Financial Statements

December 2022

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CEO Message

Banrisul transforms, brings opportunities, helps overcome challenges and encourages sustainable practices. In 2022, we strengthened this positioning, based on a rebranding process, which modernized our brand and presented a new concept. And more than just a marketing strategy, we evolve in concrete actions, always focusing on the pillar that sustains us: our people.

The concept “Our connection transforms” is true. As a financial agent focused on the development of Rio Grande do Sul, we fulfill our commitment to Rio Grande do Sul society day after day. We overcome adversities with a solid and profitable posture, without losing sight of innovation and competitiveness.

For Banrisul, being connected means understanding what society needs and when it needs it most. In pursuit of this assertiveness, we have improved our governance, so that the Institution's human capital has full conditions to exercise its role. We conducted the restructuring of the Human Resources area, promoted two Voluntary Retirement Programs and held a public tender, which contributed to the renewal of our team of employees.

Close to completing 95 years of history, the Bank is committed to consolidating a Strategic Sustainability Agenda, emphasizing the social, environmental and climate agenda. We are following this path with important advances and transformations, attentive to changes in consumer relations and the new reality of the economy. A major milestone is the 100% renewable energy consumption through the free energy market and our energy transition in the first 100 branches. This mission will continue from a second public notice, to contemplate the entirety of our structure.

Alongside the largest financial institutions in the country, Banrisul is already considered carbon neutral in terms of direct emissions and energy consumption. By joining the Brazilian GHG Protocol Program, we were able to map our greenhouse gas (GHG) emissions for the years 2021 and 2022 and, in this last year, we won the Gold Seal – awarded after carrying out a complete inventory and audited by a third party – confirming our commitment.

In terms of credit, one of the highlights of our portfolio was agribusiness and we serve, with the same dedication, from family farmers to corporate producers. Agriculture already represents an important segment of the economy in the Bank's portfolio and, therefore, we have consolidated seven Agro Spaces in the countryside of Rio Grande do Sul. In the Safra 2022/2023 Plan, we operated with record credit availability – R$7 billion.

In the area of innovation, we are proud of the reach achieved by BanriTech, our Startup Acceleration Program. In 2022, we concluded our second cycle, with the participation of 30 companies from different regions of Brazil. Our infrastructure has become one of the most modern in the market, with the inauguration of a new Data Center. We also advanced in the use of digital channels and launched, along with 40 partners, our e-commerce, BanriShopping.

Our results reflect this effort to create a new culture. A necessary culture to overcome the challenges of these new times. With great pride, we can say that we fulfilled the purpose of this cycle, to encourage sustainable development, facilitate access to our more than 4 million customers and bring the Institution closer to young people, those who are starting their professional and academic careers. Respecting history and opening doors to the future: this is the path we seek to follow, with the certainty that everything changes all the time, except our connection.

Cláudio Coutinho

CEO

PRESS RELEASE

We summarize below Banrisul's performance in the fourth quarter and full year of 2022.

Business Scenario

In the Brazilian **economic scenario,** we highlight the boost in inflation indicators because of the rise in commodity prices, bottlenecks in global production chains, and the resumption of services and jobs, which made the Central Bank take firm actions and increase the interest rate to 13.75% in mid-August. However, the decrease in taxes on fuel, electricity, and telecommunications, and the change to the green flag in electricity after the water shortage contained an even worse inflationary scenario, leading the monetary authority to maintain the Selic rate at that the same level until the end of 2022. In terms of **loans,** the average balance in Brazil increased by 16.3% in 2022, while the average default rate in this period was 2.99%, representing an upward trend. In Rio Grande do Sul these rates soared 17.5% with delinquency rate of 2.09%. Highlighting the 18.6% increase in the individual portfolio and agricultural credit, wherein the Rio Grande do Sul state accounted for 15% of Brazil's total in contracted amounts.

On May 23, 2022, Banrisul launched its re-branding project, with a **new positioning and brand under the concept: "*Nossa conexão transforma*"** (**Our connection transforms)**, which refers to a more inclusive, human, and connected Bank. **Bah**, Banrisul's first intelligent virtual assistant was implemented in 2022 and is under training, and will allow for an improved customer journey regarding the use of digital channels, which translates into convenience and security.

Aiming to boost Rio Grande do Sul's **innovation ecosystem**, in April 2022, we held the 2nd startup acceleration cycle, promoted by BanriTech. To monitor the activities of these startups, we selected volunteer professionals within the Bank to act as facilitators and supporters. This interaction also promotes an innovation culture among our business units, in which preference is given to implementing new work methodologies and improving Banrisul's processes, products, and services. Banrisul's Innovation Week, aimed at employees, was held in October to celebrate the end of the BanriTech Program.

Attentive to the mitigation of Greenhouse Gases, Banrisul has been reinforcing the inclusion of **sustainability** criteria in its hiring processes and in the products and services it offers, fostering the transition into a low-carbon economy. In 2022, the Bank prepared its Second Greenhouse Gas Inventory that was certified with the Gold Seal, the Brazilian GHG Protocol Program's highest certification. The year also marked the beginning of the implementation of the energy consumption migration project to 100% renewable sources, starting with 100 agencies joining the Free Energy Market, which is expected to be completed by 2023.

In **agribusiness**, Banrisul announced R$7.0 billion for the 2022/2023 crop plan, an increase of 34.6% over the previous crop year. The plan is expected to benefit more than 50,000 rural producers, reinforcing the Bank's strategic focus and consolidating its position as a promoter for the sector and the economic development of Rio Grande do Sul.

In 2022, Banrisul created the **Voluntary Separation Program**, with the adhesion of 511 employees. The financial investment totaled R$119.8 million in the third quarter of 2022, and the dismissals will take place from April 1 to August 31, 2023, except for employees working in the Information Technology Department, who may be gradually dismissed until August 31, 2024. To replace the vacancies and bring new talents to the Bank, Banrisul held a public selection process for 274 positions in the IT areas, as well as a selection process to fill out the Bank's general openings, with an expectation to hire up to 1,335 new employees.

Economic and Financial Indicators

Main Income Statement Accounts - R$ million	2022	2021	4Q2022	3Q2022	4Q2021	2022/ 2021	4Q2022/ 4Q2021	4Q2022/ 3Q2022
Financial Margin	4,668.8	4,845.6	1,280.4	1,151.5	1,173.3	-3.6%	9.1%	11.2%
Expenses for Provisions for Expected Loan Losses	968.7	787.8	282.0	237.9	155.7	23.0%	81.1%	18.5%
Income from Services and Bank Fees	2,083.5	1,972.2	550.6	522.0	515.6	5.6%	6.8%	5.5%
Adjusted Administrative Expenses [(1)]	3,911.8	3,665.7	1,004.0	1,027.8	976.5	6.7%	2.8%	-2.3%
Other Revenues / Expenses	70.8	(20.1)	29.5	(35.3)	(18.5)	452.6%	-259.1%	-183.5%
Civil, Tax, and Labor Provisions [(2)]	(661.5)	(490.6)	(81.0)	(103.0)	(62.4)	34.8%	29.9%	-21.4%
Adjusted Net Income	780.8	990.4	251.1	137.8	258.0	-21.2%	-2.7%	82.1%
Net Income	714.9	948.5	251.1	71.9	247.8	-24.6%	1.3%	249.0%

Main Balance Sheet Accounts – R$ Million	Dec 2022	Dec 2021	Sep 2022			Dec 2022/ Dec 2021	Dec 2022/ Sep 2022	
Total Assets	113,166.2	105,367.1	114,298.0			7.4%	-1.0%	
Securities [(3)]	31,559.5	35,819.4	31,474.6			-11.9%	0.3%	
Total Loan Portfolio	49,121.9	41,042.0	47,440.6			19.7%	3.5%	
Provision for Loan Losses	2,439.8	2,629.8	2,442.8			-7.2%	-0.1%	
Past Due Loans > 90 Days	777.9	849.2	751.8			-8.4%	3.5%	
Funds Raised and Under Management	87,922.6	84,900.0	86,984.9			3.6%	1.1%	
Equity	9,420.1	9,048.6	9,009.7			4.1%	4.6%	
Prudential Conglomerate Reference Equity	9,291.8	9,021.8	8,595.6			3.0%	8.1%	

Stock Market Information - R$ Million	2022	2021	4Q2022	3Q2022	4Q2021	2022/ 2021	4Q2022/ 4Q2021	4Q2022/ 3Q2022
Interest on Equity / Dividends [(4)]	360.3	382.2	24.8	45.0	58.7	-5.7%	-57.7%	-44.8%
Market Capitalization	3,967.1	3,946.6	3,967.1	4,805.5	3,946.6	0.5%	0.5%	-17.4%
Book Value per Share	23.03	22.13	23.03	22.03	22.13	4.1%	4.1%	4.6%
Average Price per Share (R$)	10.22	12.23	10.76	10.57	10.71	-16.4%	0.5%	1.8%
Earnings per Share (R$)	1.75	2.32	0.61	0.18	0.61	-24.6%	1.3%	249.0%

Financial Indexes	2022	2021	4Q2022	3Q2022	4Q2021
Adjusted ROAA (p.a.) [(5)]	0.7%	1.0%	0.9%	0.5%	1.0%
Adjusted ROAE (p.a.) [(6)]	8.5%	11.4%	10.9%	6.1%	11.6%
Adjusted Efficiency Ratio [(7)]	63.5%	58.1%	63.5%	64.8%	58.1%
Interest Margin on Interest-Earning Assets	4.85%	5.54%	5.13%	4.66%	5.08%
Default Rate > 90 days [(8)]	1.58%	2.07%	1.58%	1.58%	2.07%
Coverage Ratio 90 days [(9)]	313.6%	309.7%	313.6%	324.9%	309.7%
Provisioning Index [(10)]	5.0%	6.4%	5.0%	5.1%	6.4%
Basel Ratio (Prudential Conglomerate)	17.6%	18.4%	17.6%	16.7%	18.4%

Structural Indicators	Dec 2022	Dec 2021	Sep 2022
Branches	495	497	495
Service Stations	131	138	142
Electronic Service Stations	437	427	435
Employees	8,658	9,002	8,730

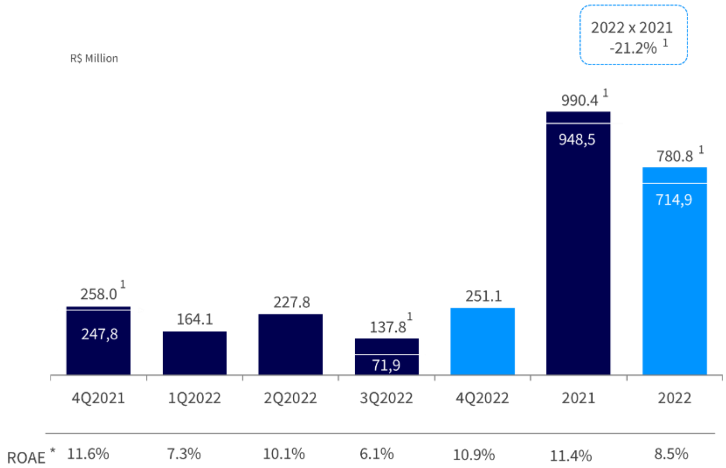
Economic Indicators	2022	2021	4Q2022	3Q2022	4Q2021
Effective Selic Rate	12.39%	4.42%	3.20%	3.31%	1.85%
Exchange Rate Variation (%)	-6.50%	7.39%	-3.49%	3.22%	2.59%
IGP-M (General Market Price Index)	5.46%	17.79%	-1.08%	-1.44%	1.54%
IPCA (Extended Consumer Price Index)	5.78%	10.06%	1.63%	-1.32%	2.96%

(1) Includes adjusted personnel expenses and other administrative expenses. (2) Adjusted for the provision for tax contingencies in 2Q2021. (3) Includes derivatives, interbank, deposits, and cash equivalents and deduces repurchase obligations. (4) Interest on equity and dividends paid credited and/or provisioned (before retention of income tax). (5) Net income over average total assets. (6) Net income over average shareholders' equity. (7) Personnel expenses + other administrative expenses / financial margin + income from services and fees + (other income – other expenses - civil, tax, and labor expenses). Considers LTM income and expenses. (8) Past due loans > 90 days / loan portfolio. (9) Provisions for expected loan losses / past due loans > 90 days. (10) Provisions for expected loan losses / loan portfolio.

Financial Highlights

Adjusted net income reached **R$780.8 million** in 2022, down by 21.2% or R$209.5 million from 2021, reflecting (i) the reduction of the financial margin, (ii) higher flow of expenses from the provision of loan losses, (iii) higher income from services and bank fees, (iv) higher adjusted administrative expenses, (v) higher expenses with labor, tax, and civil provisions, (vi) increase in other revenues, net of other expenses, and (v) subsequent tax effect.

Net income totaled R$251.1 million in 4Q2022, up by 82.1% or R$113.2 million over 3Q2022, mainly reflecting (i) higher financial margin, (ii) higher income from services and bank fees, (iii) lower adjusted administrative expenses, and (iv) lower flow of expenses with labor, tax, and civil provisions; offset by (i) higher flow of expenses with the provision for loan losses, and (v) subsequent tax effect and profit sharing.



[1] Adjusted Net Income.
*Annualized and calculated based on Adjusted Net Income.

Net Income for 2022 was impacted by R$65.9 million, due to the 2022 Voluntary Separation Program and related tax effects. The financial incentive related to the 511 employees who joined the Voluntary Separation Program totaled R$119.8 million and was treated, for performance analysis purposes, as a non-recurring item.

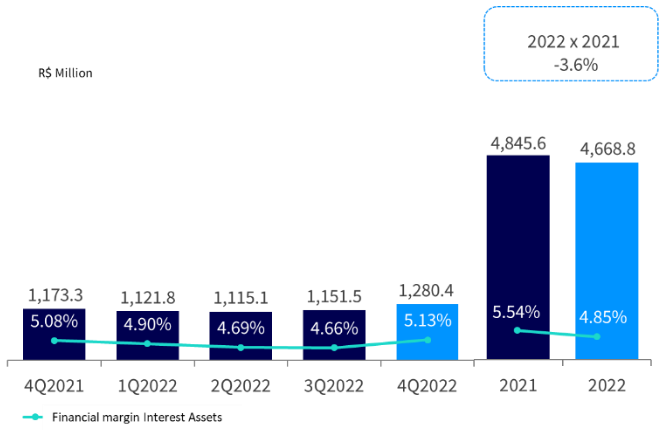
The reconciliation between net income and adjusted net income is presented below, given the occurrence of non-recurring events. The reconciliation is used to show the return on equity and the return on assets and efficiency indicators, calculated based on adjusted net income.

Accounting Net Income Statement X Adjusted Net Income - R$ Million and %

	2022	2021	4Q2022	3Q2022	4Q2021
Adjusted Net Income	**780.8**	**990.4**	**251.1**	**137.8**	**258.0**
Adjustments	**(65.9)**	**(41.8)**	**-**	**(65.9)**	**(10.3)**
Voluntary Separation Program	(119.8)	-	-	(119.8)	-
Provision for Tax Contingencies	-	(76.0)	-	-	-
Tax Effects	53.9	34.2	-	53.9	-
Tax Credits (CSLL) - Law 14,183/21 (1)	-	-	-	-	(10.3)
Net Income	**714.9**	**948.5**	**251.1**	**71.9**	**247.8**
Adjusted ROAA (p.a.)	**0.7%**	**1.0%**	**0.9%**	**0.5%**	**1.0%**
Adjusted ROAE (p.a.)	**8.5%**	**11.4%**	**10.9%**	**6.1%**	**11.6%**
Adjusted Efficiency Ratio (2)	**63.5%**	**58.1%**	**63.5%**	**64.8%**	**58.1%**

(1) Refers to the update of the installments to be recognized for deferred tax credits and debits, due to the enactment of Law 14,183/21, which increased the CSLL rate of the financial sector from 20% to 25%, in the period between July 1, 2021 and December 31, 2021.
(2) Personnel Expenses + Other Administrative Expenses / Financial Margin + Income from Services and Fees + + (other income – other expenses - civil, tax, and labor expenses)). Considers LTM income and expenses.

The **financial margin** reported in 2022, of **R$4,668.8 million**, declined by 3.6% or R$176.8 million from 2021, mainly reflecting the substantial increase in interest expenses concerning the rise in interest income, in a scenario with a rising Selic Rate and higher loan volumes. In 4Q2022, the financial margin increased by 11.2% or R$128.8 million over 3Q2022, mainly reflecting a scenario with a higher loan volume and flat Selic Rate.



The **financial margin on interest-earning assets** reported in 2022 fell by 0.69 p.p. YoY, and in the comparison between 4Q22 and 3Q22, it fell by 0.47 p.p.

Expenses with provision for loan losses came to R$968.7 million in 2022, up by 23.0% or R$180.9 million over 2021, mainly due to the rolling over of the loan portfolio according to the credit rating levels and the increase in loan operations, in a context in which overdue loans were reduced. These expenses totaled R$282.0 million in 4Q2022, up by 18.5% or R$44.1 million over 3Q2022, mainly reflecting the rolling of the loan portfolio according to rating levels and increase in the loan portfolio.

In 2022, **income from services and bank fees** grew by 5.6% over 2021, mainly reflecting the increase in Banrisul Pagamentos' revenues and revenues from fund management, which was partially offset by lower revenues from consortium management and credit card fees. In the comparison between 4Q2022 and 3Q2022, revenues increased by 5.5%, with emphasis on increased revenues from Banrisul Pagamentos.

Breakdown of Income from Services and Bank Fees - R$ Million

	2022	2021	4Q2022	3Q2022	4Q2021	2022/ 2021	4Q2022/ 4Q2021	4Q2022/ 3Q2022
Banrisul Pagamentos	741.9	621.8	204.4	179.8	179.9	19.3%	13.6%	13.7%
Insurance Commissions	266.8	264.3	74.8	67.6	66.1	0.9%	13.0%	10.6%
Current Account Fees	583.7	577.2	145.2	150.5	142.7	1.1%	1.7%	-3.5%
Consortium Management Fees	99.1	111.8	28.6	25.3	29.2	-11.4%	-1.8%	13.2%
Other Revenues (1)	391.9	397.0	97.6	98.8	97.7	-1.3%	-0.1%	-1.2%
Total	**2,083.5**	**1,972.2**	**550.6**	**522.0**	**515.6**	**5.6%**	**6.8%**	**5.5%**

(1) Includes mainly debit account income, collection services, credit card, fund management, collection, and custody services.

In 2022, **adjusted administrative expenses**, comprised of personnel expenses adjusted by the Voluntary Separation Program and other administrative expenses, increased by 6.7% over 2021. In the comparison between 4Q2022 and 3Q2022, adjusted administrative expenses fell by 2.3%. In the comparison between 2022 and 2021, adjusted personnel expenses increased by 6.8%, reflecting the collective bargaining agreements, the extinction of the variable compensation model, which was in force and accounted under personnel expenses until the end of 2021, and the implementation of a profit-sharing program. Other administrative expenses increased by 6.6%, mainly influenced by the increase in expenses with specialized technical services, third-party services, data processing, surveillance, security and transportation of values services, amortization, and depreciation. In the comparison between 4Q2022 and 3Q2022, adjusted personnel expenses fell by 2.1%, mainly reflecting the accounting, in September 2022, of the impacts related to the collective bargaining agreement. Other administrative expenses fell by 2.5%, mainly due to lower expenses with third-party services, which was partially offset by higher expenses with specialized technical services.

Breakdown of Administrative Expenses - R$ Million

	2022	2021	4Q2022	3Q2022	4Q2021	2022/ 2021	4Q2022/ 4Q2021	4Q2022/ 3Q2022
Adjusted Personnel Expenses	**2,036.0**	**1,906.6**	**533.4**	**544.9**	**506.5**	**6.8%**	**5.3%**	**-2.1%**
Amortization and Depreciation	254.2	244.9	68.2	62.8	60.9	3.8%	11.8%	8.5%
Rentals and Condominiums	147.4	139.5	37.1	35.1	37.5	5.6%	-1.1%	5.5%
Data Processing	157.4	141.2	39.1	43.2	36.1	11.5%	8.2%	-9.5%
Promotions and Advertising	116.3	118.7	27.7	32.7	37.8	-2.0%	-26.8%	-15.3%
Third-Party Services	589.2	563.5	138.3	160.2	150.6	4.6%	-8.1%	-13.6%
Specialized Technical Services	183.4	137.5	51.2	44.6	39.0	33.4%	31.4%	14.8%
Surveillance, Security, and Transportation	135.2	125.2	33.7	33.7	33.4	8.0%	0.7%	-0.2%
Other [(1)]	292.7	288.6	75.4	70.6	74.6	1.4%	1.1%	6.8%
Other Administrative Expenses	**1,875.8**	**1,759.1**	**470.6**	**482.9**	**470.0**	**6.6%**	**0.1%**	**-2.5%**
Total	**3,911.8**	**3,665.7**	**1,004.0**	**1,027.8**	**976.5**	**6.7%**	**2.8%**	**-2.3%**

(1) Includes mainly water, electricity, gas, communications, materials, maintenance, and conservation of goods and services of the financial system.

The **adjusted efficiency index** reached 63.5% in 2022 compared to 58.1% in 2021, reflecting the increase in adjusted administrative expenses, lower financial margin, and higher flow of expenses with civil, tax, and labor provisions, compared to the increase in revenue from fees and services.

Operational Highlights

Total assets reached R$113,166.2 million in December 2022, up by 7.4% over December 2021, and down by 1.0% from September 2022. The main components of assets and liabilities will be discussed below.

Treasury investments (securities, derivative financial instruments, interbank liquidity investments, and cash and cash equivalents) totaled R$43,980.6 million in December 2022. Treasury investment net of repo operations fell by 11.9% or R$4,259.9 million from December 2021, mainly reflecting the directing of funds to the loan portfolio, which grew by 19.7% in the period, compliance with the compulsory deposits required by the Central Bank, and settlement of the international fundraising carried out in 2012. Deposits increased by 5.2%, accompanied by financial funds and development. Compared to September 2022, such investments were virtually flat.

Loan operations reached R$49,121.9 million in December 2022, up by 19.7% or R$8,079.9 million over December 2021 and by 3.5% or R$1,681.3 million over September 2022, mainly influenced by the expansion in commercial and rural loans.

Statement of the Loan Portfolio - R$ Million

	Dec 2022	Total Loans (%)	Sep 2022	Dec 2021	Dec 2022/ Dec 2021	Dec 2022/ Sep 2022
Foreign Exchange	1,014.3	2.1%	981.1	814.5	24.5%	3.4%
Commercial	34,411.9	70.1%	33,959.3	30,345.5	13.4%	1.3%
Individuals	25,517.5	51.9%	25,458.0	23,129.0	10.3%	0.2%
Payroll Loans [(1)]	20,092.3	40.9%	20,362.5	18,443.1	8.9%	-1.3%
Others	5,425.2	11.0%	5,095.5	4,685.9	15.8%	6.5%
Companies	8,894.4	18.1%	8,501.3	7,216.4	23.3%	4.6%
Working Capital	6,999.4	14.2%	6,607.2	5,480.5	27.7%	5.9%
Others	1,895.0	3.9%	1,894.1	1,736.0	9.2%	0.0%
Long-Term Financing	547.1	1.1%	634.0	610.3	-10.4%	-13.7%
Real Estate Loans	5,139.7	10.5%	5,033.5	4,319.8	19.0%	2.1%
Rural Loans	7,879.5	16.0%	6,713.3	4,836.7	62.9%	17.4%
Other [(2)]	129.4	0.2%	119.4	115.1	12.4%	8.4%
Total	**49,121.9**	**100.0%**	**47,440.6**	**41,042.0**	**19.7%**	**3.5%**

(1) Includes credits linked to transactions acquired in assignments.
(2) Includes leasing, long term, and public sector.

