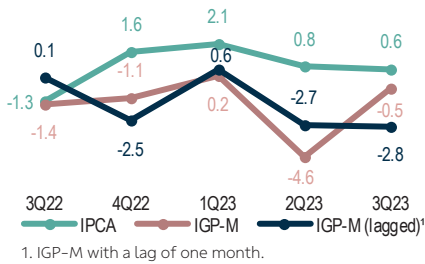


Figure 5 – Average Selic rate (%)

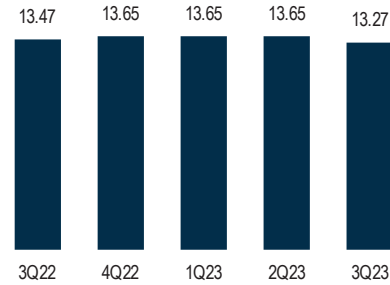


Figure 6 – Forward yield curve (%)

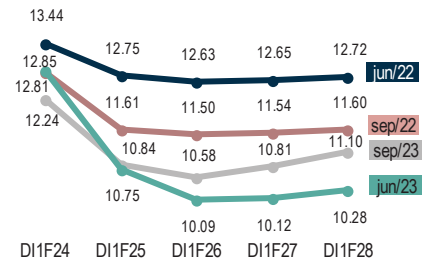


Figure 7 – Financial investments (%)

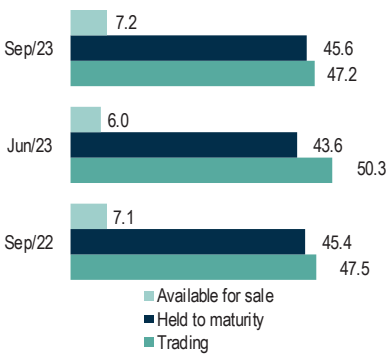


Figure 8 – Financial investments by index (%)

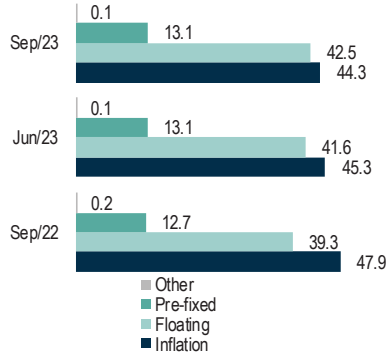
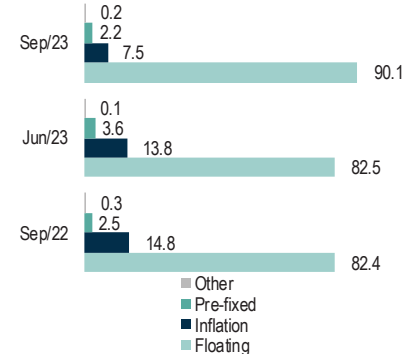


Figure 9 – Trading portfolio by index (%)