The **90-day delinquency rate** reached 1.58% in December 2022, down by 0.49 p.p. YoY and flat QoQ. The balance of loan operations overdue for more than 90 days fell by 8.4% YoY and increased by 3.5% QoQ. The balance of provisions for loan losses fell by 7.2% YoY, reflecting the rolling over of the portfolio according to rating levels in a scenario with decreasing overdue loans and a growing balance of loan operations. Compared to September 2022, the balance of the provision for loan losses remained virtually flat.

Loan Quality Indicators (%)

	Dec 2022	Sep 2022	Dec 2021
Loan Portfolio Normal Risk / Total Loan	93.4%	93.1%	91.6%
Loan Portfolio Risks 1 and 2 / Total Loan	6.6%	6.9%	8.4%
Default Rate > 90 Days	1.58%	1.58%	2.07%
Cover Ratio > 90 Days (1)	313.6%	324.9%	309.7%
Provisioning Ratio (2)	5.0%	5.1%	6.4%

(1) Provisions for expected loan losses / past due loans > 90 days.
(2) Provisions for expected loan losses/loan portfolio.

Funds raised and managed, consisting of deposits, proceeds from bank notes, subordinated debt, and managed third-party funds, reached R$87,922.6 million in December 2022, up by 3.6% or R$3,022.6 million in twelve months, influenced by the rise in deposits, funds managed, and bank notes, offset by the decrease in subordinated debt with the settlement of the obligation carried out in 2012. In the last three months, funds raised and managed grew by 1.1% or R$937.7 million, mainly influenced by higher deposits.

Funds Raised and Under Management - R$ Million

	Dec 2022	Sep 2022	Dec 2021	Dec 2022/ Dec 2021	Dec 2022/ Set 2022
Total Deposits	67,615.9	66,546.8	64,277.4	5.2%	1.6%
Proceeds from Bank Notes (1)	3,271.5	2,955.6	1,738.0	88.2%	10.7%
Subordinated Debt (2)	1,170.4	1,170.6	4,689.8	-75.0%	0.0%
Total Funds Raised	**72,057.8**	**70,672.9**	**70,705.2**	**1.9%**	**2.0%**
Assets Managed	15,864.8	16,311.9	14,194.8	11.8%	-2.7%
Total Funds Raised and Managed	**87,922.6**	**86,984.9**	**84,900.0**	**3.6%**	**1.1%**

(1) Bank notes, subordinated bank notes, and real estate and agribusiness letters of credit.
(2) Refers to the subordinated foreign fundraising. In February 2022, the foreign funding carried out in January 2012 was settled.

Equity reached R$9,420.1 million in December 2022, up by 4.1% or R$371.5 million over December 2021, mainly due to the recognition of results, payments of interest on equity, and accrued dividends, re-measuring of actuarial liabilities of post-employment benefits (CPC 33 - R1), as well as FX variation adjustments and the reclassification of FX variations with the write-offs of foreign investments. Compared to September 2022, shareholders' equity increased by 4.6% or R$410.5 million, mainly reflecting the recognition of results, payment of interest on equity, and accrued dividends, as well as the remeasurement of the actuarial liability.

In terms of its **own taxes and contributions**, Banrisul collected and provisioned R$649.8 million in 2022. Withheld and transferred taxes, levied directly on financial intermediation and other payments, totaled R$1,125.7 million in the year.

Guidance

After the long period of restrictions imposed by the Covid-19 pandemic, faced, on the economic front, with stimulative monetary policies, the 2022 scenario posed another challenge - fighting inflation. Due to persisting rising prices, unanchored market expectations, and new supply shocks, the monetary authority maintained the course of adjustments to the basic interest rate until August 2022, when it reached 13.75% p.a., a level higher than initially projected. At Banrisul, this more restrictive scenario culminated in higher short-term pressure on funding expenses and, for this reason, the expected financial margin performed below the disclosed expectations. However, with the end of the interest rate hike cycle, it has already been possible to observe the significant effects of the loan portfolio repricing in the last quarter of 2022, a process that remains and underpins the financial margin growth interval expected for 2023.

We can highlight the loan portfolio, which reported its best performance over the last few years, expanding above two digits, especially in credit facilities with directed funds. The higher interest rate scenario, however, further limited the portfolio growth, which performed below the expected range in the total loan and commercial loan lines. Rural loans recorded all-time highs, growing 62.9% in 2022, above the disclosed projections. For 2023, forecasts slow down from the higher comparative base, but with an expectation still above the market average. Given a higher-risk environment, Banrisul continues attentive to ensure that this growth remains sustainable by maintaining the quality of the loans granted, which is already evident with the expenses for provisions of loan losses at the center of our expectations, which should remain within this same range in the coming period.

Regarding fundraising, growth realized in 2022 was below the range disclosed because of higher deposit withdrawals, in a context of increased consumption and inflation, in which families needed to use their savings. For 2023, the expected growth arises from higher incorporation of interest, while keeping costs flat.

Regarding administrative expenses, Banrisul maintained expenditures under control and in line with the inflation of the period. For 2023, the projections indicate slight expansion given the increase in staff, largely offset by the withdrawals of the Voluntary Separation Program and investments required for the continuity and improvement of business and processes, especially technological revamping projects.

As a result of these factors, the return on average equity was close to the lower range reported in 2022. The expansion of the net interest margin together with the structural and administrative adjustments implemented in 2022 are the main drivers for the 11%-15% range expected for profitability in 2023.

Banrisul's Outlook

	2022			2023
	Projected [4]	**Revised [5]**	**Realized**	**Projected**
Total Loan Portfolio	24% to 29%	maintained	19.7%	10% to 15%
Commercial Loans – Individuals	19% to 24%	maintained	10.3%	7% to 12%
Commercial Loans – Companies	33% to 38%	28% to 33%	23.3%	10% to 15%
Rural Loans	35% to 40%	45% to 50%	62.9%	24% to 29%
Financial Margin [1]	4.5% to 8.5%	1% to 5%	-3.6%	19% to 23%
Expenses with the Provision for Loans/Loan Portfolio	2% to 3%	1.5% to 2.5%	2.0%	1.5% to 2.5%
Funding [2]	8% to 12%	maintained	5.2%	8% to 12%
Administrative Expenses [3]	4% to 8%	maintained	6.4%	6% to 10%
Return on Average Equity	9% to 13%	maintained	8.5%	11% to 15%

(1) Financial Margin variation (2) Funding: Deposits (excluding Interbank Deposits) + Funds from bank notes and similar, except subordinate notes. (3) Administrative Expenses excluding fee commissions on banking correspondents. (4) Disclosed in 4Q2021 and maintained in 1Q2022. (5) Disclosed in 1H2022 and maintained in 3Q2022.

Such information reflects the wishes and expectations of the Company's management. The words "anticipates", "wants", "expects", "anticipates", intends to "plans", "predicts", "projects", "aims" and the like identify that, mainly, they involve known and unknown risks. Known risks include uncertainties not limited to the impact of price and product competitiveness, acceptance of products on the market, product transitions from the Company and its competitors, regulatory approval, currency fluctuations, changes in product mix, and other risks described in the Company's reports. This Guidance is up to date with current data and Banrisul may or may not update it upon new and/or future events.

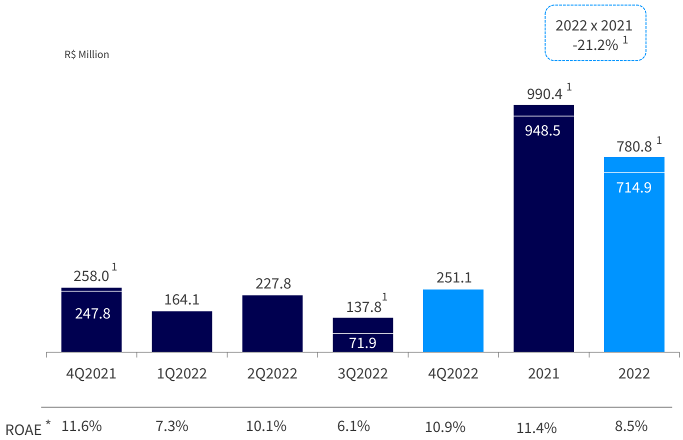
Porto Alegre, February 15, 2023.

PERFORMANCE ANALYSIS

We present the Performance Analysis of Banco do Estado do Rio Grande do Sul S.A. for the fourth quarter and year of 2022.

Net Income

Adjusted net income reached R$780.8 million in 2022, down by 21.2% or R$209.5 million from 2021, mainly reflecting (i) the R$176.8 million reduction in the financial margin, (ii) higher flow of expenses from the provision for loan losses, of R$180.9 million, (iii) higher income from services and bank fees, of R$111.4 million, (iv) higher adjusted administrative expenses, of R$246.1 million, (v) higher expenses with labor, tax, and civil provisions, of R$170.9 million, (vi) increase in other revenues, net of other expenses, of R$90.9 million, and (v) subsequent tax effects. Net Income for 2022 was impacted by R$65.9 million, due to the 2022 Voluntary Separation Program and related tax effects, which were treated, for the purpose of this performance analysis, as non-recurring items.



¹ Adjusted Net Income.
*Annualized and calculated based on Adjusted Net Income.

Net Income for 4Q2022 totaled R$251.1 million, down by 2.7% or R$7.0 million from the figure reported in 4Q2021, mainly reflecting (i) higher flow of expenses from the provision for loan losses, of R$126.3 million, (ii) higher administrative expenses, of R$27.5 million, and (iii) higher expenses with labor, tax, and civil provisions, of R$18.6 million, offset by (i) higher financial margin, of R$107.1 million, (ii) increase in other revenues, net of other expenses, of R$48.1 million, (iii) higher income from services and bank fees, of R$35.0 million, and (vi) subsequent tax effects and profit sharing.

Compared to the adjusted net income reported in 3Q2022, net income for 4Q2022 grew by 82.1% or R$113.2 million, mainly reflecting (i) higher financial margin, of R$128.8 million, (ii) increase in other revenues, net of other expenses, of R$64.8 million, (iii) higher income from services and bank fees, of R$28.6 million, (iv) lower adjusted administrative expenses, of R$23.8 million, and (v) lower flow of expenses with labor, tax, and civil provisions, of R$22.0 million, offset by (i) higher flow of expenses from the provision for loan losses, of R$44.1 million, and (v) subsequent tax effects and profit sharing.

Accounting Net Income Statement X Adjusted Net Income - R$ Million

	2022	2021	4Q2022	3Q2022	4Q2021
Adjusted Net Income	**780.8**	**990.4**	**251.1**	**137.8**	**258.0**
Adjustments	**(65.9)**	**(41.8)**	**-**	**(65.9)**	**(10.3)**
Voluntary Severance Program	(119.8)	-	-	(119.8)	-
Provision for Tax Contingencies	-	(76.0)	-	-	-
Tax Effects	53.9	34.2	-	53.9	-
Tax Credits (CSLL) - Law 14,183/21 (1)	-	-	-	-	(10.3)
Net Income	**714.9**	**948.5**	**251.1**	**71.9**	**247.8**

(1) Refers to the restatement of the installments to be recognized for deferred tax credits and debits, due to the enactment of Law 14,183/21, which increased the CSLL rate of the financial sector from 20% to 25%, in the period between July 1, 2021 and December 31, 2021.

Analytical Financial Margin

The analytical financial margin presented was calculated based on the average balances of assets and liabilities, which were, in turn, calculated based on the final balances of the months making up the respective periods under analysis. The following table describes the income-producing assets and onerous liabilities, the corresponding amounts of income from financial intermediation on assets, financial intermediation expenses on liabilities, as well as the actual average rates. Income from loan transactions overdue for more than 60 days – regardless of their risk levels – is only recognized as such when it is actually received. The average balances of short-term interbank investments and funds invested or raised in the interbank market correspond to the redemption amount, less income or expenses to be recognized that are equivalent to future periods. The average balance of deposits, open market funding, and obligations arising from loans and transfers include charges that are mandatory up to the reporting date of the Financial Statements, recognized on a pro rata basis. As for expenses linked to these accounts, those related to deposits include expenses resulting from contributions made to the Credit Guarantee Fund - FGC.

In 2002, the margin on interest-earning assets fell by 0.69 p.p. from 2021, reaching 4.85%. The average interest-earning assets increased by 10.1% and onerous liabilities increased by 10.7%. The exchange variation, especially as a result of loan transactions (foreign exchange and foreign currency financing), derivative financial instruments, subordinated debt, international transfers, and the rise in the Selic Rate had an impact on the rates of interest-earning assets and onerous liabilities in the period. Besides the economy's basic interest rates on which financial transactions are referenced, the structure of assets and liabilities, as well as the agreed-upon terms and interest, are determining factors when calculating the margin in every reporting period. As for the structure, among the interest-earning assets, we highlight a) securities transactions, accounting for 45.6% of these assets, fell by 3.3 p.p. between 2022 and 2021; and b) loan transactions, accounting for 43.3% of these assets, rose by 3.4 p.p. in the period. As for onerous liabilities, we highlight a) term deposits, accounting for 56.6% of these liabilities in de 2022, fell by 3.1 p.p. from 2021; b) open market funding, accounting for 16.1% of onerous liabilities, increased by 5.4 p.p. in the period.

Analytical Financial Margin - R$ Million and %

	2022			2021			2020		
	Average Balance	Income Expense	Average Rate	Average Balance	Income Expense	Average Rate	Average Balance	Income Expense	Average Rate
Interest-Earning Assets	**96,298.8**	**12,992.5**	**13.49%**	**87,482.6**	**8,212.2**	**9.39%**	**76,228.3**	**8,233.2**	**10.80%**
Loan Transactions (1)	41,657.3	7,381.3	17.72%	34,901.2	5,808.2	16.64%	33,186.0	6,311.3	19.02%
Securities (2)	43,872.1	5,182.0	11.81%	42,795.3	1,941.0	4.54%	32,854.9	836.0	2.54%
Derivative Financial Instruments	64.8	(725.2)	-1,119.84%	852.0	63.0	7.39%	814.7	782.8	96.09%
Compulsory Deposits	9,514.8	1,075.5	11.30%	7,768.8	338.1	4.35%	8,268.3	241.8	2.92%
Others	1,190.0	78.9	6.63%	1,165.2	62.0	5.32%	1,104.4	61.4	5.56%
Non-Interest-Earning Assets	**13,620.7**	-	-	**11,688.3**	-	-	**10,642.8**	-	-
Total Assets	**109,919.5**	**12,992.5**	**11.82%**	**99,170.9**	**8,212.2**	**8.28%**	**86,871.2**	**8,233.2**	**9.48%**
Onerous Liabilities	**85,292.7**	**(8,323.7)**	**9.76%**	**77,073.1**	**(3,366.6)**	**4.37%**	**67,116.5**	**(2,970.4)**	**4.43%**
Interbank Deposits	1,284.9	(76.2)	5.93%	1,195.8	(19.4)	1.62%	1,098.6	(23.9)	2.18%
Savings Deposits	11,494.7	(854.6)	7.43%	11,334.9	(389.3)	3.43%	10,256.6	(285.5)	2.78%
Term Deposits	48,258.8	(5,042.0)	10.45%	46,000.6	(1,836.0)	3.99%	42,571.5	(1,090.4)	2.56%
Open Market Funding	13,734.7	(1,723.2)	12.55%	8,278.5	(429.4)	5.19%	4,046.1	(121.9)	3.01%
Proceeds from Bank Notes (3)	2,348.2	(266.8)	11.36%	1,847.8	(72.9)	3.95%	3,040.1	(87.1)	2.86%
Subordinated Debt	1,713.5	447.7	-26.12%	4,487.5	(377.1)	8.40%	2,949.3	(885.7)	30.03%
Obligations arising from Domestic Loans and Transfers	1,747.1	(82.4)	4.72%	1,397.1	(50.4)	3.60%	1,492.2	(55.9)	3.74%
Obligations arising from International Loans and Transfers	1,104.0	(169.3)	15.34%	557.9	(91.2)	16.35%	701.2	(387.0)	55.19%
Financial and Development Funds	3,606.8	(556.7)	15.44%	1,973.1	(100.8)	5.11%	960.9	(33.1)	3.44%
Non-Onerous Liabilities	**15,546.5**	-	-	**13,397.7**	-	-	**11,578.1**	-	-
Equity	**9,080.3**	-	-	**8,700.0**	-	-	**8,176.5**	-	-
Liabilities and Equity	**109,919.5**	**(8,323.7)**	**7.57%**	**99,170.9**	**(3,366.6)**	**3.39%**	**86,871.2**	**(2,970.4)**	**3.42%**
Spread			**4.25%**			**4.89%**			**6.06%**
Financial Margin		**4,668.8**	**4.85%**		**4,845.6**	**5.54%**		**5,262.8**	**6.90%**

(1) Includes advances on foreign exchange contracts, leasing operations, and other credits characterized as loans. The leasing operations are shown by the net present value of lease agreements.
(2) Includes short-term interbank investments.
(3) Includes bank notes, subordinated bank notes, real estate letters of credit, and agribusiness letters of credit.

Variations in interest income and expenses: volume and rates

The financial margin in 2022, totaling R$4,668.8 million, decreased by 3.6% or R$176.8 million from 2021, reflecting the increase in interest expenses, which had a substantially higher volume than the rise in interest income. This growth in expenses was mainly due to the higher average rates of onerous liabilities, impacted by the rise in the effective Selic Rate, which increased from 4.42% in 2021 to 12.39% in 2022. The growth in revenues was related to higher average rates of interest-earning assets, mainly affecting treasury investments, and also directly influenced by the rise in the Selic Rate and, mainly, the higher volume of loan transactions.

Variations in volume and interest rates were calculated based on the average balances in the period and in the variations of the average interest rates, including exchange variations on interest-earning assets and onerous liabilities. The interest rate variation was calculated by the interest rate fluctuation in the period multiplied by the average interest-earning assets or average onerous liabilities in the second period. The change in volume was calculated as the difference between the interest volume of the most recent period and the previous one.

The following table describes the variations in interest income and expenses as a result of the change in the average volume of interest-earning assets and onerous liabilities, as well as the variation in the average interest rate on these assets and liabilities, comparing (i) 2022 vs. 2021, and (ii) 2021 vs. 2020.

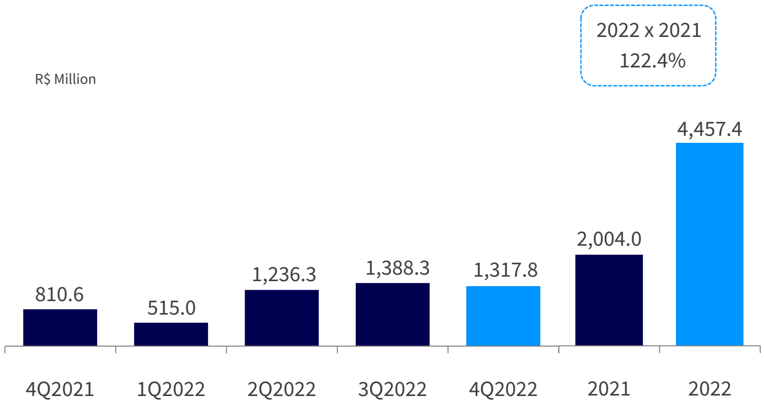
Variations in Interest Income and Expenses: Volumes and Rates - R$ Million

	2022/2021			2021/2020		
	Increase / Decrease Due to the Variation in:			Increase / Decrease Due to the Variation in:		
	Average Volume	Interest Rate	Net Variation	Average Volume	Interest Rate	Net Variation
Interest-Earning Assets						
Loan Transactions, Leasing, and Other Loans	1,178.9	394.3	1,573.1	314.3	(817.4)	(503.1)
Securities	50.0	3,191.0	3,241.1	308.1	796.9	1,105.0
Derivative Financial Instruments (1)	(112.3)	(675.9)	(788.2)	34.3	(754.1)	(719.8)
Compulsory Deposits	90.9	646.4	737.4	(13.6)	109.9	96.3
Others	1.3	15.6	17.0	2.7	(2.1)	0.6
Total (a)	**1,208.9**	**3,571.4**	**4,780.3**	**645.9**	**(666.9)**	**(21.0)**
Onerous Liabilities						
Interbank Deposits	(1.6)	(55.2)	(56.8)	(2.0)	6.5	4.5
Savings Deposits	(5.6)	(459.7)	(465.3)	(32.2)	(71.6)	(103.8)
Term Deposits	(94.4)	(3,111.6)	(3,206.0)	(94.0)	(651.7)	(745.7)
Open Market Funding	(410.4)	(883.4)	(1,293.8)	(181.9)	(125.6)	(307.5)
Proceeds from Bank Notes (1)	(24.4)	(169.5)	(193.9)	40.7	(26.6)	14.2
Subordinated Debt (2)	402.7	422.1	824.8	(322.2)	830.8	508.6
Obligations arising from Domestic Loans and Transfers	(14.4)	(17.7)	(32.1)	3.2	2.3	5.5
Obligations arising from International Loans and Transfers	(83.4)	5.3	(78.1)	101.8	194.0	295.8
Financial and Development Funds	(132.5)	(323.4)	(455.9)	(46.4)	(21.3)	(67.7)
Total (b)	**(364.0)**	**(4,593.1)**	**(4,957.1)**	**(532.9)**	**136.8**	**(396.1)**
Financial Margin (a + b)	**844.9**	**(1,021.7)**	**(176.8)**	**113.0**	**(530.1)**	**(417.1)**

(1) Banrisul uses derivative financial instruments to mitigate currency fluctuation risks arising from international funding. In this sense, the variations presented shall be analyzed as a whole.

Treasury Results

In 2022, the result from treasury investments (income from securities plus results from derivative financial instruments) increased by R$2,453.4 million over 2021. In the comparison between 4Q2022 and 4Q2021, treasury investments grew by R$507.2 million. In both comparisons, the trajectory of treasury investments reflects the increase in securities results, due to the rise in the Selic Rate, partially offset by a reduction in the result of derivative financial instruments given the exchange rate variation and the mark-to-market of the instruments in the period.



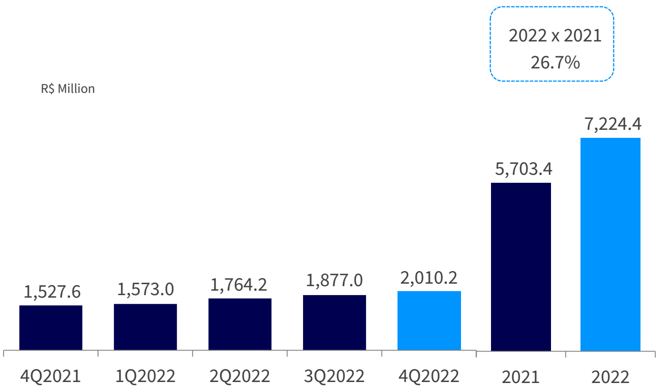
Compared to 3Q2022, treasury investments fell by R$70.5 million in 4Q2022, driven by the decrease in the securities result, especially the decrease in the balance, which was mitigated by an increase in the result of derivative financial instruments given the exchange rate variation and the mark-to-market of the instruments in the period.

Income from Compulsory Investments

Income from compulsory investments totaled R$1,153.8 million in 2022, up by R$753.8 million over 2021. In 4Q2022, income from compulsory investments totaled R$321.6 million, up by R$154.8 million over 4Q2021. The evolution in the comparisons mainly reflects higher income from credits linked to term deposits, mainly due to the rise in the Selic Rate. In the comparison between 4Q2022 and 3Q2022, the result from compulsory investments fell by 1.6% or R$5.3 million, mainly influenced by income linked to the Compensation Fund for Wage Variations (FCVS), impacted by a reduction in the balance, due to the replacement of a portion of such instruments.

Income from Loan Transactions

In 2022, income from loan transactions, which includes income from leasing and other loans, increased by 26.7% or R$1,520.9 million over 2021. In the comparison between 4Q2022 and 4Q2021, income from loan transactions increased by 31.6% or R$482.5 million, and from 4Q2022 and 3Q2022, the increase came to 7.1% or R$133.2 million.



The growth in loan transactions in these comparison periods was mainly influenced by higher income from commercial and rural loans, mainly benefitted from a higher balance and the rise in the Selic Rate, which impacted the loan portfolio rates.

Income from Commercial Loans - Individuals and Corporate Clients

In 2022, income from commercial loans increased by 24.4% or R$1,129.7 million over 2021. In the comparison between 4Q2022 and 4Q2021, income from commercial loans rose by 30.0% or R$363.6 million; compared to 3Q2022, income from commercial loans increased by 4.8% or R$72.2 million.

Income from commercial loans for individuals, which accounted for 75.8% of the total income from commercial loans in 2022, increased by 13.3% or R$511.7 million over 2021. In the comparison between 4Q2022 and 3Q2022, income from commercial loans for individuals rose by 20.0% or R$194.7 million, both comparisons featuring higher income from payroll-deductible loans. The increase in revenues from payroll-deductible loans was mainly driven by higher balance and average rate. Compared to 3Q2022, income from commercial loans for individuals increased by 3.4% or R$38.9 million, led by higher income from payroll-deductible and non-deductible loans, mainly given the rise in the average rate.

Income from commercial loans for corporate clients, which accounted for 24.2% of total commercial loans in 2022, increased by 79.5% or R$618.0 million over 2021. In the quarterly comparisons, income from commercial loans for corporate clients rose by 70.4% or R$168.9 million in 4Q2022 over 4Q2021, and by 8.9% or R$33.4 million over 3Q2022. The higher income in these comparison periods is mainly a reflection of the increase in income from the working capital lines, driven by higher average rates for this product, in line with the rise in the Selic Rate, and the increase in balance.

Income from Commercial Loans - Individuals and Corporate Clients - R$ Million

	2022	2021	4Q2022	3Q2022	4Q2021	2022/ 2021	4Q2022/ 4Q2021	4Q2022/ 3Q2022
Individuals	**4,361.2**	**3,849.5**	**1,167.4**	**1,128.5**	**972.7**	**13.3%**	**20.0%**	**3.4%**
Consumer Loans (Non-Deductible)	52.2	17.6	14.9	14.4	7.1	195.9%	111.0%	3.3%
Credit Card (1)	229.4	172.0	65.3	58.7	45.4	33.4%	43.8%	11.3%
Overdraft	446.9	405.7	113.6	114.1	102.8	10.1%	10.5%	-0.4%
Payroll-Deductible Loans	3,088.6	2,720.2	826.3	804.9	694.5	13.5%	19.0%	2.7%
Personal Loans (Non-Deductible)	421.1	410.7	117.1	106.0	92.7	2.5%	26.4%	10.5%
Others	123.0	123.3	30.2	30.4	30.3	-0.2%	-0.3%	-0.6%
Corporate Clients	**1,395.1**	**777.1**	**408.9**	**375.5**	**239.9**	**79.5%**	**70.4%**	**8.9%**
Consumer Loans	46.4	15.6	13.9	13.3	5.8	197.5%	138.1%	4.4%
Credit Card (1)	8.1	6.6	2.1	2.1	1.5	23.7%	35.1%	-2.2%
Working Capital	1,009.9	492.3	300.1	275.4	165.4	105.2%	81.4%	9.0%
Debit Accounts	212.5	173.0	58.7	54.4	42.6	22.8%	37.6%	7.8%
Foreign Credit	4.0	2.7	1.2	1.0	1.0	47.6%	27.1%	22.9%
Others	114.1	86.9	32.9	29.3	23.5	31.3%	40.0%	12.6%
Total	**5,756.3**	**4,626.7**	**1,576.2**	**1,504.0**	**1,212.6**	**24.4%**	**30.0%**	**4.8%**

(1) Refers to revolving credit cards.

The average monthly rates of commercial loans increased in 2022 over 2021, as well as in the quarterly comparisons, highlighting the rise in the average monthly rates of the products in the portfolio for commercial loans for corporate clients, except for in the last quarter, when the average monthly rates for individuals also recorded significant growth.

The average monthly rates for working capital, the main product of the portfolio of commercial loans for corporate clients, increased in all comparative periods. The average monthly rates of commercial loans for corporate clients were mainly influenced by the performance of the basic interest rate and the credit market competition.

The average monthly rates for payroll-deductible loans, the main product of the portfolio of commercial loans for individuals, also increased in the annual and quarterly comparisons. The average monthly rates of commercial loans for individuals were affected by the inventory of fixed transactions and market competition.

Average Monthly Rates of Commercial Loans - Individuals and Corporate Clients (% and p.p.)

	2022	2021	4Q2022	3Q2022	4Q2021	2022/ 2021	4Q2022/ 4Q2021	4Q2022/ 3Q2022
Individuals	**1.71%**	**1.64%**	**1.77%**	**1.72%**	**1.63%**	**0.07**	**0.14**	**0.05**
Consumer Loans (Non-Deductible)	1.33%	0.87%	1.44%	1.39%	1.05%	0.46	0.39	0.05
Credit Card (1)	8.60%	7.47%	9.22%	8.71%	7.72%	1.13	1.50	0.51
Overdraft	7.91%	7.87%	7.91%	7.91%	7.87%	0.04	0.04	-
Payroll-Deductible Loans	1.37%	1.35%	1.41%	1.38%	1.32%	0.02	0.09	0.03
Payroll-Deductible Loans (Own)	1.37%	1.35%	1.41%	1.38%	1.33%	0.02	0.08	0.03
Payroll-Deductible Loans (Acquired)	0.84%	0.85%	0.83%	0.84%	0.84%	(0.01)	(0.01)	(0.01)
Personal Loans (Non-Deductible)	3.44%	2.64%	3.39%	3.38%	3.49%	0.80	(0.10)	0.01
Others	1.31%	1.36%	1.29%	1.31%	1.29%	(0.05)	-	(0.02)
Corporate Clients	**1.50%**	**1.01%**	**1.61%**	**1.57%**	**1.17%**	**0.49**	**0.44**	**0.04**
Consumer Loans	1.33%	0.85%	1.46%	1.40%	1.03%	0.48	0.43	0.06
Credit Card (1)	11.87%	12.02%	11.61%	11.96%	11.83%	(0.15)	(0.22)	(0.35)
Working Capital	1.42%	0.86%	1.53%	1.51%	1.08%	0.56	0.45	0.02
Debit Accounts	5.03%	4.53%	5.73%	5.10%	4.48%	0.50	1.25	0.63
Others	0.68%	0.55%	0.71%	0.71%	0.59%	0.13	0.12	-
Total	**1.65%**	**1.49%**	**1.73%**	**1.68%**	**1.51%**	**0.16**	**0.22**	**0.05**

(1) Refers to the average monthly rate of revolving credit cards.

Income from Foreign Exchange Transactions

Income from foreign exchange transactions totaled R$156.9 million in 2022, up by 49.9% or R$52.2 million over 2021. In 4Q2022, this line fell by R$45.9 million from 4Q2021 and by R$71.3 million from 3Q2022. The foreign exchange performance reflects the currency appreciation of 6.50% in 2022, compared to the depreciation of 7.39% in 2021, was well as the currency appreciation of 3.49% in 4Q2022 compared to the currency depreciation of 2.59% in 4Q2021 and 3.22% in 3Q2022. Banrisul's foreign exchange transactions are linked to foreign-currency funding. As a result, the variation in income was proportionally offset by the variation in expenses with obligations arising from foreign-currency loans and transfers.

Expenses with Market Funding Transactions

Market funding expenses increased by R$4,405.7 million in 2022 over 2021, and by 67.8% or R$878.3 million in 4Q2022 over 4Q2021, mainly reflecting the higher expenses with deposits and repurchase agreements, both of which were impacted by the rise in the Selic Rate – on which most funding is referenced – and the higher balance. This performance was mitigated by the lower results from subordinated debt due to exchange variation, mark-to-market of the obligations, and lower balance.

Compared to 3Q2022, market funding expenses fell by 2.0% or R$44.2 million in 4Q2022, mainly given the lower expenses with repurchase agreements, impacted by the reduced balance. This performance was partially offset by the increase in result of the subordinated debt, given the exchange variation and mark to market of the obligations.

Market Funding Expenses - R$ Million

	2022	2021	4Q2022	3Q2022	4Q2021	2022/ 2021	4Q2022/ 4Q2021	4Q2022/ 3Q2022
Deposits (1)	5,938.5	2,237.2	1,639.8	1,655.8	925.3	165.4%	77.2%	-1.0%
Repurchase Agreements	1,723.2	429.4	438.6	515.2	213.2	301.3%	105.7%	-14.9%
Proceeds from Bank Notes (2)	266.8	72.9	95.1	76.3	29.5	265.9%	222.2%	24.7%
Subordinated Debt (3)	(447.7)	335.6	(0.2)	(29.8)	126.9	-233.4%	-100.2%	-99.3%
Total	**7,480.9**	**3,075.2**	**2,173.2**	**2,217.4**	**1,294.9**	**143.3%**	**67.8%**	**-2.0%**

(1) Includes expenses related to FGC. In 4Q2022, includes expenses with Rural DI Rate, which were accounted for under loan and transfer expenses. (2) Includes Subordinated Financial Bills. (3) Until September 2021, the expenses from the international fundraising carried out in January 2021, was accounted for under loan and transfer expenses, as it was waiting for the approval by Bacen for Tier II Capital, which occurred in October 2021. In February 2022, the foreign funding carried out in January 2012 was settled.

Funding Cost

The funding cost was calculated based on the average balance of funds raised, which are linked to the corresponding amounts of effective funding expenses, thus generating the average rates. Deposits and funds from acceptance and securities were grouped into funding products under liabilities.

In 4Q2022, the average funding price, of 2.47%, increased over 4Q2021 and fell from 3Q2022, in line with the performance of the effective Selic Rate. The average cost indicator in relation to the Selic Rate reached 77.26% in 4Q2022, down by 1.99 p.p. from 4Q2021, and by 0.65 p.p. from 3Q2022.

The average cost of term deposits – whose balance accounts for 70.5% of the lines shown in the table below – reached 85.76% of the Selic Rate in 4Q2022, down by 1.52 p.p. from 4Q2021 and by 0.72 p.p. from 3Q2022.

Funding Cost - R$ Million and %

	4Q2022			3Q2022			4Q2021		
	Avg Balance(1)	Accum. Expenses	Avg Cost	Avg Balance(1)	Accum. Expenses	Avg Cost	Avg Balance(1)	Accum. Expenses	Avg Cost
Term Deposits	49,519.0	(1,358.1)	2.74%	49,033.9	(1,404.5)	2.86%	46,685.1	(755.0)	1.62%
Savings Deposits	11,371.5	(221.9)	1.95%	11,524.7	(231.6)	2.01%	11,525.1	(146.5)	1.27%
Time Deposits	3,937.8	-	0.00%	3,630.6	-	0.00%	4,052.3	-	0.00%
Interbank Deposits	2,246.6	(39.9)	1.78%	1,421.1	(25.8)	1.82%	1,349.7	(9.1)	0.67%
Other Deposits	16.4	(0.0)	0.18%	16.0	(0.0)	0.22%	15.6	(0.0)	0.00%
Financial Bills (2)	1,055.9	(36.9)	3.49%	800.8	(27.0)	3.37%	734.9	(14.1)	1.91%
Real Estate Letters of Credit	975.2	(27.7)	2.84%	796.5	(23.2)	2.91%	723.6	(11.8)	1.63%
Agribusiness Letters of Credit	1,093.0	(30.5)	2.79%	890.9	(26.0)	2.92%	209.2	(3.6)	1.73%
FGC Contribution Expenses	-	(19.8)	-	-	(19.5)	-	-	(18.7)	-
Total Average Balance / Total Expense	**70,215.3**	**(1,734.8)**	**2.47%**	**68,114.5**	**(1,757.7)**	**2.58%**	**65,295.6**	**(958.9)**	**1.47%**
Selic Rate			**3.20%**			**3.31%**			**1.85%**
Average Cost / Selic Rate			**77.26%**			**77.91%**			**79.25%**
Term Deposit Cost / Selic Rate			**85.76%**			**86.48%**			**87.28%**

(1) Average balances based on the final balances for the months composing the analyzed periods. (2) Includes Subordinated Financial Bills.

Loan, Assignment, and Transfer Expenses

In 2022, loan, assignment, and transfer expenses increased by R$551.5 million over 2021. In the comparison between 4Q2022 and 4Q2021, loan, assignment, and transfer expenses increased by R$113.2 million. In both comparisons, the performance of these expenses was mainly due to higher expenses with the reserve fund for court deposits, in line with the rise in the Selic Rate and higher balance.

Compared to 3Q2022, loan, assignment, and transfer expenses fell by 35.5% or R$98.5 million in 4Q22, mainly driven by lower foreign-currency transfer expenses, impacted by the exchange rate variation in the period.

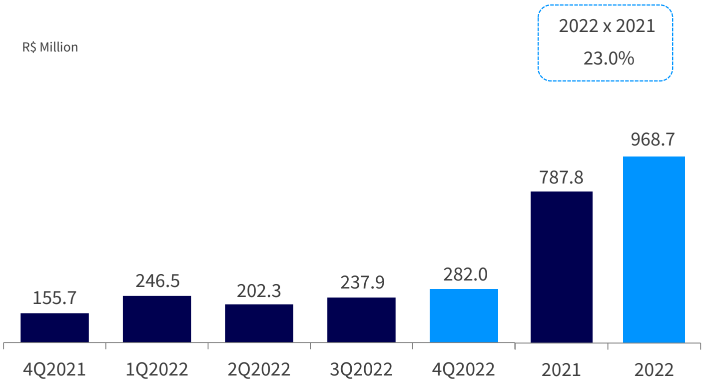
Loan and Transfer Expenses - R$ Million

	2022	2021	4Q2022	3Q2022	4Q2021	2022/ 2021	4Q2022/ 4Q2021	4Q2022/ 3Q2022
Reserve Fund for Court Deposits	556.7	100.8	180.0	168.1	50.7	452.3%	255.3%	7.1%
Foreign-Currency Transfer (1)	169.3	132.7	(34.4)	63.4	(2.2)	27.6%	-	-154.3%
Others (2)	116.8	57.9	33.3	45.9	17.2	101.7%	94.3%	-27.4%
Total	**842.9**	**291.4**	**178.9**	**277.4**	**65.6**	**189.3%**	**172.6%**	**-35.5%**

(1) Until September 2021, included the foreign fundraising expenses carried out in January 2021, which were reclassified to funding in the open market, after Bacen's approval for Tier II Capital, which occurred in October 2021. (2) Mainly includes transfers from BNDES and FINAME. Until September 2022, included expenses with the Rural DI Rate, which, as of 4Q2022, are recorded under expenses with market fundraising.

Expenses with Provisions for Loan Losses

Expenses with provisions for loan losses increased by 23.0% or R$180.9 million in 2022 over 2021, and by 81.1% or R$126.3 million in 4Q2022 over 4Q2021. Both comparison periods mainly reflect the rolling over of the loan portfolio according to the credit rating levels, in a context in which overdue loans were reduced.



Compared to 3Q2022, the expenses with provisions for loan losses increased by 18.5% or R$44.1 million in 4Q2022, mainly reflecting the rolling over of the loan portfolio according to the credit rating levels and the increase in the loan portfolio.

Income from Services and Bank Fees

In 2022, income from services and bank fees increased by 5.6% or R$111.4 million from 2021, highlighting the rise in revenues from Banrisul Pagamentos and funds managed, which was offset by the reduction in income from consortium management and credit card fees.

In the comparison between 4Q2022 and 4Q2021, income from services and bank fees increased by 6.8% or R$35.0 million, especially influenced by the rise in revenues from Banrisul Pagamentos and insurance brokerage commissions.

Compared to 3Q2022, income from services and bank fees increased by 5.5% or R$28.6 million in 4Q2022, highlighting higher revenues from Banrisul Pagamentos.

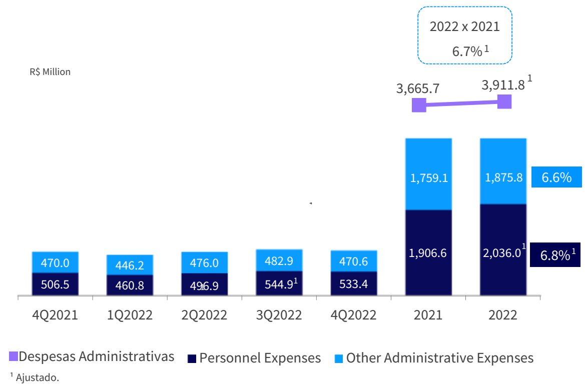
Breakdown of Income from Services and Bank Fees - R$ Million

	2022	2021	4Q2022	3Q2022	4Q2021	2022/ 2021	4Q2022/ 4Q2021	4Q2022/ 3Q2022
Funds under Management	81.8	70.6	20.4	21.9	17.8	15.9%	14.4%	-6.9%
Banrisul Pagamentos	741.9	621.8	204.4	179.8	179.9	19.3%	13.6%	13.7%
Credit Card	52.5	62.5	12.9	13.2	14.6	-16.0%	-11.9%	-2.5%
Collection and Custody Services	67.9	65.4	16.8	16.9	18.3	3.8%	-8.2%	-0.3%
Insurance Brokerage Commissions	266.8	264.3	74.8	67.6	66.1	0.9%	13.0%	10.6%
Current Account Fees	583.7	577.2	145.2	150.5	142.7	1.1%	1.7%	-3.5%
Consortium Management Fees	99.1	111.8	28.6	25.3	29.2	-11.4%	-1.8%	13.2%
Other Revenues (1)	189.6	198.4	47.5	46.9	46.9	-4.4%	1.3%	1.5%
Total	**2,083.5**	**1,972.2**	**550.6**	**522.0**	**515.6**	**5.6%**	**6.8%**	**5.5%**

(1) Mainly includes income from debit transactions, collection services, and check returns.

Adjusted Administrative Expenses

In 2022, adjusted administrative expenses increased by 6.7% or R$246.1 million over 2021. In the comparison between 4Q2022 and 4Q2021, adjusted administrative expenses grew by 2.8% or R$27.5 million and, over 3Q2022, these expenses fell by 2.3% or R$23.8 million in 4Q2022.



On September 16, 2022, Banrisul launched the 2022 Voluntary Separation Program through a financial incentive targeted at employees already retired by the National Social Security Institute (INSS) or those who are eligible to retire. The 2022 Voluntary Separation Program was implemented through the Collective Bargaining Agreement signed with unions that represent bank employees, containing a specific clause about the full termination of employment contracts. The financial incentive totaled R$119.8 million, referring to the adhesion of 511 employees. The dismissals will take place from April to August 2023, except for employees working in the Information Technology Office, who may be gradually dismissed until August 31, 2024. To replace the vacancies and bring new talents to the Bank, Banrisul held a public selection process for 274 positions in the IT areas, as well as a selection process to fill out the Bank's general openings, with an expectation to hire up to 1,335 new employees.

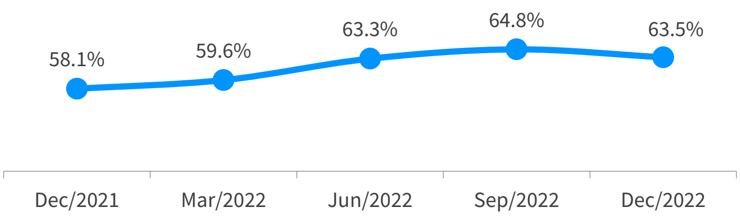
In 2022, adjusted personnel expenses increased by 6.8% or R$129.4 million over 2021, reflecting the collective bargaining agreements, the extinction of the variable compensation model, which was in force and accounted under personnel expenses until the end of 2021, and the implementation of a profit-sharing program. In the comparison between 4Q2022 and 4Q2021, personnel expenses increased by 5.3% or R$26,9 million over 3Q2022. Personnel expenses fell by 2.1% or R$11.5 million in 4Q2022 from 3Q2022, mainly reflecting the accounting, in September 2022, of the impacts related to the collective bargaining agreement.

Other administrative expenses grew by 6.6% or R$116.7 million in 2022 over 2021, mainly led by higher expenses with specialized technical services, third-party services, data processing, surveillance, security, and transportation of values services, amortization, and depreciation. In the comparison between 4Q2022 and 4Q2021, other administrative expenses remained virtually flat. Compared to 3Q2022, other administrative expenses fell by 2.5% or R$12.3 million in 4Q2022, mainly led by lower expenses with third-party services, promotions, and advertising, partially offset by higher expenses with specialized technical services, financial system services, amortization, and depreciation.