■ 2023 GUIDANCE

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

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

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

Figure 10 – 2023 estimates

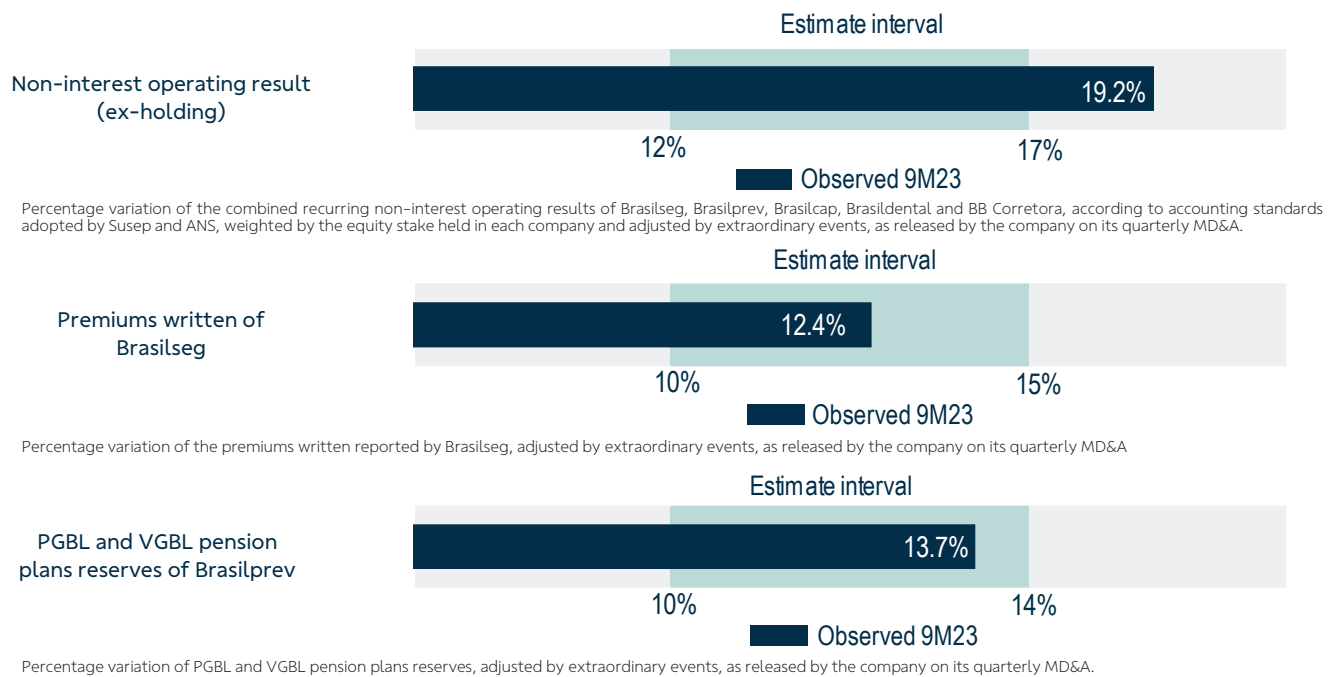


Table 2 – Breakdown of the managerial non-interest operating result by company

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

SUMMARY OF INVESTEE'S PERFORMANCES

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

Table 3 – Summarized income statement

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

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

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

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

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

Figure 11 – Key performance indicators

	Chg. On 3Q22	Chg. On 9M22
Breakdown of premiums written		
Rural	9.1%	10.1%
Term Life	(1.8%)	0.5%
Credit Life	15.4%	34.6%
Others	11.1%	19.2%
Performance ratios		
Loss ratio	0.1 p.p.	(4.7 p.p.)
Commission ratio	(1.7 p.p.)	(1.4 p.p.)
G&A ratio	0.3 p.p.	0.3 p.p.
Combined ratio	(1.3 p.p.)	(5.8 p.p.)

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

Table 4 – Summarized income statement

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

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

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

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

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

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

Figure 12 – Key performance indicators

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

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

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

Table 5 - Summarized income statement

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

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

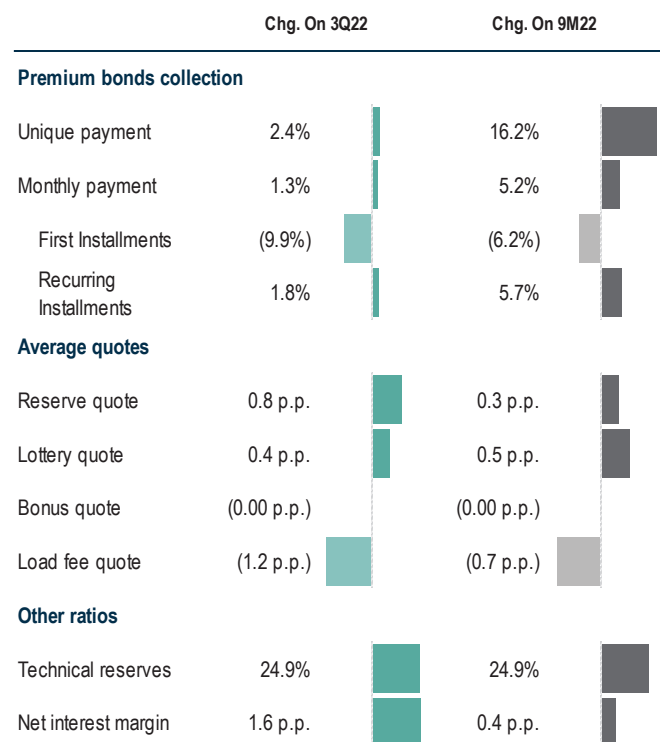
Premium bonds collection increased 2.0%, driven by the higher number of single-payment bonds sold. However, the **revenue with load fee** decreased by 10.0%, impacted by the higher share of single-payment bonds with shorter terms (12 and 24 months) in the total collection, as these products have lower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