Breakdown of Adjusted Administrative Expenses - R$ Million

	2022	2021	4Q2022	3Q2022	4Q2021	2022/ 2021	4Q2022 / 4Q2021	4Q2022 / 3Q2022
Direct Compensation, Benefits, and Social	2,031.5	1,902.8	531.7	543.3	505.4	6.8%	5.2%	-2.1%
Training	4.5	3.8	1.7	1.6	1.1	16.6%	46.3%	4.8%
Adjusted Personnel Expenses	**2,036.0**	**1,906.6**	**533.4**	**544.9**	**506.5**	**6.8%**	**5.3%**	**-2.1%**
Amortization and Depreciation	254.2	244.9	68.2	62.8	60.9	3.8%	11.8%	8.5%
Water, Electricity, and Gas	33.7	36.2	6.2	6.2	9.9	-6.9%	-37.6%	0.4%
Rentals and Condominiums	147.4	139.5	37.1	35.1	37.5	5.6%	-1.1%	5.5%
Communications	51.1	53.2	11.0	11.1	11.6	-4.1%	-4.8%	-0.9%
Asset Maintenance and Preservation	64.3	68.6	15.5	16.6	15.2	-6.2%	1.9%	-6.4%
Materials	16.7	16.6	4.3	4.8	4.3	0.7%	-1.7%	-10.5%
Data Processing	157.4	141.2	39.1	43.2	36.1	11.5%	8.2%	-9.5%
Promotions and Advertising	116.3	118.7	27.7	32.7	37.8	-2.0%	-26.8%	-15.3%
Third-Party Services	589.2	563.5	138.3	160.2	150.6	4.6%	-8.1%	-13.6%
Specialized Technical Services	183.4	137.5	51.2	44.6	39.0	33.4%	31.4%	14.8%
Surveillance, Security, and Transportation of	135.2	125.2	33.7	33.7	33.4	8.0%	0.7%	-0.2%
Financial System Services	43.6	37.0	15.8	10.1	11.5	17.8%	36.8%	55.7%
Other Expenses	83.4	77.0	22.6	21.8	22.0	8.2%	2.8%	3.8%
Other Administrative Expenses	**1,875.8**	**1,759.1**	**470.6**	**482.9**	**470.0**	**6.6%**	**0.1%**	**-2.5%**
Total	**3,911.8**	**3,665.7**	**1,004.0**	**1,027.8**	**976.5**	**6.7%**	**2.8%**	**-2.3%**

Efficiency Ratio



The efficiency index reached 63.5% in 2022 compared to 58.1% in 2021, reflecting the 6.7% increase in adjusted administrative expenses, 3.6% decrease in financial margin, and higher flow of expenses with civil, tax, and labor provisions, compared to the 5.6% increase in revenue from fees and services.

Civil, Tax, and Labor Provisions

In 2022, the expenses for civil, tax, and labor provisions grew by 34.8% over 2021, mainly due to a) higher expenses with labor provisions, especially in 2Q2022, mostly of which created for collective lawsuits classified as a probable loss; b) provision for tax risks in 2Q2022, mainly referring to income tax and social contribution on the deduction of expenses arising from the settlement of the actuarial deficit at Fundação Banrisul de Seguridade Social - FBSS, and c) the reversal of a provision, totaling R$158.9 million in 2Q2022, due to a final and unappealable legal ruling for the annulment of a fine in a tax assessment imposed by Bacen relating to alleged irregularities in foreign exchange transactions from 1987 to 1989 - an amount of R$1.9 million remains provisioned.

In the comparison between 4Q2022 and 4Q2021, such expenses increased by 29.9%, mainly reflecting the higher flow of expenses with civil provisions, partially offset by a lower flow of expenses with labor provisions.

In 4Q2022, such expenses fell by 21.4% from 3Q2022, mainly reflecting the lower flow of expenses with labor provisions.

Other Operating Income and Expenses

Other income, totaling R$645.2 million in 2022, grew by 34.1% over 2021, highlighting a) income of R$103.8 million in 2Q2022 from the equity pick-up reclassification - currency variation, previously accounted for in equity, arising from the write-off of investments abroad, and b) income from the difference in the pricing of contracts by the Centralization of the Compensation Fund for Wage Variations (FCVS) over the restated acquisition amount, upon the replacement of a portion of the acquired loan portfolio linked to the Financial Housing System, arising from FCVS. Other income totaled R$194.2 million in 4Q2022, up by 29.5% over 4Q2021 and by 74.7% over 3Q2022, highlighting, in both comparison periods, income from FCVS and restatement of the actuarial asset.

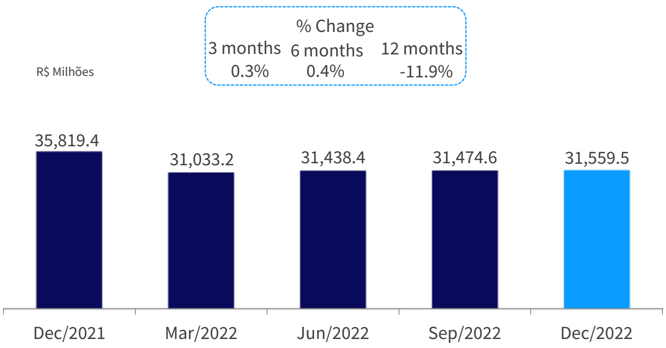
Other expenses, totaling R$574.4 million 2022, grew by 14.6% over 2021, highlighting higher expenses with INSS fees. Other expenses, totaling R$164.7 million in 4Q2022, fell by 2.3% from 4Q2021, mainly reflecting the reduction in the expenses with the portability of loan transactions, offset by higher expenses with INSS fees. Compared to 3Q2022, other expenses grew by 12.5% in 4Q2022, mainly led by expenses with the restatement of actuarial obligations and INSS fees, partially offset by lower expenses with the portability of loan transactions.

EQUITY PERFORMANCE

Treasury

Treasury investments (securities, derivative financial instruments, short-term interbank investments, and cash and cash equivalents) totaled R$43,980.6 million in December 2022, mainly consisting of 69.3% in held-to-maturity securities, and 20.3% in held-for-trading securities. The majority of these securities consist of federal instruments, which, together, account for 93.2% of the total amount.

Treasury investments less obligations from repurchased agreements totaled R$31,559.5 million in December 2022, down by 11.9% or R$4,259.9 million from December 2021, mainly reflecting the directing of funds to the loan portfolio, which grew by 19.7% in the period, compliance with the compulsory deposits required by the Central Bank, and settlement of the international fundraising carried out in 2012. Deposits increased by 5.2%, accompanied by financial funds and development and proceeds from bank notes.



Compared to September 2022, treasury investments less obligations from repurchase agreements remained virtually flat, mainly reflecting the 3.5% increase in the loan portfolio, a reduction in compulsory deposits at the Central Bank of Brazil, and an increase in deposits and proceeds from bank notes.

Compulsory Deposits at the Central Bank of Brazil (BACEN)

The balance of compulsory deposits with the Central Bank rose by 10.9% or R$1,059.8 million over December 2021, mainly led by the increase in compulsory deposits on term deposits, savings deposits, and time deposits.

Compared to September 2022, the balance of compulsory deposits with the Central Bank fell by 3.7% or R$412.7 million, mainly led by lower compulsory deposits on time deposits.

Loan Transactions

Banrisul's loan portfolio reached R$49,121.9 million in December 2022, up by 19.7% or R$8,079.9 million over December 2021 and by 3.5% or R$1,681.3 million over September 2022, highlighting the expansion in commercial and rural loans.

Breakdown of Loan Transactions - R$ Million

	Dec 2022	Sep 2022	Dec 2021	Dec 2022/ Dec 2021	Dec 2022/ Sep 2022
Private Sector	**49,002.0**	**47,331.2**	**40,939.8**	**19.7%**	**3.5%**
Commercial	34,411.9	33,959.3	30,345.5	13.4%	1.3%
Real Estate	5,139.7	5,033.5	4,319.8	19.0%	2.1%
Rural	7,879.5	6,713.3	4,836.7	62.9%	17.4%
Long-Term Financing	547.1	634.0	610.3	-10.4%	-13.7%
Foreign Exchange	1,014.3	981.1	814.5	24.5%	3.4%
Leasing	9.6	10.1	12.9	-26.0%	-5.1%
Public Sector	**119.8**	**109.3**	**102.2**	**17.2%**	**9.6%**
Total Transactions Characterized as Loans	**49,121.9**	**47,440.6**	**41,042.0**	**19.7%**	**3.5%**
Co-obligations and Risks on Granted Guarantees	242.4	253.8	283.7	-14.6%	-4.5%
Total	**49,364.3**	**47,694.3**	**41,325.7**	**19.5%**	**3.5%**

Commercial Loans

The commercial loan portfolio totaled R$34,411.9 million in December 2022, accounting for 70.1% of the Bank's total loan transactions. In December 2022, loans for individuals accounted for 74.2% of the balance of commercial loans, while loans for corporate clients accounted for 25.8% of the balance.

Breakdown of Commercial Loans - Individuals and Corporate Clients - R$ Million

	Dec 2022	Sep 2022	Dec 2021	Dec 2022/ Dec 2021	Dec 2022/ Sep 2022
Individuals	**25,517.5**	**25,458.0**	**23,129.0**	**10.3%**	**0.2%**
Consumer Loans (Non-Deductible) (1)	359.2	344.5	261.2	37.5%	4.3%
Credit and Debit Cards (2)	2,692.4	2,484.3	2,419.6	11.3%	8.4%
Overdraft	437.6	456.1	390.3	12.1%	-4.0%
Payroll-Deductible Loans	20,092.3	20,362.5	18,443.1	8.9%	-1.3%
Personal Loans (Non-Deductible)	1,318.0	1,212.0	938.5	40.4%	8.8%
Others	617.9	598.7	676.4	-8.6%	3.2%
Corporate Clients	**8,894.4**	**8,501.3**	**7,216.4**	**23.3%**	**4.6%**
Consumer Loans (1)	330.4	317.0	219.7	50.4%	4.2%
Credit and Debit Cards (2)	169.0	155.7	151.0	11.9%	8.5%
Working Capital	6,999.5	6,607.2	5,480.5	27.7%	5.9%
Debit Accounts	330.2	356.1	287.9	14.7%	-7.3%
Foreign Credit	110.5	120.4	149.1	-25.9%	-8.2%
Others	954.8	944.9	928.2	2.9%	1.1%
Total	**34,411.9**	**33,959.3**	**30,345.5**	**13.4%**	**1.3%**

(1) Includes CDC Sustentabilidade.
(2) Of the balance de R$2,861.4 million, R$423.6 million refers to revolving credit cards.

The commercial loan for individuals, composed of lower risk, reached R$25,517.5 million in December 2022, up by 10.3% or R$2,388.5 million over December 2021, highlighting the increase in payroll-deductible loans. Compared to September 2022, commercial loans for individuals remained virtually flat.

Breakdown of Payroll-Deductible Loans - R$ Million

	Dec 2022	Sep 2022	Dec 2021	Dec2022/ Dec 2021	Dec 2022/ Sep 2022
Branch Network	12,510.9	12,489.8	11,654.4	7.3%	0.2%
Banking Correspondents	7,575.4	7,859.2	6,740.9	12.4%	-3.6%
Payroll-Deductible Loans (Acquired)	6.1	13.6	47.7	-87.3%	-55.4%
Total	**20,092.3**	**20,362.5**	**18,443.1**	**8.9%**	**-1.3%**

Commercial loans for corporate clients totaled R$8,894.4 million in December 2022, up by 23.3% or R$1,677.9 million over December 2021, and by 4.6% or R$393.1 million over September 2022. The comparisons were mainly influenced by the expansion in the balance of the working capital lines, especially loans with guarantee funds (Pronampe and PEAC reopened in August 2022, Banrisul Giro FGI, and Banrisul Fampe Mais).

Specialized Loans

Rural loans, totaling R$7,879.5 million in December 2022 and accounting for 16.0% of total loan assets, grew by 62.9% or R$3,042.8 million over December 2021 and by 17.4% or R$1,166.2 million over September 2022. Agribusiness remains as one of the priorities, focusing on the growth of the portfolio with small- and medium-sized producers, supported by Banrisul's funds, transfers of BNDES lines, and funds equalized by the Treasury Department. In the 2022/2023 Crop Plan, which began in July 2022, Banrisul offered a record credit amount of R$7.0 billion, 34.6% higher than the previous Crop Plan. Of this amount, R$6.1 billion will be allocated to funding, selling, and industrialization lines, and R$900.0 million to investments. Small producers, from family agriculture, will be covered with Pronaf lines, in the amount of R$1.5 billion, medium-sized producers will have R$2.0 billion from Pronamp lines, and other producers, companies, and cooperatives will be allocated R$3.5 billion. In the first half of the current crop year, 62.7% of the total available funds were contracted.

Real estate loan, of R$5,139.7 million in December 2022, increased by 19.0% or R$819.9 million over December 2021 and by 2.1% or R$106.2 million over September 2022. The real estate loan portfolio accounted for 10.5% of Banrisul's total loan transactions in December 2022.

The foreign exchange portfolio reached R$1,014.3 million in December 2022, up by 24.5% or R$199.8 million over December 2021 and by 3.4% or R$33.2 million over September 2022.

The balance of long-term financing reached R$547.1 million in December 2022, down by 10.4% or R$63.3 million from December 2021 and by 13.7% or R$86.9 million from September 2022.

Loan Breakdown by Company Size

Corporate loans totaled R$11,498.3 million in December 2022, accounting for 23.4% of the total loan portfolio. Of the amount of loans destined for corporate clients, 58.3% is allocated to micro, small and medium enterprises.

Commercial loans for corporate clients increased by 16.4% or R$1,617.2 million in 12 months and by 4.1% or R$456.4 million in three months, highlighting, in both comparison periods, loan expansion to small- and medium-sized enterprises.

Breakdown of Corporate Loans by Company Size - R$ Million

	Dec 2022			Sep 2022			Dec 2021			Balance Change	
	Balance	% of Corp. Clients	% of Total Portfolio	Balance	% of Corp. Clients	% of Total Portfolio	Balance	% of Corp. Clients	% of Total Portfolio	Dec 2022/ Dec 2021	Dec 2022/ Sep 2022
Large Enterprises	4,799.4	41.7%	9.8%	4,774.7	43.2%	10.1%	4,431.0	44.8%	10.8%	8.3%	0.5%
Micro/Small/Medium	6,698.9	58.3%	13.6%	6,267.2	56.8%	13.2%	5,450.1	55.2%	13.3%	22.9%	6.9%
Medium	3,753.1	32.6%	7.6%	3,497.9	31.7%	7.4%	3,087.5	31.2%	7.5%	21.6%	7.3%
Small Enterprises	2,501.5	21.8%	5.1%	2,339.3	21.2%	4.9%	1,924.7	19.5%	4.7%	30.0%	6.9%
Microenterprises	444.3	3.9%	0.9%	430.0	3.9%	0.9%	437.9	4.4%	1.1%	1.4%	3.3%
Total	**11,498.33**	**100.0%**	**23.4%**	**11,041.99**	**100.0%**	**23.3%**	**9,881.1**	**100.0%**	**24.1%**	**16.4%**	**4.1%**

Criteria used - average monthly revenue: Microenterprises (up to R$30 thousand); small enterprises (up to R$400 thousand); medium enterprises (up to R$25 million). Large enterprises: over R$25 million or with Total Assets above R$240 million.

Breakdown of Disbursement by Financing Line

The volume of loans granted in 2022, of R$45,035.0 million, increased by 3.1% or R$1,360.3 million over the volume granted in 2021, mainly due to higher volumes of rural loans, commercial loans for corporate clients, foreign exchange loans, and real estate loans, offset by the lower volume granted in the commercial loan for individuals.

In the comparison between 4Q2022 and 4Q2021, the volume of loans granted fell by 19.3% or R$2,484.2 million, mainly reflecting a reduction of the volume granted in commercial loans for individuals, partially offset by higher rural loans.

Compared to 3Q2022, the volume of loans granted in 4Q2022 fell by 20.3% or R$2,641.5 million, mainly influenced by lower volumes of commercial and rural loans granted.

Breakdown of Loans Granted by Financing Line - R$ Million

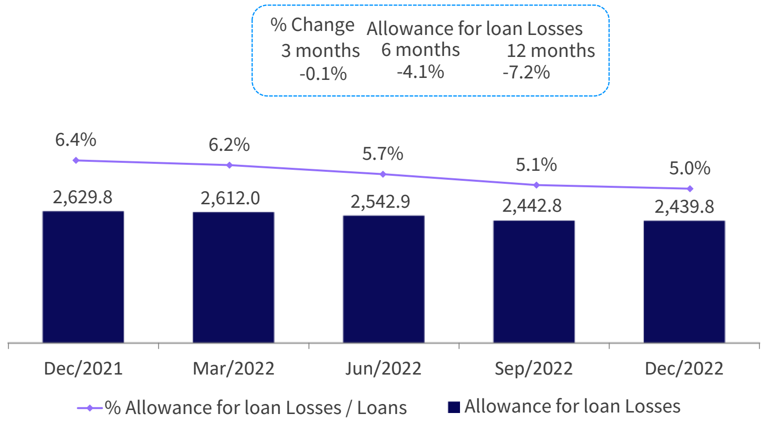
	2022	2021	4Q2022	3Q2022	4Q2021	2022/ 2021	4Q2022/ 4Q2021	4Q2022/ 3Q2022
Foreign Exchange	1,722.4	1,232.3	359.9	465.4	367.9	39.8%	-2.2%	-22.7%
Commercial [1]	34,859.2	37,033.9	7,974.2	9,335.3	10,951.0	-5.9%	-27.2%	-14.6%
Individuals	22,762.1	26,532.3	4,765.6	5,999.3	8,009.4	-14.2%	-40.5%	-20.6%
Corporate Clients	12,097.2	10,501.7	3,208.6	3,336.0	2,941.5	15.2%	9.1%	-3.8%
Long-Term Financing	363.5	260.4	40.7	45.7	95.3	39.6%	-57.3%	-11.0%
Real Estate	1,634.1	1,224.8	281.6	398.9	535.8	33.4%	-47.4%	-29.4%
Rural	6,455.8	3,923.2	1,718.8	2,771.4	909.4	64.6%	89.0%	-38.0%
Total	**45,035.0**	**43,674.7**	**10,375.2**	**13,016.7**	**12,859.4**	**3.1%**	**-19.3%**	**-20.3%**

(1) The volume granted does not include amounts to be billed/debited from credit and debit cards.

Quality of the Loan Portfolio

Provision for Loan Losses

The provision for loan losses, which includes provisions for loans arising from leasing and other credits characterized as loans, reached R$2,439.8 million in December 2022, down by 7.2% from December 2021, reflecting the rolling over of the loan portfolio according to the credit rating levels and the lower volume in overdue loans in a scenario with higher volumes of loan transactions. Compared to September 2022, the provision for loan losses remained virtually flat.

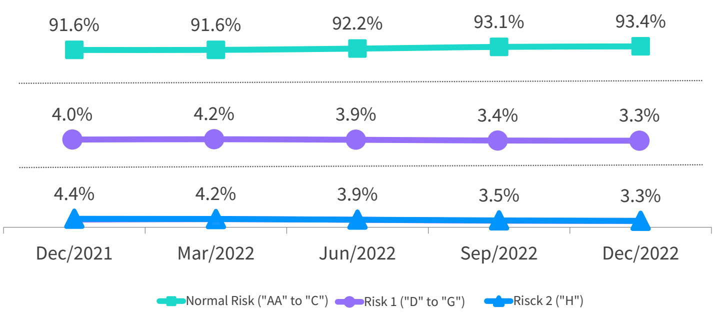


In December 2022, the provision for loan losses was broken down under CMN Resolution 2,682/99, with supplemental amounts, as follows (i) R$698.2 million for transactions with installments overdue for more than 60 days; and (ii) R$1,741.6 million for contracts falling due or contracts with installments overdue for less than 60 days.

Balance of the Provision for Loan Losses - R$ Million

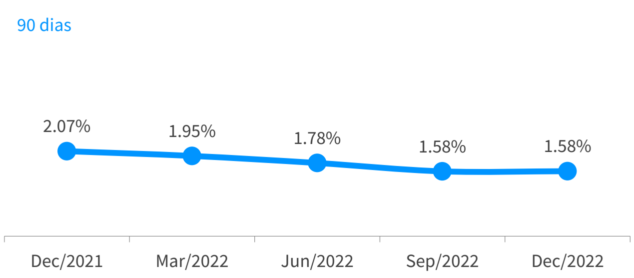
Risk Levels	Required Provision (%)	Total Portfolio	Accumulated Relative Share (%)	Overdue Loans	Loans Falling Due	Minimum Provision		Total Provision	Provision on the Portfolio (%)
						Overdue	Falling Due		
AA	0.0%	6,327.5	12.88%	-	6,327.5	-	-	-	0.00%
A	0.5%	35,999.9	86.17%	-	35,999.9	-	180.0	180.0	0.50%
B	1.0%	2,482.5	91.22%	-	2,482.5	-	24.8	24.8	1.00%
C	3.0%	1,050.7	93.36%	38.3	1,012.4	1.1	30.4	31.5	3.00%
D	10.0%	736.7	94.86%	67.2	669.5	6.7	67.0	73.7	10.00%
E	30.0%	206.4	95.28%	80.4	126.0	24.1	37.8	61.9	30.00%
F	50.0%	251.1	95.79%	82.8	168.2	41.4	84.1	125.5	50.00%
G	70.0%	415.7	96.64%	126.9	288.8	88.8	202.2	291.0	70.00%
H	100.0%	1,651.4	100.00%	536.0	1,115.4	536.0	1,115.4	1,651.4	100.00%
Total		**49,121.9**		**931.6**	**48,190.2**	**698.2**	**1,741.6**	**2,439.8**	**5.0%**

Breakdown of Loans by Credit Rating



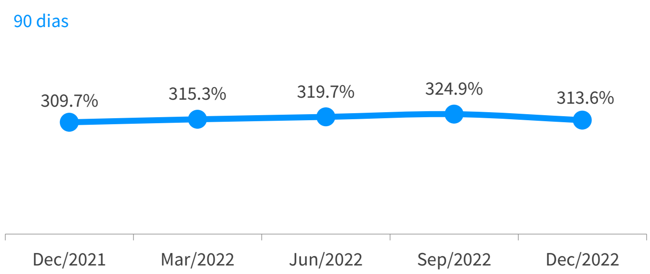
Loan transactions rated as normal (from AA to C), according to the rules established by CMN Resolution 2,682/99, accounted for 93.4% of the loan portfolio in December 2022. The indicator rose by 1.8 p.p. over December 2021 and by 0.3 p.p. over September 2022.

Default Rate



The default rate represents the volume of loan transactions overdue for more than 90 days against the total volume of active loan transactions. Default over 90 days reached 1.58% of the loan transactions in December 2022, shrinking by 0.49 p.p. in 12 months and remaining flat in 3 months. The balance of loan transactions overdue for more than 90 days reached R$777.9 million in December 2022, down by 8.4% or R$71.3 million from December 2021 and up by 3.5% or R$26.2 million over September 2022.

Coverage Ratio



The coverage ratio consists of the ratio between the provision for loan losses and the balance of loan transactions overdue for more than 90 days, showing that the provision is capable of covering default. The coverage ratio of loan transactions overdue for more than 90 days increased over December 2021, mainly reflecting a retraction in the provision for loan losses in a lower proportion than the reduced balance of overdue loans. Compared to September 2022, the coverage ratio of loan transactions overdue for more than 90 days fell, mainly reflecting higher loans overdue.

Funds Raised and Under Management

Funds raised, composed of deposits, proceeds from bank notes, subordinated debt, and funds managed totaled R$87,922.6 million in December 2022, up by 3.6% or R$3,022.6 million in 12 months, influenced by higher deposits, funds managed, and proceeds from bank notes, offset by lower subordinated debt, due to the settlement of the obligation contracted in 2012. Compared to September 2022, funds raised and under management increased by 1.1% or R$937.7 million, highlighting higher deposits.

Breakdown of Funds Raised and Under Management by Product Type - R$ Million

	Dec 2022	Sep 2022	Dec 2021	Dec2022/ Dec2021	Dec2022/ Sep2022
Deposits	67,615.9	66,546.8	64,277.4	5.2%	1.6%
Time Deposits	4,788.2	3,621.8	4,675.7	2.4%	32.2%
Savings Deposits	11,294.5	11,437.0	11,565.6	-2.3%	-1.2%
Interbank Deposits	2,563.7	1,904.5	1,392.7	84.1%	34.6%
Term Deposits	48,953.4	49,567.7	46,626.2	5.0%	-1.2%
Other Deposits	16.1	15.7	17.3	-7.0%	2.3%
Proceeds from Bank Notes (1)	3,271.5	2,955.6	1,738.0	88.2%	10.7%
Bank Notes	1,069.8	1,037.3	733.4	45.9%	3.1%
Real Estate Letters of Credit	1,066.0	884.2	707.8	50.6%	20.6%
Agribusiness Letters of Credit	1,135.7	1,034.2	296.9	282.6%	9.8%
Subordinated Debt (2)	1,170.4	1,170.6	4,689.8	-75.0%	0.0%
Total Funds Raised	**72,057.8**	**70,672.9**	**70,705.2**	**1.9%**	**2.0%**
Funds Managed	15,864.8	16,311.9	14,194.8	11.8%	-2.7%
Total Funds Raised and Managed	**87,922.6**	**86,984.9**	**84,900.0**	**3.6%**	**1.1%**

(1) Includes Subordinated Financial Bills. (2) Refers to the subordinated foreign fundraising. In February 2022, the foreign funding carried out in January 2012 was settled.

Deposits - increased by 5.2% or R$3,338.5 million over December 2021, mainly influenced by higher term and interbank deposits (rural DI rate), mitigated by lower savings deposits. Compared to September 2022, deposits increased by 1.6% or R$1,069.1 million, mainly influenced by the increase in time and interbank deposits, offset by the reduction in term deposits.

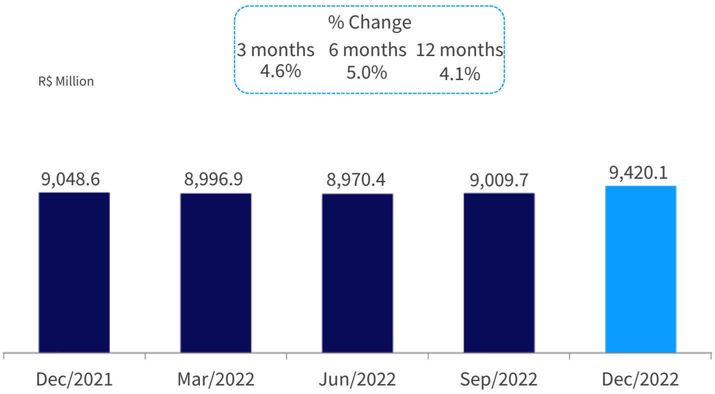
In December 2022, term deposits, totaling R$48,953.4 million, accounted for 67.9% of funds raised, being the Bank's main funding instrument.

Proceeds from Bank Notes- The balance of bank notes, subordinated financial bills, real estate letters of credit, and agribusiness letters of credit increased by 88.2% or R$1,533.5 million in the last twelve months and by 70.1% or R$315.9 million in the last three months.

On September 16, 2022, Banrisul issued Subordinated Financial Bills, totaling R$300.0 million, with a 10-year maturity, which can be repurchased by Banrisul after the 5th year as of the issue date. The Subordinated Financial Bills are authorized to be part of the Bank's Tier 2 Capital, according to Resolution 122/21 of the Central Bank of Brazil.

Subordinated Debt - subordinated debt fell by 75.0% or R$3,519.4 million in the last twelve months, mainly reflecting the settlement of the remaining balance of external funding carried out in January 2012, totaling R$2,967.5 million, due to the maturity of the obligation. Compared to September 2022, the subordinated debt remained virtually flat.

Equity



Banrisul's equity was R$9,420.1 million at the end of December 2022, up by 4.1% or R$371.5 million over December 2021, mainly due to the recognition of results, payments of interest on equity, accrual of dividends, and the remeasurement of actuarial liabilities, which had a positive impact of R$154.0 million, arising from post-employment benefits (CPC 33 - R1), as well as FX variation adjustments and the reclassification of FX variations through the write-off of foreign equity investments.

Compared to September 2022, the equity increase of 4.6% or R$410.5 million, mainly reflects the recognition of results, payment of interest on equity, and accrued dividends, as well as the remeasurement of the actuarial liability, positively impacting equity by R$189.1 million.

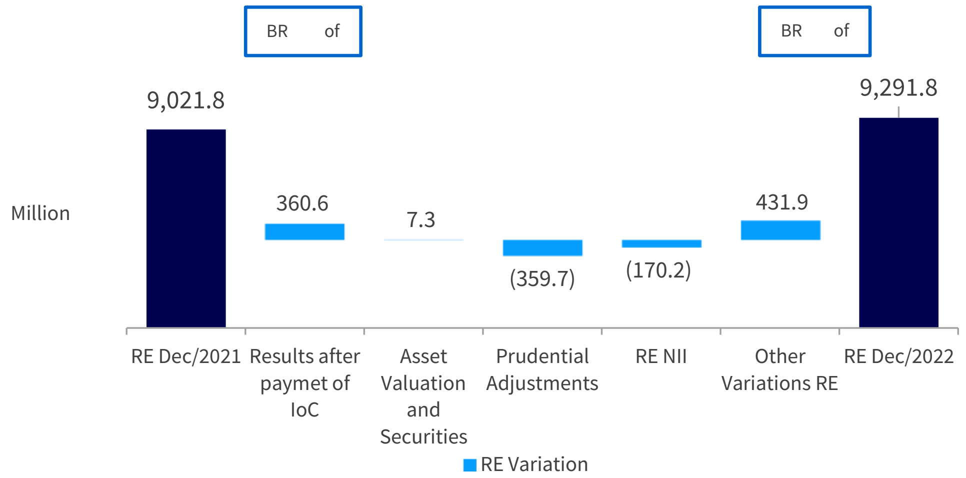
Basel Ratio

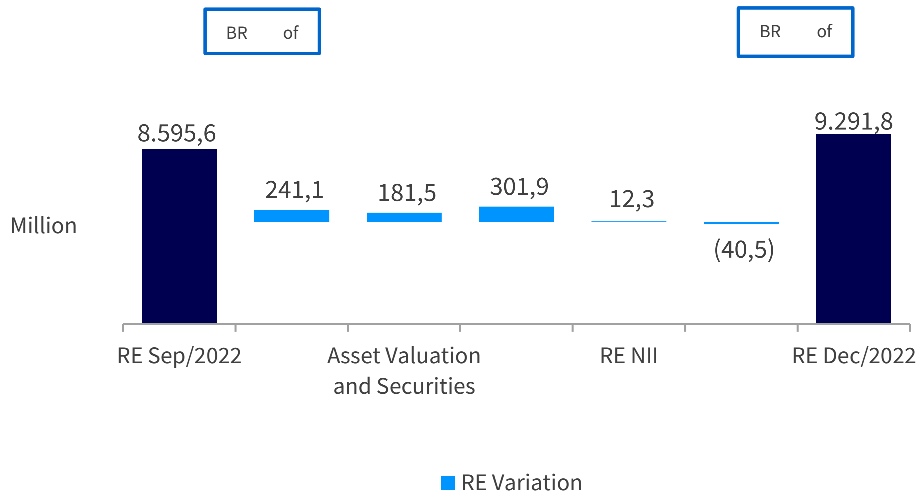
BCB Resolutions 4,955/21 and 4,958/21 determine that the calculation of regulatory capital and risk-weighted assets be based on the Prudential Conglomerate. The Basel Ratio (BR) measures the ratio between the sum of the Tier 1 Capital - T1C and the Tier 2 Capital - T2C, as well as the total risk-weighted assets calculated on the reference date. We maintain Capital Indexes above the levels defined by the regulator in an attempt to protect Banrisul in the event of stress scenarios.

The Capital Management area seeks to encourage the investment of available funds and ensure that the institution will meet its obligations. On December 31, 2022, the Basel Ratio reached 17.6%, 7.1 p.p. above the minimum regulatory level with the additional core capital ratio of 10,5%. In the same period, the Core Capital Ratio and the Tier 1 Capital Ratio were the same as the Basel Ratio and ended the quarter at 14.8%, corresponding to 7.8 p.p. and 6.3 p.p., respectively, above the minimum regulatory level.

Banrisul's reference equity in December 2022 consisted of the sum of Tier 1 Capital, in the amount of R$7,807.0 million, and Tier II Capital, of R$1,484.8 million, totaling R$9,291.8 million. The variation in equity was R$270.0 million over December 2021.

Below is the Basel Ratio in December 2022 and the changes in the reference equity in the comparisons with December 2021 and September 2022, respectively.





COMPETITIVE MARKET

In the competitive market, in September 2022, Banrisul was ranked 12th in total assets among the banks that make up the National Financial System - SFN; 11th in equity; 12th in funding (total deposits, open market funding, and obligations arising from loans and transfers); and 6th in number of branches, according to the ranking disclosed by the Central Bank of Brazil, excluding the BNDES.

Competitive Market

	Brazil		Rio Grande do Sul State	
	Dec 2022 (1)	**Dec 2021**	**Sep 2022 (2)**	**Sep 2021**
Time Deposits	1.3947%	1.2724%	25.7309%	24.2765%
Savings Deposits	1.1306%	1.1147%	12.5741%	12.2260%
Term Deposits	2.3331%	2.6516%	41.2222%	40.6733%
Loan Transactions	0.9223%	0.8782%	20.2155%	18.3461%
Number of Branches (3)	2.8638%	2.8055%	32.6432%	32.0539%

(1) Latest information disclosed.
(2) Latest information available.
(3) The information for 2022 refers to the month of November.

Summarized Consolidated Balance Sheet

R$ Thousand

Assets	Dec 2022	Sep 2022	Dec 2021	Dec2022/ Dec2021	Dec2022/ Sep2022
Cash and Cash Equivalents	1,004,366	1,062,549	1,464,768	-31.4%	-5.5%
Financial Assets	108,983,674	109,720,377	101,399,821	7.5%	-0.7%
Short-Term Interbank Investments	3,521,401	7,050,584	5,845,434	-39.8%	-50.1%
Compulsory Deposits at the Central Bank of Brazil	10,798,526	11,211,261	9,738,751	10.9%	-3.7%
Securities	39,454,807	37,765,474	38,389,069	2.8%	4.5%
Derivative Financial Instruments	-	-	841,900	-100.0%	-
Credit Operations and Financial Leasing	49,121,869	47,440,553	41,041,975	19.7%	3.5%
Other Financial Assets	6,087,071	6,252,505	5,542,692	9.8%	-2.6%
Provision for Loan Losses Related to the Credit Risk	(2,490,226)	(2,493,360)	(2,681,589)	-7.1%	-0.1%
Tax Assets	3,633,690	3,959,946	3,125,439	16.3%	-8.2%
Other Assets	686,845	706,894	686,050	0.1%	-2.8%
Investments	163,149	154,582	154,439	5.6%	5.5%
PP&E in Use	520,578	502,215	476,867	9.2%	3.7%
Intangible Assets	664,112	684,824	741,303	-10.4%	-3.0%
Total Assets	**113,166,188**	**114,298,027**	**105,367,098**	**7.4%**	**-1.0%**
Liabilities	**Dec 2022**	**Sep 2022**	**Dec 2021**	**Dec2022/ Dec2021**	**Dec2022/ Sep2022**
Financial Liabilities	98,474,996	99,282,234	91,435,906	7.7%	-0.8%
Deposits	67,615,882	66,546,756	64,277,380	5.2%	1.6%
Open Market Funding	12,421,035	14,403,990	10,721,736	15.8%	-13.8%
Funds from Acceptance and Issue of Securities	2,957,083	2,653,648	1,738,001	70.1%	11.4%
Subordinated Debt	1,484,828	1,472,526	4,689,788	-68.3%	0.8%
Loan Obligations	1,012,985	1,171,495	1,021,299	-0.8%	-13.5%
Transfer Obligations	2,501,887	2,437,999	1,394,823	79.4%	2.6%
Derivative Financial Instruments	670,298	590,457	136,170	392.3%	13.5%
Other Financial Liabilities	9,810,998	10,005,363	7,456,709	31.6%	-1.9%
Civil, Tax, and Labor Provisions	2,631,798	2,654,739	2,315,530	13.7%	-0.9%
Tax Liabilities	807,899	941,216	608,811	32.7%	-14.2%
Other Liabilities	1,831,368	2,410,163	1,958,268	-6.5%	-24.0%
Equity	**9,420,127**	**9,009,675**	**9,048,583**	**4.1%**	**4.6%**
Total Liabilities and Equity	**113,166,188**	**114,298,027**	**105,367,098**	**7.4%**	**-1.0%**

Consolidated Adjusted Income Statement

R$ Thousand	2022	2021	4Q2022	3Q2022	4Q2021	2022/ 2021	4Q2022/ 4Q2021	4Q2022/ 3Q2022
Income from Financial Intermediation	**12,992,510**	**8,212,176**	**3,632,453**	**3,646,329**	**2,533,797**	**58.2%**	**43.4%**	**-0.4%**
Loan Transactions, Leasing, and Other Loans	7,224,370	5,703,434	2,010,163	1,876,992	1,527,619	26.7%	31.6%	7.1%
Income from Securities Transactions	5,182,615	1,941,000	1,337,141	1,515,868	827,933	167.0%	61.5%	-11.8%
Income (Loss) from Derivative Financial Instruments	(725,229)	62,995	(19,331)	(127,603)	(17,304)	-1,251.3%	11.7%	-84.9%
Income from Foreign Exchange Transactions	156,931	104,724	(17,133)	54,160	28,736	49.9%	-159.6%	-131.6%
Income from Compulsory Investments	1,153,823	400,023	321,613	326,912	166,813	188.4%	92.8%	-1.6%
Financial Intermediation Expenses	**(8,323,715)**	**(3,366,573)**	**(2,352,085)**	**(2,494,785)**	**(1,360,489)**	**147.2%**	**72.9%**	**-5.7%**
Market Funding Transactions	(7,480,861)	(3,075,199)	(2,173,202)	(2,217,423)	(1,294,857)	143.3%	67.8%	-2.0%
Loan, Assignment, and Transfer Transactions	(842,854)	(291,374)	(178,883)	(277,362)	(65,632)	189.3%	172.6%	-35.5%
Income from Financial Intermediation	**4,668,795**	**4,845,603**	**1,280,368**	**1,151,544**	**1,173,308**	**-3.6%**	**9.1%**	**11.2%**
Expected Losses of Financial Assets	**(968,690)**	**(787,794)**	**(282,012)**	**(237,932)**	**(155,696)**	**23.0%**	**81.1%**	**18.5%**
Other Operating Revenues (Expenses)	**(2,812,521)**	**(2,625,740)**	**(607,496)**	**(741,075)**	**(651,155)**	**7.1%**	**-6.7%**	**-18.0%**
Income from Services and Bank Fees	2,083,514	1,972,158	550,604	521,972	515,589	5.6%	6.8%	5.5%
Equity in Affiliates	81,068	42,830	28,870	17,486	9,161	89.3%	215.1%	65.1%
Adjusted Personnel Expenses	(2,035,965)	(1,906,581)	(533,359)	(544,860)	(506,508)	6.8%	5.3%	-2.1%
Other Administrative Expenses	(1,875,792)	(1,759,082)	(470,650)	(482,917)	(469,987)	6.6%	0.1%	-2.5%
Tax Expenses	(474,659)	(464,418)	(131,472)	(114,438)	(118,507)	2.2%	10.9%	14.9%
Other Operating Revenues	645,184	481,276	194,248	111,158	149,984	34.1%	29.5%	74.7%
Other Operating Expenses	(574,402)	(501,353)	(164,736)	(146,482)	(168,533)	14.6%	-2.3%	12.5%
Civil, Tax, and Labor Provisions	(661,469)	(490,570)	(81,001)	(102,994)	(62,354)	34.8%	29.9%	-21.4%
Adjusted Operating Income	**887,584**	**1,432,069**	**390,860**	**172,537**	**366,457**	**-38.0%**	**6.7%**	**126.5%**
Earnings Before Tax and Employee Profit Sharing	**887,584**	**1,432,069**	**390,860**	**172,537**	**366,457**	**-38.0%**	**6.7%**	**126.5%**
Adjusted Income Tax and Social Contribution	**77,178**	**(315,828)**	**(81,181)**	**(12,582)**	**(78,144)**	**-124.4%**	**3.9%**	**545.2%**
Employee Profit Sharing	**(183,511)**	**(125,616)**	**(58,471)**	**(21,950)**	**(30,221)**	**46.1%**	**93.5%**	**166.4%**
Non-Controlling Interests	**(419)**	**(270)**	**(134)**	**(163)**	**(55)**	**55.4%**	**144.0%**	**-17.6%**
Adjusted Net Income	**780,832**	**990,355**	**251,074**	**137,842**	**258,037**	**-21.2%**	**-2.7%**	**82.1%**
2022 Voluntary Separation Program	(119,814)	-	-	(119,814)	-	100.0%	-	-100.0%
Provision for Tax Contingencies	-	(76,036)	-	-	-	-100.0%	-	-
Tax Effects	53,916	34,216	-	53,916	-	57.6%	-	-100.0%
Tax Credits (CSLL) - Law 14,183/21	-	-	-	-	(10,265)	-	-100.0%	-
Net Income	**714,934**	**948,535**	**251,074**	**71,944**	**247,772**	**-24.6%**	**1.3%**	**249.0%**

Management Report

We present the Management Report, parent and consolidated financial statements of Banco do Estado do Rio Grande do Sul S.A., for the fiscal year 2022, prepared according to the accounting practices adopted in Brazil, applicable to the institutions authorized to operate by the Central Bank of Brazil.

Economic Scenario

The year 2022 was particularly demanding for world economies, vis-à-vis a post-pandemic environment, wherein most of the monetary authorities around the globe, with stringent policies, had to manage a scenario of resuming activities, amid a rampant inflation, and the outbreak of the Russia and Ukraine conflict.

During 2022, major countries' economic growth expectations gradually slowed down, to the extent that inflation, employment, income, and activity indicators have been released. In Brazil, the domestic scenario is relatively positive, although the last publication of GDP in 3Q22 revealed certain idleness in the pace of economic activity.

The Extended Consumer Price Index (IPCA) reached 5.79% in 2022, above the upper end of the 1.50 p.p. tolerance interval nearly the annual target of 3.50%. If on the one hand, high commodities prices, the bottlenecks in global production chains, and the upswing of demand for services and employment drove inflation indicators, leading the Central Bank of Brazil to resolutely raise benchmark interest rates (Selic) by 13.75% p.a. by mid-August; on the other hand, lower taxes on fuels, electricity, and telecommunications, also the change to electricity tariff green flag post-water shortage inhibited an even worse inflation scenario, driving the Brazilian monetary authority to hold Selic at this same level by the end of 2022.

Amid this scenario, Brazil's credit market in Brazil by 2022 surged 16.3% with delinquency rates in an ascending trend, 2.99%, while in the state of Rio Grande do Sul, these rates soared 17.5% with delinquency rate of 2.09%. Highlighting the 18.6% increase in the individual portfolio and agricultural credit, wherein the Rio Grande do Sul state accounted for 15% of Brazil's total in contracted amounts.

The Rio Grande do Sul's economy advanced 1.3% in 3Q2022 versus the previous quarter, a performance 0.4% higher than the Brazilian economy. Compared to 3Q21, Rio Grande Sul's economy slowed down by 2.8%, lower than Brazil's growth of 3.6%. The services sector and industrial activity drove the economic upturn of Rio Grande do Sul, which struggled with drought in agribusiness.

BanriDay 2022- *Nossa Conexão Transforma* (Our Connection Tansforms)

Banrisul is committed to build an increasingly trendiest, efficient and sustainable bank which firmly promotes the economic and social development of people and communities. Our rebranding is a two-way road that goes beyond changing our logotype and visual identity: while Banrisul transforms the reality with new products and services for society, customers transform the Bank with new demands, projects and expectations.

Banrisul Investor Day took place on December 12.

Rebranding

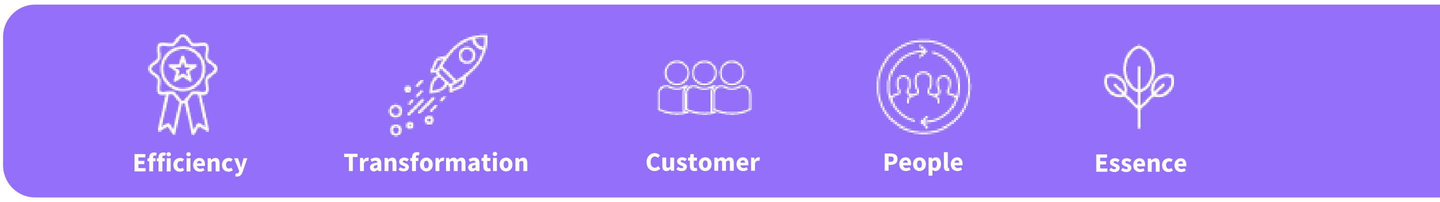
On May 23, 2022, Banrisul began a comprehensive rebranding process, re-positioning it to the new concept *Nossa conexão transforma* (Our connection transforms) connected with a more inclusive, human, and connected Bank. This change was extended to Banrisul's strategic areas – innovation, people, sustainability, and agribusiness, and fine-tuned with these deliveries, heightening the connection with customers and partners. All service channels upgraded their layouts in 2022, starting from ATMs, Banrisul App, Home & Office Banking, and our website www.banrisul.com.br.

Banrisul's rebranding maintained the blue color that recollects its security, strength, and credibility attributes, respecting its history and essence, and added two new colors that represent innovation and sustainability, our key objectives to a more collective, human, and contemporary financial institution.

Banrisul's smart virtual assistance, **bah**, still has been trained, but soon will be available, quickly clarifying doubts concerning the Bank's digital channels, and with optimized resources. This advancement will enable a greater customer's journey experience when using these channels, translated into convenience and security.

Company and business strategy

Banrisul's corporate strategy is anchored in five pillars:



the mission of which is to become the financial agent that fosters Rio Grande do Sul's economic and social development, keeping a focus on sustaining the vision of a state-owned, profitable, robust, and competitive bank integrated with communities, and providing excellent services.

Banrisul has been achieving efficiency gains by expediting and streamlining processes that enable efficient use of resources. In 2022, Banrisul adopted the best practices by enhancing risk management, its IT infrastructure, and architecture, including greater customer digitalization. Our first smart virtual assistant, bah, was implemented in 2022, which has been trained. The On-Site Service Network remains focused on serving various segments, keeping pace with changes and the financial market's technological advances.

Concerning Banrisul's **transformational journey,** BanriTech's second edition took place in 2022, its startup acceleration program, which totaled 30 startups accelerated and connected to its ecosystem, also inaugurated an advanced technology, innovation, and sustainability center, the Data Center *Margarete Fenner*. Banrisul sponsored the innovation event, South Summit Brazil, and took part in teams and workgroups of Febraban (Brazilian Federation of Banks) and Central Bank of Brazil, among them, the Open Finance groups, also the construction of *CBDC – o Real Digital* (the Digital Real). Another highlight in 2022 was Banrisul's 1st Week of Innovation with a focus on Artificial Intelligence, User Journey, Equal Gender, Diversity, Innovation, and Sustainability in the financial market, besides acting as a co-founder of the innovation hub, *Instituto Caldeira* and sponsor of NAVI, an artificial intelligence, and emerging technologies hub.