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

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

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

Figure 13 – Key performance indicators



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

Table 6 - Summarized income statement

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

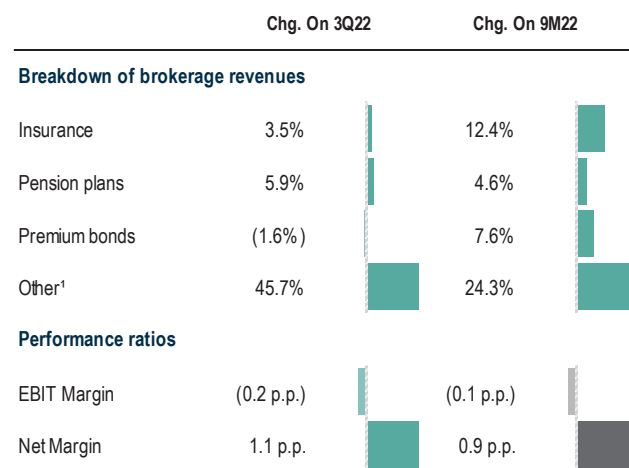
In **3Q23**, BB Corretora's **net income** increased by 5.4% YoY.

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

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

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

Figure 14 – Key performance indicators



¹ Include dental plans and other revenues.

■ OTHER INFORMATION

Table 7 – Market share and ranking¹

	Unit	Quarterly Flow			9 Months Flow	
		3Q22	2Q23	3Q23	9M22	9M23
Life²						
Premiums written	R\$ thousand	960,957	925,059	943,848	2,706,311	2,718,837
Market-share	%	12.6	11.9	11.9	12.5	11.7
Ranking		1°	1°	1°	1°	1°
Credit life						
Premiums written	R\$ thousand	815,110	782,090	940,532	1,844,872	2,483,689
Market-share	%	17.4	19.3	21.8	14.7	19.4
Ranking		1°	1°	1°	2°	1°
Mortgage life						
Premiums written	R\$ thousand	74,878	79,178	79,898	221,407	235,968
Market-share	%	5.1	5.0	5.0	5.2	5.0
Ranking		6°	6°	6°	6°	6°
Rural						
Premiums written	R\$ thousand	2,899,839	1,871,650	3,163,335	6,176,963	6,797,823
Market-share	%	59.0	59.0	66.2	58.1	60.6
Ranking		1°	1°	1°	1°	1°
Home						
Premiums written	R\$ thousand	103,776	93,802	109,762	282,769	297,858
Market-share	%	7.6	7.0	7.4	7.7	7.2
Ranking		4°	6°	5°	5°	6°
Commercial lines						
Premiums written	R\$ thousand	165,078	183,804	190,298	404,639	546,350
Market-share	%	5.2	5.3	5.0	4.5	5.3
Ranking		5°	6°	5°	7°	5°
Pension Plans						
Technical reserves	R\$ thousand	336,261,334	365,830,270	379,019,363	-	-
Market-share	%	28.5	28.4	28.4	-	-
Ranking		1°	1°	1°	-	-
Contributions	R\$ thousand	15,144,470	12,278,542	16,466,696	39,855,359	43,534,386
Market-share	%	36.4	32.8	35.9	34.5	35.7
Ranking		1°	1°	1°	1°	1°
Premium Bonds						
Reserves	R\$ thousand	8,881,806	10,667,461	11,091,503	-	-
Market-share	%	24.8	27.4	28.2	-	-
Ranking		2°	1°	1°	-	-
Collections	R\$ thousand	1,615,265	1,638,676	1,648,071	4,206,108	4,715,855
Market-share	%	21.6	22.3	21.3	20.0	21.3
Ranking		2°	1°	1°	2°	1°

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

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

Table 8 – Stocks | Breakdown of the shareholders' base

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

Table 9 – Stocks | Performance

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

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