With a **customer-centric** focus, the marketplace cashback, points, and payments with *Banricompras* and the online store *Banrishopping* were the digital channels highlights. At the branches network, the major service improvement was the installation of the Customer Management Terminal - TGA. Also, various customer services underwent a voice and language adjustment, thus, promoting a friendlier, lighter, direct, informative, and global communication.

Our **people strength** pillar is the path to achieving organizational success. In this regard, Banrisul builds its agile culture, and transforms and stimulates employee engagement. In 2022, the performance evaluation system and the feedback policy were upgraded; also a new variable compensation system was implemented coupled with strategy-linked defined objectives. Other highlights included the conclusion of the public exam for IT areas and another one for overall staff. Banrisul also created a new Career, Position, and Salary Plan, and a new Succession Management methodology. The setup of a Theme Committee and three Affinity Groups broadened the scope of Diversity, Equal Gender & Inclusion, and mobilized employees from various areas.

Banrisul remains loyal to its retail **essence** that foments the development of micro, small, and medium-sized business activities, especially in the state of Rio Grande do Sul, investing in sustainable development-related products. In 2022, we maintained payroll agreements with various state government bodies, and the first Affinity branch was inaugurated, with a focus on *phygital* services (online functionalities built into physical services), targeting high-income customers. The agribusiness, a relevant sector in the state of Rio Grande do Sul, in 2022, gained five new exclusive sites to expand services and bolster Banrisul as a business partner and facilitator.

Business innovation and **sustainability** guide Banrisul's actions that direct lines of credit targeting sustainable practices financing, such as the implementation of photovoltaic energy systems, biodigesters, and low-carbon agriculture, besides the Solar and Wind Energy Sustainability CDC which finances the renewable energy installation. In 2022, The 365 Operation relied on partnerships with Embrapa (Brazilian Agricultural and Research Corporation) and CCGL intending to encourage rural producers to adopt technologies and good practices in the production chain. Banrisul also neutralized direct carbon emissions, and energy consumption referring to 2021 and was recognized with a Gold seal by the Brazilian GHG Protocol Program.

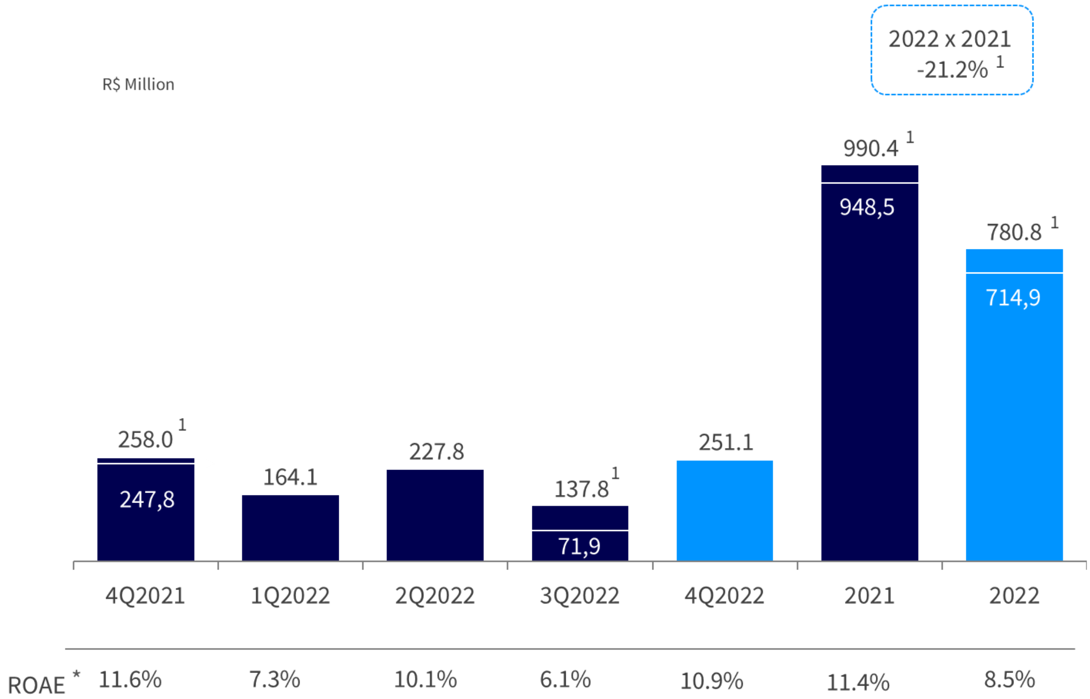
Consolidated Performance

Net Income

Banrisul's net income totaled R$714.9 million, 24.6% or R$233.6 million lower than in 2021. The Voluntary Dismissal Program – PDV was the major non-recurring impact in 2022, with a net effect of R$65.9 million, while in 2021, non-recurring events for analysis of results were the provision for tax contingencies and related tax effects.

Banrisul recorded an adjusted net income of R$780.8 million in 2022, with adjusted profitability of 8.5% over average shareholders' equity. The 21.2% or R$209.5 million shrinkage against the adjusted net income in 2021 primarily reflects: (i) lower net interest income; (ii) a higher flow of expenses related to allowance for loan losses; (iii) higher fee and commission income; (iv) higher adjusted administrative expenses; (v) higher expenses related to provisions for labor, tax and civil contingencies; (vi) higher other income, net of other expenses; and (vii) accordingly, tax effects.

Measured by the concept of added value, Banrisul generated revenues of R$3,534.3 million in 2022, of which R$2,033.0 million or 57.5% were allocated for payroll; R$715.4 million or 20.2% for shareholder compensation; R$649.8 million or 18.4% for the payment of taxes, and contributions, and R$136.1 million or 3.9% for third party capital remuneration.



[1] Adjusted Net Income.
*Annualized and calculated based on Adjusted Net Income.

Shareholders' Equity

In December 2022, Banrisul's shareholders' equity came to R$9,420.1 million compared to R$9,048.6 in December 2021, mainly reflecting the incorporation of the results delivered, the payment of interest on equity, provisioning of dividends, post-employment benefits-related actuarial liability remeasurement (CPC 33 - R1), as well as foreign exchange adjustments and the reclassification of foreign exchange variation due to the write-off of overseas investments.

Total Assets

Total assets rose by 7.4%, or R$7.799,1 million to R$113,166.2 million in December 2022, versus December 2021. In assets composition, loan operations accounted for 43.4% of the total, treasury investments (securities, added to interbank investments, cash and cash equivalents, and derivative financial instruments) 38.9%, compulsory deposits at Bacen 9.5%, and other assets 8.2%.

Treasury investments shrank R$2,560.6 million to R$43,980.6 million in December 2022, versus December 2021, primarily driven by funds allocated to increase loan operations by 19.7%, and the settlement of foreign funding raised in 2012 which expired in February 2022.

Banrisul has financial capacity evidenced by technical studies developed in-house and intends to hold until maturity the securities classified as "held-to-maturity", pursuant to Article 8 of the Central Bank of Brazil (Bacen) Circular Letter No. 3.068/01.

Products and Services

Loan portfolio

The loan portfolio rose 19.7% or R$8,079.9 million to R$49,121.9 million in December 2022, versus December 2021. Rural and commercial loans drove portfolio advancement.

Banrisul foments the economic, social, and technological development of the regions in which it operates, contributing to businesses' employment and income generation. In 2022, the Bank granted R$960.1 million in working capital lines *Pronampe* and *PEAC* reopened in August, secured by Guarantee Funds. Banrisul's lines of credit, *Giro FGI* and *Banrisul Fampe Mais*, the latter granted to small businesses, by offering business training, financial education, and managerial advisory services for a loan-informed decision, together, made available R$689.7 million. Banrisul's line of credit, *Fomento Eficiência Energética – FGEnergia* finances energy efficiency projects for micro, small, and medium-sized companies, secured by *FGEnergia*, a guarantee fund managed by BNDES (Brazilian Development Bank), launched in August. In September, Seal +Sustainable Energy was launched in a partnership among Banrisul, Sebrae RS, Senai-RS, and UFRGS to qualify photovoltaic companies, and foment renewable energy financing.

In 2022, two Banrisul Innovation Public Notices were issued to finance startups and innovative companies via *Finep* – Funding Authority for Studies and Projects. Among 85 businesses enrolled, 60 innovative initiatives were selected. In partnership with Finep, Banrisul also offers lines of credit for *Inovacred* technological innovation.

Loan Portfolio +19.7% in 12 months

R$ 49,121.9 million in December/2022

Banrisul offers lines of credit with its funds to finance capital goods to the Rio Grande do Sul's municipalities, also BNDES onlending for businesses and industries installation and expansion projects, as well as the construction of storage silos; besides specific lines of credit for the acquisition of machinery, equipment, buses, and trucks. The line of credit, *FINAME FUNDO CLIMA* targets renewable energy solutions, offered until November when all funds allocated to this line of credit at BNDES were consumed.

Total Credit Breakdown – R$ million	Dec 2022	Dec 2021	Dec 2022/ Dec 2021	
			Absolute Chg.	Chg. %
Private Sector	**49,002.0**	**40,939.8**	**8,062.3**	**19.7%**
Commercial	34,411.9	30,345.5	4,066.4	13.4%
Individual [(1)]	25,517.5	23,129.0	2,388.5	10.3%
Companies	8,894.4	7,216.4	1,677.9	23.3%
Real estate loans	5,137.7	4,319.8	819.9	19.0%
Rural loans	7,879.5	4,836.7	3,042.8	62.9%
Long-term financing	547.1	610.3	(63.3)	-10.4%
Foreign exchange	1,014.3	814.5	199.8	24.5%
Leasing	9.6	12.9	(3.4)	-26.0%
Public sector	**119.8**	**102.2**	**17.6**	**17.2%**
Total	**49,121.9**	**41,042.0**	**8,079.9**	**19.7%**

(1) it includes the transfer of assets – accounted for as per Bacen Circular Letter No. 3.543/12, in loans linked to assignment operations.

The loan portfolio is rated by risk levels under procedures set forth by the Brazilian Monetary Council (CMN) Resolution No. 2,682/99. In December 2022, Normal Risk operations, which include risk levels AA to C, totaled R$45,860.6 million, or 93.4% of the total portfolio. Risk 1-rated operations, which include risk levels D to G, came to R$1,609.9 million, or 3.3% of the portfolio. Risk 2, solely composed of H-level operations, reached R$1,651.4 million or 3.3% of the total.

Commercial Loans

The individual commercial loan advanced R$2,388.5 million versus December 2021, in line with Banrisul's strategic planning and driven by payroll-deductible loan operations that surged R$1,649.2 million, fueled by branches network and bank correspondents.

Companies' commercial loans rose R$1,677.9 million in December 2022, versus December 2021, driven by working capital lines, especially lines of credit with Guarantee Funds – FGI.

Individual

R$25,517.5 million
balance in Dec/2022

+10.3% in 12 months

Companies

R$8,894.4 million
balance in Dec/2022

+23.3% in 12 months

Agribusiness

Banrisul continues supporting the Rio Grande do Sul agribusiness, one of its priorities, with a focus on a growing portfolio with small and medium-sized producers supported by Banrisul through its own funds, BNDES onlending, and funds adjusted by National Treasury. Since 2021, Banrisul Agro Spaces have been inaugurated to maximize the Bank's scope with customized services, technical support, and financial guidance by sector specialists in the municipalities of Santo Angelo, Cruz Alta, Passo Fundo, Bagé, Sant'Ana do Livramento, Ijuí, and Carazinho. In 2023, other 10 Agro Spaces are expected to be inaugurated.

The 2021/2022 Crop Plan ended in June, and the loan granting volume exceeded R$6.0 billion, 62% higher than the same period of the previous 2020/2021 crop, bolstering agribusiness loan portfolio and rural businesses share across all regions of the state and most varied cultivations.

During 2022/2023 Crop Plan, Banrisul released nearly R$7.0 billion credit for more than 50 thousand producers, 35% higher than in the previous crop, another all-time record. Out of this amount, R$6.1 billion was earmarked for funding, trading and industrialization, up 36%, and R$900.0 million for investments, 29% higher than in the previous crop year. Family agriculture small producers will be granted *Pronaf* lines totaling R$1.5 billion, a 44% increase; medium-sized producers will be granted R$2.0 billion from *Pronamp* lines, other producers, businesses, and cooperatives were allocated R$3.5 billion, 5% more than in the previous crop year.

In 3Q22, Banrisul prospected a record volume of businesses exceeding R$831 million at the 45th EXPOINTER, 88% more than the previous year's event, especially financing machinery, irrigation, and renewable energy projects.

The third edition of AgroShow was launched in July 2022, the first event in the hybrid mode, to announce the 2022/23 Crop Plan, also the funds to be made available, besides disseminating and bolstering the partnership between Banrisul and agribusiness agents, aiming at expanding businesses and approaching rural producer to new technologies. During the first half of the current crop year, 62.7% of the total funds available were contracted, of which 59.0% were via *Pronaf (*National Program for the Support of Family Farming*)*, 86.2% via *Pronamp* (Financing and Investments of Medium-Sized Rural Producers in Agribusiness Activities), and 50.9% via other lines. In 2022, 110 invitees were present at the *Instituto Caldeira*, besides 283 branches and 4,245 invitees in the virtual mode. The AgroShow 2022 was bestowed the green and blue Neutral Event seal, due to its commitment to diminish, measure and neutralize carbon emissions generated at this event.

Funding and asset management

Funds raised, consisting of deposits, funds in bank notes, subordinated debt, and assets under management, totaled R$87,922.6 million in December 2022, mainly composed of time deposits, at 55.7%, asset management with 18.0% and savings deposits with 12.8%.

The subordinated debt decelerated compared to December 2021, reflecting the settlement of foreign funding contracted in 2012, which matured in February 2022. Banrisul issued a new subordinated debt (Tier II) in January 2021, totaling US$300.0 million with annual interest of 5.375%, 10-year maturity, and a 5-year repurchase option, as per conditions described in the Offering Memorandum.

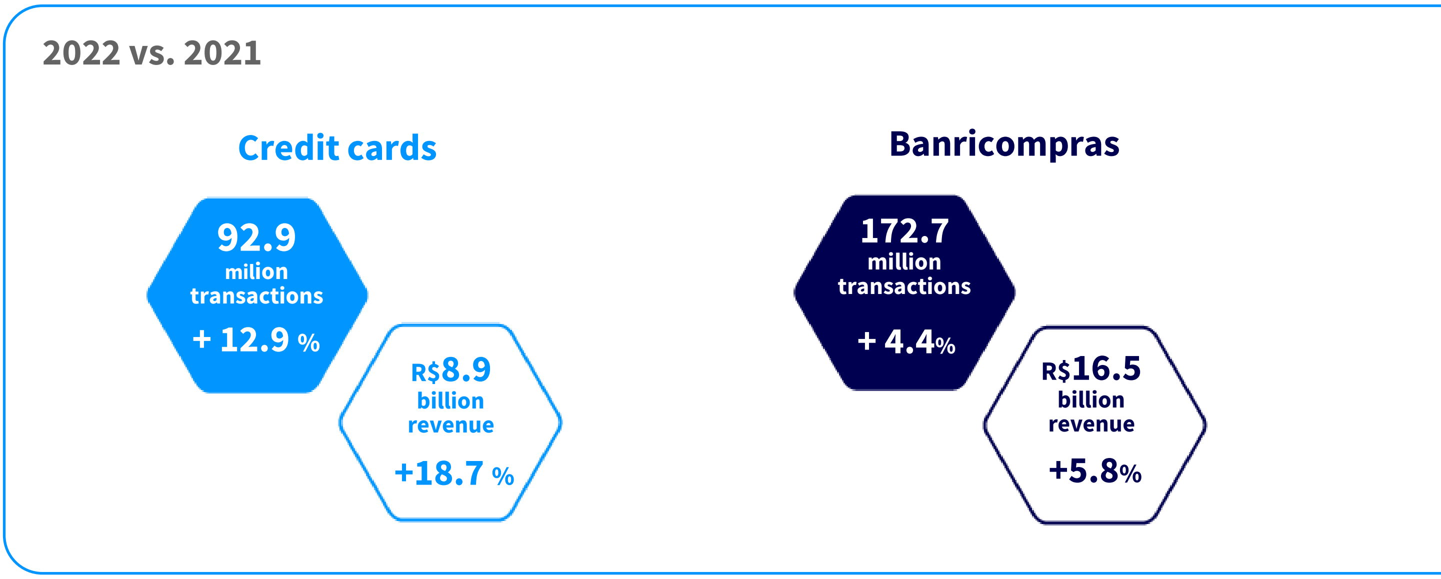
On September 16, 2022, Banrisul issued Subordinated Financial Notes totaling R$300.0 million, with a 10-year maturity, and can be repurchased by Banrisul after the 5th year, as of the date of issue. The Subordinated Financial Notes are authorized to compose the Tier-II Capital of Banrisul's reference shareholders' equity, under BCB Resolution No. 122/21.

Breakdown of funds By product – R$ million	Dec 2022	Dec 2021	Dec 2022/ Dec 2021 Absolute Chg.	Chg. %
Total Deposits	67,615.9	64,277.4	3,338.5	5.2%
Demand Deposits	4,788.2	4,675.7	112.5	2.4%
Savings Deposits	11,294.5	11,565.6	(271.1)	-2.3%
Interbank Deposits	2,563.7	1,392.7	1,171.0	84.1%
Time Deposits	48,953.4	46,626.2	2,327.2	5.0%
Other Deposits	16.1	17.3	(1.2)	-7.0%
Bank Notes (1)	3,271.5	1,738.0	1,533.5	88.2%
Subordinated Debt	1,170.4	4,689.8	(3,519.4)	-75.0%
Total Funding	**72,057.8**	**70,705.2**	**1,352.6**	**1.9%**
Assets Under Management	15,864.8	14,194.8	1,670.0	11.8%
Total Funding and Assets Under Management	**87,922.6**	**84,900.0**	**3,022.6**	**3.6%**

[1] Bank notes, subordinated notes, real estate credit and agribusiness.

Credit and Debit cards

The year 2022 was of innovations in Banrisul's means of payment, by reviewing prospecting strategies, also the maintenance of the customers base, among them, a new Timeline, greater breakdown of invoice information, management of additional cards limits, registry updates, bills payment, such as Detran (São Paulo Traffic Authority) and IPTU (Property Tax), including the possibility of challenging transactions directly on the App.



Banrisul reward program, *Banriclube*, enables customers to redeem points directly on the website, travel, and purchases via transfer to partners. In 2022, the *Pontuação Diferenciada – Turbine seus Pontos* (Differentiated Scoring – Add Mileage) was launched, and extra points are granted for international and recurring transactions. In 3Q2022, Banrisul launched *Banrishopping*, its own online store that enables shopping via Banrisul credit card and *Banricompras* with cashback, as well as points accumulated in *Banriclube*.

Banrishopping/ Banrisul customers' online store

The line of benefits and business cards, *BanriCard* grossed R$1.8 billion, 22.0% higher than in 2021.

Banrisul ended 2022 with a base of 1.3 million credit cards under the Mastercard and Visa brands. Income from the credit, credit card fees, and BNDES cards totaled R$498.2 million in 2022.

Vero acquiring network

In line with Banrisul's rebranding, Vero redesigned its brand in 2022. In the same year, its accreditation has been launched via Banrisul App, which enables payment in 18 installments, also the *Vero Conecta* developers Portal has been implemented, a unique environment for partner developers. In December, a new independent sales channel started up, in the hubs format, with a focus on prospecting new accreditation members.

Vero ended 2022 with 133.8 thousand active accredited merchants with transactions in the last 12 months. During the same period, 452.9 million transactions were captured, of which 320.3 million were with debit cards, 20.7% higher than in 2021, and 132.7 million credit card transactions, up 22.9% year-on-year. In terms of financial volume, the amount transacted totaled R$43.0 billion, up 18.8% year-on-year. Out of this amount, R$24.2 billion came from debit cards and R$18.8 billion from credit card transactions.

Vero's new identity represents technology, agility, lightness and authenticity, from Banrisul rebranding.

Insurance

Banrisul Corretora de Seguros (Insurer) offers insurance products, such as personal insurance, property insurance, rural insurance, savings bonds, and supplementary private pension plans. In 2022, the life insurance *Bem Viver* was launched, also private pension funds *BanrisulPrev Qualificado, BanrisulPrev Data Alvo,* and *Rio Grande Absoluto Crédito Privado*, the savings bonds *BanriCap Master* and *Banricap Plus*, besides new solutions for rural insurance. Digital channels also advanced, especially vehicle insurance, and pension product management which included portability from other institutions.

Insurance premium collection, pension contributions, and savings bonds came to R$2.6 billion in 2022, up 13.8% from 2021. Total revenues totaled R$332.6 million, 21.6% higher than in 2021; income from insurance brokerage commissions reached R$266.8 million in the period. In December/2022, we recorded 2.2 million active insurance transactions.

Customer relationship

In 2022, Banrisul began the installation of the Customer Management Terminal – TGA at its branches network, and refer customers to their profile-suited sector, centralizing data and monitoring customers' experience, besides controlling and complying with legal requirements. TGA facilities shall be concluded in the first half of 2023.

1,063
Service stations

495
Branches

473 branches in Rio Grande do Sul
17 in Santa Catarina
4 in other states
1 abroad

437 service stations and ATMs –PAEs
131 service stations -PAs

banri ponto

945
Banripontos
(bank correspondents)

Banrisul also offers services via *Banripontos* correspondents, and accredited merchants wherein various banking services are available. In November, we launched *Banripontos* new brand, connected with Banrisul rebranding, bolstering our commitment to *Banriponto*'s core activity: points multiplication, availability of a physical channel that offers various banking services, and extended business hours.

Banrisul relies on an Ombudsman to solve customers'/users' complaints when primary service channels do not answer satisfactorily, as their last resort. Through this channel, 4,810 complaints were received in 2022, of which 1,408 referred to protocols registered in the Ombudsman channel, including letters answered, 1,341 referred to complaints registered at Bacen, and 2,061 from the Procon (Consumer Protection and Defense Program).

Digital channels

Amid a transformational year at Banrisul, various innovations were made available on the Internet and Mobile Banking, enhancing access experience and utilization of digital products and services during 2022, besides the implementation of Banrisul's New Visual Identity, aligning digital channels with rebranding.

In 2022, digital channels share grew 1.8 p.p. in total transactions, including PIX, made through channels available: online, ATMs, correspondents, cashiers, and *Banrifone*, versus 80.0% in 2021.

In 2022, Internet Banking (Home & Office Banking) and Mobile Banking (My Account, Affinity, and Office App), accessed via Banrisul App, including PIX transactions, recorded 546 million accesses, 21.2% higher than in 2021, an average of 1.5 million daily accesses. In 2022, transactions carried out via these channels increased by 15.5%, where the number of financial transactions came to 37.6% higher and the volume transacted was up 13.8%, compared to the same period in 2021.

In 2022, Banrisul App made available a Limit Management service, signature of loans, foreign exchange agreements, also the possibility of registering favorite accounts for Pix transactions. During the same period, the monitoring Antifraud System started operating, also the challenge of credit card transactions not acknowledged by customers and the distribution of limits allocated to additional cards, besides the channel restriction to activate a virtual card to access the Banrisul App, wherein customers over 60 years of age must contact Banrifone to confirm their request. Banrisul App also made available a new marketplace for online shopping, the *Banrishopping*, and new services for sale poll members. The Office Mobile layout was upgraded and improvements were set to access the App services.

81.8% of transactions in 2022 were made via digital channels

*brand-new Banrisul App. Better connected with you.

Banrisul Group Operating Segments

Banrisul Pagamentos (Cards)

The trade name was created in August/2022 when the corporate name changed from *Banrisul Cartões S.A.* to *Banrisul Soluções em Pagamentos S.A. – Instituição de Pagamento* to better communicate its products and services and broaden the payment solutions future possibilities.

In November 2022, Banrisul Pagamentos received CVM (Brazilian Securities and Exchange Commission)'s approval concerning its request for Deregistering as an Issuer (Category A), now becoming a closely-held company.

In December 2022, Banrisul Pagamentos received a R$300.0 million capital contribution from its controlling shareholder, Banrisul, through the issue of 68,965,518 new shares, within the limit of statutorily estimated authorized capital. The Company's capital increase aims at preserving cash position and capital structure, taking into account the investments required to execute its strategic planning. With this capital contribution, controlling shareholder's equity interest went from 99.78% to 99.82%, and Banrisul S.A. Administradora de Consórcios went from 0.22% to 0.18%.

Banrisul Pagamentos manages the Vero acquiring network, the issue of benefits cards *Banricard* business cards, relying on 133.8 thousand active accredited merchants and 5.8 thousand active agreements, respectively, in December 2022. Gross operating revenue totaled R$615.8 million in 2022, up 4.5% from 2021. Out of this total, R$610.7 million stemmed from acquiring the network's revenue.

Banrisul Pagamentos' net income came to R$374.4 million in 2022, 33.7% higher than in 2021.

Banrisul Administradora de Consórcios (Sales Poll Groups)

Banrisul S.A. Administradora de Consórcios has 79.0 thousand Sales Poll Group members (quotas) and manages Sales Poll Groups for the acquisition of goods in the movable property, real estate, and services sectors, as an alternative asset acquisition, automating workflows and entering into partnerships. Since 2020, our sales methodology implemented has been contributing to ramping up the portfolio, sustaining performance rates, and supporting the branches network with specialized simulation services, with a focus on quick draws.

In 2022, the sales force increased with partners: *BANESE (Banco do Estado do Sergipe S/A) Administradora e Corretora de Seguros Ltda, WP2 Corretora de Seguros Ltda (WIZ),* and *AUDAC Serviços Especializados de Atendimento ao Cliente Ltda*., enabling expansion in the country, also stepping up Banrisul brand beyond the state of Rio Grande do Sul.

The volume of letters of credit totaled R$6.4 billion in 2022, with 11.8 thousand draws, making available to the market, a credit volume of R$772.1 million for the consumer goods acquisition. Net income came to R$62.1 million in 2022, 15.5 higher than in 2021.

Banrisul Seguridade Participações (Insurance)

Banrisul Seguridade Participações S.A. operates in the insurance market, private pension plans, and savings bonds at Banrisul's channels, through its subsidiary Banrisul Corretora de Seguros S.A. (brokerage house).

In 2022, net income advanced 30.2% to R$150.5 million, versus 2021, fueled by the basis of comparison effect that reflected the gradual migration of the Bank's policies portfolio to the company, which started operating in the first half of 2021, besides the expansion of the commercialization of products in 2022.

Banrisul Corretora de Valores Mobiliários e Câmbio (Brokerage House)

Banrisul S.A. Corretora de Valores Mobiliários e Câmbio operates in the capital markets as a broker in equities transactions on the spot, options, forward and futures markets, private fixed income and public fixed income (Direct Treasury), alongwith B3 S.A. - Brasil, Bolsa, Balcão, also as Banrisul conglomerate's asset management company – fixed income, equities and multimarket. Therefore, the Institution holds a portfolio of products, which coupled with qualified technical support services, contributes to investment diversification.

In 2022, Banrisul Corretora de Valores intermediated R$5.4 billion in transactions at B3 S.A. Brasil, Bolsa, Balcão, 5.5% lower than in 2021. In 2022, Banrisul Corretora de Valores' net income totaled R$14.1 million, 87.7% higher than in the same period of the previous year.

Corporate Governance

Since 2007, listed under Level 1 of Corporate Governance at B3 S.A. – Brasil, Bolsa, Balcão, and in line with the best market practices, Banrisul has been fully meeting the requirements of this listing level and additional aspects required by other B3's governance levels, conferring it with greater transparency, equity, and accountability, creating value for its shareholdersand reinforcing its credibility with investors andcustomers.

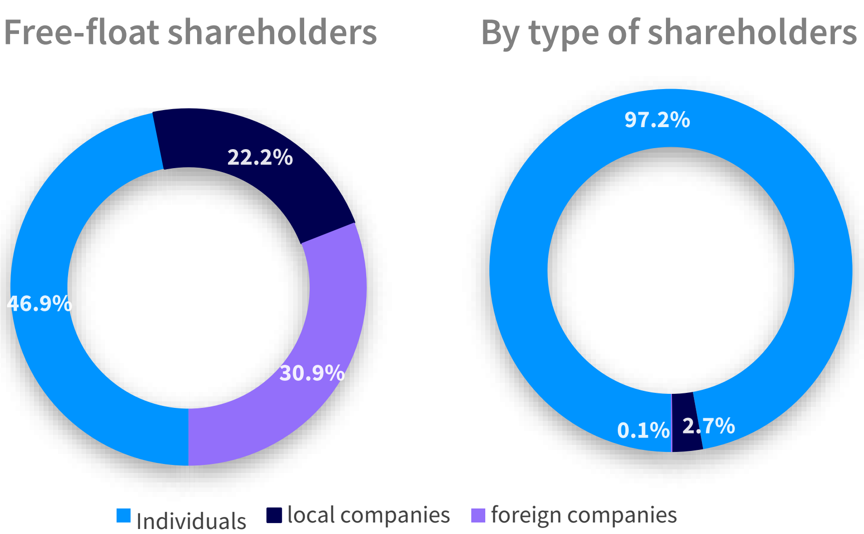
Pursuant to CVM Instruction No. 381/03, Banrisul informs that the company Deloitte Touche Tohmatsu, engaged in 2021, exclusively provided external independent audit services in 3Q2022. Additional information on Corporate Governance is available on our Investor Relations website (ri.banrisul.com.br – Corporate Governance Section).

Ownership Structure

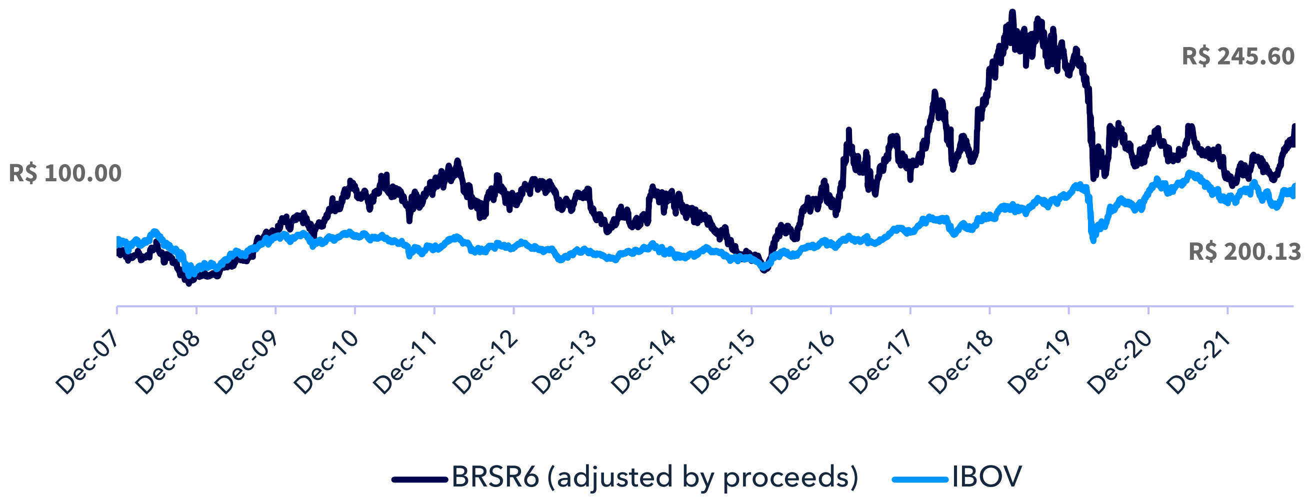
In December 2022, Banrisul recorded 164 thousand shareholders, widespread stock ownership higher than the Corporate Governance Level 1 requirement: free float accounts for 50.6% of total shares issued by the Bank, while the minimum required is 25.0%. The state of Rio Grande do Sul, Banrisul's controlling shareholder holds 98.1% of common shares with voting rights and 49.4% of Banrisul's total capital.

Banrisul's shares are traded under the tickers BRSR3, BRSR5, and BRSR6, the latter being the most liquid share, present in seven indexes of B3 S.A. - Brasil, Bolsa, Balcão.

Below, additional information on the shareholder base and stock trading:



Banrisul PNB Shares Appreciation



Banrisul Ratings

In 2022, the rating agencies Standard & Poors and Moody's maintained Banrisul's ratings stable, while in June 2022, the Fitch Ratings agency upgraded Banrisul's Long-Term National Rating from 'A+ (bra)' to 'AA- (bra)', and reaffirmed IDRs at 'BB-'. IDRs outlook is negative and the Long-Term National Rating is stable.

All information about Ratings can be found on the Investor Relations website (ri.banrisul.com.br – Information to the Market/ Ratings Section).

R$4.0 billion
Market cap

R$14.0 million
Average daily traded volume

9.1% Dividend Yield
in 12 months

Interest on equity and dividends payout policy

Since early 2008, Banrisul has been observing the quarterly interest on equity payout policy – JSCP and, historically, it has compensated its shareholders with a JSCP and dividend payment higher than the legally required minimum level. In 2022, R$360.3 million were paid, and/or interest on equity and dividends were accrued, net of withholding income tax, including the dividends complementary to 2021 totaling R$15.0 million.

Capital and risk management

Integrated Management Structure

We review, at least yearly, the institutional structures for capital management and corporate risk. The reports are available on Banrisul's Investor Relations website, Corporate Governance/Risk Management section, together with the Pillar 3 Report that presents publicly accessible information related to risk management and the calculation of the amount of risk-weighted assets - RWA, reference shareholders' equity - PR and leverage ratio - RA.

Capital Management

Capital management is a continuous process of monitoring, controlling, evaluating, and planning goals and capital needs, considering our strategic objectives and risks to which the Bank is subject.

The Brazilian Monetary Council (CMN), through Resolution No. 4.557/17, resolved that the financial institutions required to calculate the RWA to have a continuous capital management structure compatible with the nature of their operations, the complexity of products and services offered, and the extent of their risk exposure.

Concerning S2 segment institutions, according to the rules to be fitted into prudential regulation, as capital management improvement, the Capital Adequacy Assessment Simplified Internal Process, or $ICAAP_{SIMP}$ has been introduced.

Credit Risk

Banrisul, aiming the appropriate credit risk management, follows discussions of the Bacen Public Consultation Notice 78/20(standardpartiallyissued),which discloses a set of normative proposals for the prudential treatment applicable to payment services and Bacen Resolution No. 229/2022, which sets out procedures to calculate the amount of risk-weighted assets -RWA referring to credit risk exposures subject to the calculation of capital requirement through standard approach - RWA_{CPAD}.

Market risk

During the twelve months of 2022 monitoring processes did not indicate any occurrence of events or crises to culminate in increased market risk for the Bank. All risk indicators remained at levels in line with the risk policy and within thresholds set out in the Risk Appetite Declaration. In October 2022, Banrisul's analysts participated in the 12th International Corporate Risk Conference, Febraban's annual event.

The Fundamental Review of the Trading Portfolio – FRTB in Brazil has been underway since 2022, but the phases to determine the effectiveness of public consultations with the set of proposals from the Basel Committee on Banking Supervision remain unaltered, referring to the market risk-related new capital requirements.

Liquidity Risk

In 2022, the monitoring processes did not indicate any occurrence of events or crises to result in higher liquidity risk. The scenarios adopted in the results projections of operating cash flows did not indicate relevant liquidity risks in the estimated period, as well as no projected stress scenario in the positions, has materialized, therefore, the risk indicators remained at adequate levels under the risk policy, and within the thresholds defined in the Risk Appetite Statement.

Operational risk

In 2022, Banrisul started adopting a new risk assessment methodology in strategic areas to pose relevant risks, especially associations between loss and risk events with a continued improvement that allows to assess of operational risks and accordingly, the adoption of mitigation initiatives to be grounded on more consistent information, assisting in the decision-making process.

In 2022, Document 5050 was submitted every six months to the regulator, the Operational Risk Statement – DRO, moving forward with the new processes set forth by Bacen Resolution No. 3,979/20 and related rules.

Banrisul, from analysis and new automatic links, created, higher losses scanning and analysis of new rules and saw advances in the process of combining events and risks with a continued database improvement.

Social, environmental, and climate risks

In 2022, Action Plans were executed to improve management processes, in line with the best practices and new regulatory guidelines, as per CMN Resolution No. 4.943/21, Bacen Resolutions Nos. 121/21 and 222/21 and other related rules.

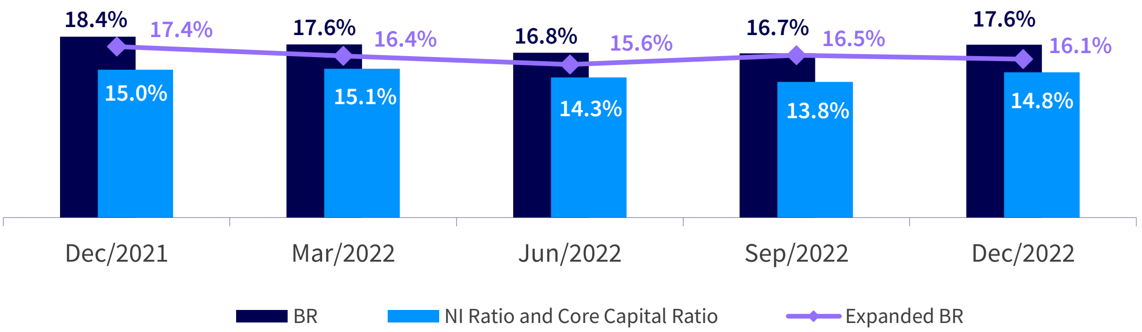
Banrisul enhanced the integration of social, environmental, and climate risk management with other relevant risks from greater identification of these events in the Operating Losses Base and monthly monitoring of the Bank's loan portfolio exposure and analysis of scenarios, within the scope of the stress program that considers climate changes.

Basel Ratio

Resolutions No. 4955/21 and No. 4958/21 set forth that the calculation of regulatory capital and risk-weighted assets is based on the Prudential Conglomerate. The Basel Ratio measures the ratio between the sum of Tier-I Capital - CNI and Tier-II Capital - CNII and total risk-weighted assets calculated for the base date. The maintenance of the Capital Ratios above the levels defined by the regulator aims at protecting Banrisul in case of stress events.

Capital Management seeks to maximize the use of funds available, besides ensuring the Institution's solvency. Below, the Basel Ratio – BR variation in the last 12 months.

On December 31, 2022, the Basel Ratio reached 17.6%, 7.1 p.p. above the minimum regulatory level with additional core capital (10.5%). For this same period, the Core Capital Ratio and the Tier-I Ratio are the same and ended the period at 14.8%, respectively, 7.8 p.p. and 6.3 p.p. above the minimum regulatory level.

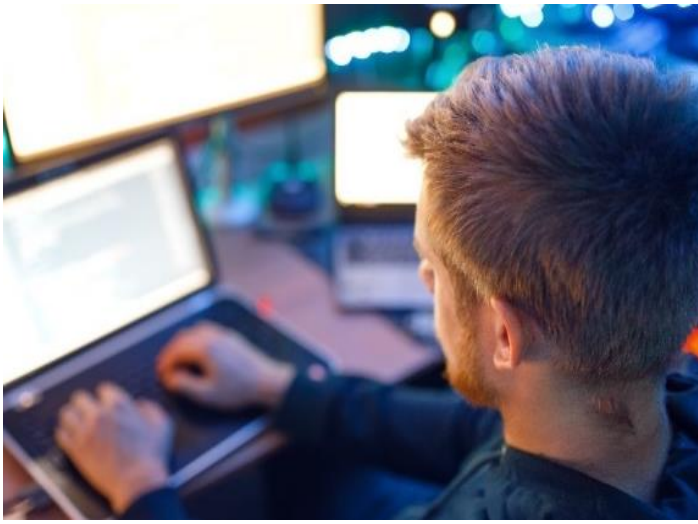


Investment & Innovation

In 2022, Banrisul remained committed to information security and invested R$269.4 million in digital transformation and expansion of the IT infrastructure.

Actions & initiatives

At Banrisul, 2022 was an advantageous year as far as technological innovations are concerned. The highlights included the inauguration of the new Data Center *Margarete Fenner*, the first international standard structure which meets the Tier-3 certification requirements operating in the state of Rio Grande do Sul, a project that involved a sustainable planning and an assertive execution, without any service unavailability even during change in information technology infrastructure. Another highlight was data circuit higher capacity at branches network, technical evolution that bolstered their communication and cut data package contracting costs.



As far as information security is concerned, Banrisul renewed the Certification PCI – DSS, in compliance with international standard issued by independent auditors that reinforces procedures to improve credit and debit cards safe transactions at the acquiring network. Aiming at protecting customers and employees as to virtual scams and compliant with Bacen Resolution No. 4.893 concerning Information and Cyber Security, Banrisul heightened awareness campaigns, such as the *Dia da Internet Segura* (Safe Internet Day) and the adhesion to the campaign *Semana da Segurança Digital* (Digital Security Week) sponsored by Febraban.

Banrisul's team takes part in Febraban New Technologies Advisory Group and discussion groups about Bacen *Real Digital - CBDC*, besides the Digital Wallet and DeliveryVersus Payment - DvP Wholesale, also using CBDC.

A project kicked off in 2022 that will broaden the range of means of payment options that can be made via credit card, among them, IPVA (motor vehicle tax), GAD-E (Detran collection slip) and other bank slips. Banrisul also consolidated the collection payment service via Pix, maximizing receivables options for the state government of Rio Grande do Sul, contracted businesses and local governments, also made available the Hybrid Bank Slip, allowing Banrisul's customers receivables to offer payment of their slips via QR Code or bar code. The Instant Payment System – Pix also relies on independent withdrawal modes *Pix Saque* and *Pix Troco.*

Concerning insurance, the portability of external private pension funds to Banrisul was one of the 2022 highlights; at individuals' digital onboarding, now, the social name can be included in the registry, also the use of geolocation to evidence address, besides the exhibition of product cards for visually impaired customers. As far as investments are concerned, to customize customer experience, products were suggested, such as investment funds and pre-fixed LCA (Agribusiness Letter of Credit). The layout of products and services available in the unlogged area was also improved, wherein current options were reorganized, widening the access to other customer profiles, and making available

access cards for non-current account holders who have a credit card. Lastly, in the credit section, the number of withdrawals increased which can be anticipated concerning the credit product, *Antecipação do Saque Aniversário FGTS* (Anticipation of FGTS Anniversary Withdrawal).
In addition, *Visão 360* (360 Vision) products were launched in 2022, so that branches employees through the analysis of customer commitment, can assess loan requests suitability in a centralized manner, also the *Imobiliário Fácil* product, so that branches and correspondents can effectively monitor phases of the proposal and systemic communication among the agents involved.

Within the scope of agribusiness solutions, we highlight the change in the funding modes for rural credit, directing efforts connected with *Agrofácil* product to provide an emergency solution that made feasible a reserve and fundraising from BNDES for agriculture finance. In addition, greater systemic integration with the Remote Sensing Platform through *Terras Crédito Rural* (Rural Credit Land) and *Terras Monitoramento* (Land Monitoring) systems enabled compliance with legal rules referring to social and environmental compliance, monitoring, and rural credit inspection activities.

In 2022, *Vero Tap* was made available in Banrisul App accreditation journey, making customer experience more fluid, enabling previously validated registry data to suit into accreditation process. The integration with *E-Commerce* Vero platform opened room, so that payment of adhesions can also be made with Visa, Mastercard and Elo cards.

Open Finance evolved, currently, it allows customers to schedule Pix transactions also with the app of another financial institution, also share public information on products and services offered in the market referring to Insurance, Investments, Pension Plan, and Foreign Exchange. In addition, new API versions of credit cards and accounts were made available, and a new API of current transactions, thus, enabling to update of technical requirements necessary to make feasible communication among institutions and sharing at the Open Finance ecosystem of customer's cards information and transactions made. In compliance with Bacen rules, a new certificate standard of Open Finance has been validated that added improved interoperability with the ecosystem by adopting new rules in the dynamic registry of other institutions.

BanriHub

BanriHub supports actions and projects that boost the innovation ecosystem in the Rio Grande do Sul, built around four strategic pillars:

Hub.Startup
BanriTech, Startup Acceleration Program, in partnership with Tecnopuc.

Hub.Venture
Participation in innovation-related funds.

Hub.Education
Training, mentorships and exchange among Bank's professionals, market experts and entrepreneurs looking at innovation-related products.

Hub.Space
Spaces projected to incubate startups accelerated in the Program and promote networking, with meeting rooms, pitches arena and recording studio.

In earlier 2022, BanriTech Startup Acceleration Program issued its second public notice that selected 30 companies at different levels of maturity to be accelerated with Tecnopuc's technical support. The evaluation prioritized the companies most attentive to ESG (Environmental, Social, and Governance) aspects. In April 2022, the second cycle of acceleration moved forward wherein selected startups took part in various activities monitored by 60 selected advisors (the Bank's voluntary professionals who worked as facilitators and supporters in the business journey) who supervised each stage of the acceleration cycle, enabling business immersion and the development of this professional's skills inside the Bank.

Networking events were promoted to share knowledge during the cycle: Bank Connection; Digital Marketing; Program Benefits; Sales Strategy & Growth; Funding & Pitches Preparation; Social and Environmental Impact & Purpose, totaling over 1,000 hours of mentorships and business monitoring through *BanriTech*. Also, Speed Dating took place, a two-week approach between startups and market investors, according to their theses and interests. The Cycle 2022 ended in October with the BanriTech Pitch Day, an event that presented solutions for 10 finalist companies, and three outstanding startups were awarded: Alana, Rematefy, and TrackCash.

Banrisul Innovation Week also took place in October targeting employees and celebrating the end of the *BanriTech* Program, including topics, such as Design Thinking, Agile Methodologies, Sustainability, Diversity, and Open Finance, amongst others.

During the Week of Innovation in the city of Porto Alegre at the 250th anniversary of the capital city, and the first year of *Instituto Caldeira* activities, of which Banrisul is one of the founders, Banrisul space was inaugurated at *Instituto Caldeira* including various events for the innovation ecosystem. In November 2022, Banrisul participated in the Israel Mission, organized by *Instituto Caldeira*, wherein this country's institutions, business, and ecosystem could be known, a reference in innovation and startup development across the globe. In May 2022, Banrisul was one of South Summit Brazil sponsors in the city of Porto Alegre – an event that for the first time took place outside of Europe, wherein Banrisul participated in innovation-related panels and presented its open innovation projects, such as *BanriHub* and *BanriTech*.

Also in 2022, in partnership with NAVI, an artificial intelligence hub located at Tecnopuc, the NAVI Deep Tech Challenge program was launched, wherein businesses present challenges connected with new technologies and RAIES (Ethical and Safe Artificial Intelligence Network).

Sustainability

Banrisul's sustainability governance structure became more solid when the sustainability, executive, and advisory committee of the board of executive officers was set up in 2021, and in 2022, the Social, Environmental, and Climate Committee – CRSAC, a statutory and advisory body to Banrisul's Board of Directors. In 2022, the Social, Environmental, and Climate Liability Policy–PRSAC was also reviewed, which consolidates the guidelines ruling the Bank's practices, processes and businesses to be implemented within the scope of the Sustainability Strategic Agenda, wherein effective initiatives are outlined to advance the sustainability governance and agenda.

With a historical journey of attention to environmental and social impacts, since 2001, Banrisul has been innovatively acting concerning the appropriate management of waste at the Bank's operational activities, coupled with environmental education initiatives, and more recently, it has been reinforcing initiatives to build relevant advances in the climate agenda, fostering the transition to a low-carbon economy.

The second Greenhouse Gas Inventory was elaborated in 2022, certified by Gold Seal by the highest certification, the Brazilian GHG Protocol Program. During the same period, Banrisul developed its greenhouse gas emission mitigation and offset plan, defining projects to reduce emissions and neutral carbon for the first time relating to direct emission and energy consumption. With advanced practices and climate agenda projects, Banrisul issued its second report to the Carbon Disclosure Project (CDP), a relevant global instrument of organizations' climate assessment.

In July, Banrisul hosted the AgroShow 2022 – Launch of 2022/2023 Crop Plan, in the city of Porto Alegre and for the first time was granted the Neutral Event seal, bestowed to events which besides preventing, they measure and offset carbon emissions, an action that bolsters our commitment to the environment. Details and environmental results can be consulted at the website https://www.carbonfair.com.br/customere/banrisul/Banrisul-evento-neutro.

The year 2022 also set the implementation of a project to migrate energy consumption to a 100% renewable source and kicked off with 100 branches adhering to the Energy Free Market, with a conclusion estimated for 2023. This project was initiated in 3Q22, when a public notice was issued to acquire energy from a 100% renewable source at the Free Contract Environment (ACL), an initiative that besides a positive environmental and climate effect, it estimates energy savings of R$47 million by 2031.

The connection transforms Banrisul, businesses, the communities in which it operates, and the environment, more balanced and preserved for the greater good.

Banrisul was granted the Gold Seal from the Brazilian GHG Protocol Program in 2021 for its complete greenhouse (GHG) gas emission inventory audited by a third party. For the first time, Banrisul became neutral carbon in its direct emissions and energy for this year, and offset through the acquisition of carbon credits and traceability by IRECs – Renewable Energy Certificates.

In 2022, Banrisul sponsored the event *Dia da Sustentabilidade* (Sustainability Day) partnering with 13 public and private entities of the municipality of Camaquã and region, with noteworthy results in businesses, social and environmental actions; R$589 thousand were allocated to sustainable businesses loan operations, such as photovoltaic systems financing, CDC Sustainability, and *Pronaf* lines, besides considerable collections and donations of aluminum seals, plastic caps, electronic waste, cooking, planting oil, and donation of native tree seedlings.

In September, to celebrate Arbor Day, Banrisul promoted an in-house campaign to stimulate native tree planting in locations wherein the Bank operates. This initiative promoted the engagement of employees, branches' customers, and administrative units that planted native tree seedlings.

Attentive to the social and environmental impacts in its value chain, in 2022, Banrisul started to include sustainability criteria in its procurement processes, evidencing its commitment to go beyond its direct operations, aware of its impacts along with suppliers.

As far as environmental management is concerned, in 2022, through Solid Waste Management Plan guidelines that aim at regulating actions, prioritizing the reuse of materials, the proper disposal of solid waste generated by operations, recycling, and utilization as a source of energy, 163.2 tons of waste including paper, metal scrap, electric and electronic waste was sent for environmentally correct disposal.

Banrisul is also concerned with waste, participating in the ***Programa Sustentare's*** Deliberative Committee of the Rio Grande do Sul state government, which sets out guidelines on the appropriate disposal of electro-electronic waste of direct and indirect public administration, with social inclusion envisaging prison work and IT courses for low-income young people. On December 8, 2022, Banrisul participated in the event that celebrated the record of one thousand tons of environmentally correct and socially responsible electronic material recycled since the onset of the *Programa Sustentare*. The celebration took place at the State Prison of Canoas and out of a total of collections, +40% of donations came from Banrisul.

Within the scope of interinstitutional partnerships, it is worth noting Banrisul's participation in the AMCHAM Sustainability Committee, at CIEA – Environmental Education Commission of the State Government of Rio Grande do Sul and Febraban ESG Committee, enabling the cooperation and continued monitoring of the ESG agenda advancements.

People

Banrisul's strategic focus is to advance the People Management best practices that direct efforts to employees' development and engagement.

The Profit Sharing Program – PPR was implemented in 2022, in addition to the PLR model practiced in the Fenaban collective agreements, the Banrisul model of PPR was agreed with the Union representation, wherein performance indicators are measured in line with Banrisul's strategy and based on results, productivity, and competencies, discontinuing the variable compensation payment effective until 2021.

Banrisul kicked off a project concerned with organizational culture enhancement, from a survey along with employees, which has been contributing to building up the communication of its ideal values. In addition, initiatives were heightened relating to management by competencies within the scope of the Competencies Evaluation model, which aims at knowing and measuring employees' performance to plan, and execute strategies in line with the behavior expected from each one - the *BanriPerforma*, composed of Performance Indicator (goals) and Competencies Indicator (Competencies Evaluation).

A New Career, Position, and Salary Plan – PCFS was regulated in 2022 for new employees hired via public exams, which details the structure of careers and positions at the Bank, also evidencing, besides remuneration funds, the positioning, and the relationship among positions. Employees composing current staff will have the opportunity to migrate to the new PCFS. The Succession Management project was created to identify and develop eventual successors for strategic positions, which in its first cycle mapped 50 critical positions of the organization and identified 100 potential employees, opening room for the elaboration of an Individual Development Plan for the talents identified.

Employees

8,658 employees

3,929 female employees

34.5% of leadership positions held by women

2,293 interns

In 3Q2022, Banrisul set up the Voluntary Dismissal Program - PDV 2022, adhered to by 511 employees. Total financial incentive amounted to R$119.8 million in the third quarter of 2022, and dismissals will take place between April 1, 2023, and August 31, 2023, except for employees allocated at the Information Technology Executive Board units, whose withdrawals can be phased by August 31, 2024. To make up these vacancies and bring new talents to the Bank, a public exam was opened for 274 job vacancies in IT areas and a public exam for Banrisul's overall staff, with up to 1,335 new employees estimated to be hired.

In 2022, R$2.7 million were invested in Banrisul employees' development and training, by providing 3,246 improvement and training courses. Corporate education at Banrisul drives all training, qualification, and development initiatives to be in line with the Bank's strategic sustainability objectives.

In 2022, 21 classes were set up for Training Programs, totaling 386 trainees, and 413 employees started the performance evaluation. These programs comprised five different stages: knowledge management; specific knowledge; experiential activities, performance evaluation, and continued education. During these stages, trainees were monitored and guided by managers, mentors, and coordinators.

Banrisul also invested in employees' qualifications through partial subsidies to undergraduate, graduate, master's degree, Ph.D., and language courses. In 2022, R$97.2 thousand were invested in the Language Incentive Program and R$1.7 million in Higher Education Training Program.

In 2022, initiatives also focused on mandatory courses, currently 26 courses, aiming at increasing the number of employees trained in relevant topics, monitored by specific laws.

The EAD Banrisul, in 2022, made available courses related to Banrisul's strategic actions proposed, concerned with funding areas (Pension Plan and Investments), Cards, and mandatory courses legally provided for, also contents focused on LGPD (General Data Protection Law). All in all, 45 courses were given in 2022, among them, contents related to Career, Position, and Salary Plan, also a previous course on *Banrishopping* features and user-friendliness. Banrisul in partnership with Anbima (Brazilian Financial Capital Markets Association), also held the Anbima Day, to discuss relevant topics on the investment business environment, institutional relationships, and best practices for the current market.

As far as Financial Education is concerned, the *#Banrieduca* Program devised various strategies to reach young people, among them: Webinars, an interest survey applied to the workforce, polls, and financial education tips along with stakeholders, via Facebook and Instagram. In addition, five Financial Education courses were launched comprising the training path with materials and content internally developed by a multi-sector workgroup, composed of employees from various areas of the Bank.

To enhance people's development, Banrisul acquired market contents to complement the courses developed with in-house content and comprise important legal topics, besides professional and behavioral development.

An Internal Commission was created within the scope of Diversity, Equality & Inclusion initiatives, which jointly with Equal Gender Affinity, PwD, and Gender/Ethnic groups, will guide leaders to stimulate a diverse and inclusive environment, train employees on this topic, and together with communication areas, so that the Bank has a more diverse and inclusive language, making everyone to feel represented.

Environmental, cultural, and community support actions, and programs

Programa Sementes (Seeds Program), concerned with households' support and the development of the country's southern region, this program benefited 4,264 farmers' families, schools, and indigenous and quilombola people in 2022. Over 65.1 million seeds were distributed through 59 projects for ecologic orchards and projects were developed by schools, amongst others.

The *Projeto Pescar Banrisul* (Professional Initiation Project), the 19th class of the professional initiation course in administrative services relied on **20 adolescents between 16 and 19 years of age** in 2022**.**

The *Programa Jovem Aprendiz Legal* (Young Apprentice Program) is concerned with the inclusion of **young people between 14 and 24 years of age** into the labor market, which is materialized through partnerships with training institutions and relied on more than +300 young people.

Banrisul also acts as **a social development agent** in communities in which it operates, supporting and sponsoring cultural, sports, and educational events within **social-environmental and healthcare scopes** in the capital city and inland of the state of Rio Grande do Sul as a sponsor. In 2022, R$5.3 million were earmarked through incentives, such as the Rouanet Act sponsors sports, the Fund of Children and Adolescent Rights, and the Elderly Fund.

In 2022, the **Banrisul Museum** maintained regular public access to this permanent exhibition, totaling more than 4,000 visitors at *Espaço Memória Banrisul*. In January, the Museum initiated a study along with the Assets Management Unit for qualification of Technical Reserve facilities aiming at improving asset preservation conditions, researchers' services, and other procedures. During 2022, academic research internal and external demands were answered and support contents were developed for the Bank's communication sectors.

The **#Banrieduca** Program developed various financial education strategies for young people, among them: meetings with the Banrisul *Projeto Pescar* and the Young Apprentice Program classes, comprising 90 young people; **Webinars involving 128 interns**; interest survey with a workforce, poll and financial education tips along with stakeholders, with 14,802 views on Facebook and Instagram.

Sign language – Accessibility – In 2022, 170 employees attended 3 classes of the Sign language upgrade course and one class with 62 employees for Sign Language Study and Practice. All in all, Banrisul relies on 1,289 professionals with basic training in sign language to assist customers.

Recognitions

2022

March

Vero outstands in quality and efficiency

April

Banrisul is amongst the best companies to develop a career in Brazil **(LinkedIn Top Companies 2022 ranking).**

Banrisul stands out in the Bacen Top 5 **(Focus Report).**

Banrisul leads as Rio Grande do Sul state-owned company in the **Marcas de Quem Decide** (Brands of Whom Decides) survey.

May

Banrisul is one of the most innovative companies in the special category of state-owned and philanthropic companies of the Innovation Champions ranking **(Grupo Amanhã).**

June

Fitch Ratings agency upgrades Banrisul's national rating.

Banrisul App stands out in the credit cards national survey **(Medida Certa Research Institute).**

July

Banrisul is the most reminded bank by Rio Grande do Sul citizens **(Top Of Mind RS** survey).

August

Vero's podcast **Vivendo e Empreendendo** (Living and Entrepreneuring), ranked in the Top 10 list.

Banrisul Armazéns Gerais stands out in the **RS Exports** award (ADVB/RS).

September

Banrisul stands out in Bacen's Top 5 ranking **(Focus Report).**

Banrisul stands among Brazil's largest banks **(Valor 10000 yearbook).**

Multos International bestows recognition to Banrisul.

Banrisul stands out in the Largest Banks ranking **(MELHORES & MAIORES 2022 yearbook).**

Banrisul Armazéns Gerais receives the **Authorized Economic Operator** certification from the Brazilian Internal Revenue Service.

Banrisul wins Top of Marketing **4.0 of ADVB/RS.**

October

Rio Grande Securos e Previdência is awarded as Brazil's largest insurer based in the South region **(JRS Trophy).**

Banrisul ranks amongst the best Brazilian companies **(Época Negócios 360° yearbook).**

Banrisul has been bestowed the Gold Seal from the **Brazilian GHG Protocol Program.**

Banrisul wins the *Empresas que Mais Respeitam o Consumidor* (Companies that Most Respect Consumer) award **(Respeito Award 2022).**

Banrisul App remains at the top among the credit card services best companies **(CardMonitor).**

November

Banrisul wins the Top of Marketing award 2022 of **ADVB/RS.**

Banrisul is recognized in the **Open Summit Awards 2022.**

Banrisul wins the Top Human Being 2022 **(ABRH-RS).**

Banrisul ranks amongst Brazil's largest South region companies **(South Region's 500 largest companies ranking – Largest & Leaders).**

December

Banrisul's startup acceleration program wins the **Banking Transformation 2022** award.

Acknowledgments

In 2022, Banrisul consolidated relevant transformations to foment an upswing environment, looking at the Brazilian economy, but especially society, performing strategically in sustainability and innovation, but above all, we remained connected to people, with our essence as a development and retail bank, deep-rooted in the state of Rio Grande do Sul.

We advanced governance, the value of our human capital, technology, better access to our services, and the ESG agenda. The results delivered were only possible because we built together, with responsibility, union, and perseverance. Henceforth, we thank our customers, employees, shareholders, and investors who understand the core of our values, keeping alive such a connection that transforms.

The Management

FINANCIAL STATEMENTS

BALANCE SHEET

(In Thousands of Reais)

		Parent Company		Consolidated	
ASSETS	**Note**	**12/31/2022**	**12/31/2021**	**12/31/2022**	**12/31/2021**
Cash	4	1,004,350	1,464,621	1,004,366	1,464,768
Financial Assets		106,221,325	98,964,659	108,983,674	101,399,821
Interbank Lending Market Investments	5	3,521,401	5,843,792	3,521,401	5,845,434
Compulsory Deposits at Central Bank of Brazil	6	10,798,526	9,738,751	10,798,526	9,738,751
Securities	7	39,226,483	38,101,151	39,454,807	38,389,069
Derivative Financial Instruments	8	-	841,900	-	841,900
Loans and Leases	9	49,121,869	41,041,975	49,121,869	41,041,975
Other Financial Assets	10	3,553,046	3,397,090	6,087,071	5,542,692
(Provisions for Expected Losses Associated with Credit Risk)		(2,488,235)	(2,678,378)	(2,490,226)	(2,681,589)
(Loans)	9e	(2,439,822)	(2,629,813)	(2,439,822)	(2,629,813)
(Other Financial Assets)		(48,413)	(48,565)	(50,404)	(51,776)
Tax Assets		3,603,443	3,115,599	3,633,690	3,125,439
Current		115,891	106,662	129,128	109,439
Deferred	11	3,487,552	3,008,937	3,504,562	3,016,000
Other Assets	12	684,344	691,768	686,845	686,050
Investments		2,983,388	2,256,357	163,149	154,439
Investments in Associates and Subsidiaries	13	2,983,388	2,248,573	163,149	146,655
Other Investments		-	7,784	-	7,784
Property and Equipment	14	365,679	371,632	520,578	476,867
Property and Equipment		990,026	972,362	1,218,353	1,130,556
(Accumulated Depreciation)		(624,347)	(600,730)	(697,775)	(653,689)
Intangible Assets	15	664,072	741,214	664,112	741,303
Intangible Assets		1,884,170	1,759,627	1,885,657	1,762,053
(Accumulated Amortization)		(1,220,098)	(1,018,413)	(1,221,545)	(1,020,750)
TOTAL ASSETS		**113,038,366**	**104,927,472**	**113,166,188**	**105,367,098**

BALANCE SHEET
(In Thousands of Reais)

		Parent Company		Consolidated	
LIABILITIES	**Note**	**12/31/2022**	**12/31/2021**	**12/31/2022**	**12/31/2021**
Deposits and Other Financial Liabilities		98,737,481	91,255,147	98,474,996	91,435,906
Deposits	16	68,688,782	65,045,847	67,615,882	64,277,380
Repurchase Agreements	16	12,501,695	10,774,902	12,421,035	10,721,736
Funds from Acceptance and Issuance of Securities	16	3,469,595	2,036,940	2,957,083	1,738,001
Subordinated Debt	16	1,484,828	4,689,788	1,484,828	4,689,788
Borrowings	17	1,012,985	1,021,299	1,012,985	1,021,299
Onlendings	17	2,501,887	1,394,823	2,501,887	1,394,823
Derivative Financial Instruments	8	670,298	136,170	670,298	136,170
Other Financial Liabilities	18	8,407,411	6,155,378	9,810,998	7,456,709
Civil, Tax and Labor Provisions	19	2,626,012	2,308,528	2,631,798	2,315,530
Tax Liabilities		677,595	494,639	807,899	608,811
Current		111,149	94,734	240,235	207,516
Deferred	11b	566,446	399,905	567,664	401,295
Other Liabilities	20	1,583,385	1,822,941	1,831,368	1,958,268
TOTAL LIABILITIES		**103,624,473**	**95,881,255**	**103,746,061**	**96,318,515**
EQUITY	**21**	**9,413,893**	**9,046,217**	**9,420,127**	**9,048,583**
Capital		5,200,000	5,200,000	5,200,000	5,200,000
Capital Reserves		4,511	4,511	4,511	4,511
Profit Reserves		4,320,559	3,960,169	4,320,559	3,960,169
Other Comprehensive Income		(111,177)	(118,463)	(111,177)	(118,463)
Non-controlling Interests		-	-	6,234	2,366
TOTAL LIABILITIES AND EQUITY		**113,038,366**	**104,927,472**	**113,166,188**	**105,367,098**

The accompanying notes are an integral part of these financial statements.

INCOME STATEMENT

(In Thousands of Reais, except Earnings per Share)

	Note	Parent Company 2nd Half of 2022	Parent Company 01/01 to 12/31/2022	Parent Company 01/01 to 12/31/2021	Consolidated 2nd Half of 2022	Consolidated 01/01 to 12/31/2022	Consolidated 01/01 to 12/31/2021
Income from Financial Intermediation		**7,263,434**	**12,963,826**	**8,200,054**	**7,278,782**	**12,992,510**	**8,212,176**
Loans, Leases and Other Credits		3,887,029	7,224,164	5,702,888	3,887,155	7,224,370	5,703,434
Securities		2,837,787	5,154,137	1,929,424	2,853,009	5,182,615	1,941,000
Derivative Financial Instruments		(146,934)	(725,229)	62,995	(146,934)	(725,229)	62,995
Foreign Exchange		37,027	156,931	104,724	37,027	156,931	104,724
Compulsory Deposits		648,525	1,153,823	400,023	648,525	1,153,823	400,023
Expenses from Financial Intermediation		**(4,929,967)**	**(8,465,466)**	**(3,408,072)**	**(4,846,870)**	**(8,323,715)**	**(3,366,573)**
Repurchase Agreements		(4,473,722)	(7,622,613)	(3,116,701)	(4,390,625)	(7,480,861)	(3,075,199)
Borrowings, Assignments and Onlendings		(456,245)	(842,853)	(291,371)	(456,245)	(842,854)	(291,374)
Net Income from Financial Intermediation		**2,333,467**	**4,498,360**	**4,791,982**	**2,431,912**	**4,668,795**	**4,845,603**
Provisions for Expected Losses Associated with Credit Risk		**(520,020)**	**(969,849)**	**(786,018)**	**(519,944)**	**(968,690)**	**(787,794)**
Loans and Leases		(520,227)	(970,001)	(786,164)	(520,227)	(970,001)	(786,164)
Other Financial Assets		207	152	146	283	1,311	(1,630)
Other Operating Income (Expenses)		**(1,533,855)**	**(3,073,999)**	**(2,886,614)**	**(1,468,385)**	**(2,932,335)**	**(2,701,776)**
Income from Services Rendered and Banking Fees	22a	459,286	915,924	967,040	1,072,576	2,083,514	1,972,158
Result of Participation in Associates and Subsidiaries	13	369,101	679,735	506,119	46,356	81,068	42,830
Personnel Expenses	23a	(1,189,142)	(2,132,215)	(1,881,441)	(1,198,033)	(2,155,779)	(1,906,581)
Other Administrative Expenses	23b	(895,711)	(1,769,144)	(1,648,542)	(953,567)	(1,875,792)	(1,759,082)
Tax Expenses		(161,758)	(316,482)	(329,134)	(245,910)	(474,659)	(464,418)
Other Operational Income	22b	336,705	703,025	500,500	305,406	645,184	481,276
Other Operational Expenses	23c	(267,866)	(492,323)	(436,691)	(311,218)	(574,402)	(501,353)
Civil, Tax and Labor Provision	19	(184,470)	(662,519)	(564,465)	(183,995)	(661,469)	(566,606)
Net Operating Income		**279,592**	**454,512**	**1,119,350**	**443,583**	**767,770**	**1,356,033**
Income Before Income Tax and Profit Sharing		**279,592**	**454,512**	**1,119,350**	**443,583**	**767,770**	**1,356,033**
Income Tax and Social Contribution	**24**	**123,656**	**443,742**	**(45,312)**	**(39,847)**	**131,094**	**(281,612)**
Current		-	-	(97,314)	(174,007)	(323,415)	(335,698)
Deferred		123,656	443,742	52,002	134,160	454,509	54,086
Employee Profit Sharing		**(80,230)**	**(183,320)**	**(125,503)**	**(80,421)**	**(183,511)**	**(125,616)**
Non-controlling Interest		**-**	**-**	**-**	**(297)**	**(419)**	**(270)**
Net Income in the Period		**323,018**	**714,934**	**948,535**	**323,018**	**714,934**	**948,535**
Net Income Atributable to Shareholderes							
Controlling		323,018	714,934	948,535	323,018	714,934	948,535
Non-Controlling		-	-	-	297	419	270
Earnings per Share	**25**						
Basic and Diluted Earnings per Share (in BRL - R$)							
Common Shares		0.79	1.75	2.32	0.79	1.75	2.32
Preferred Shares A		0.79	1.85	2.47	0.79	1.85	2.47
Preferred Shares B		0.79	1.75	2.32	0.79	1.75	2.32

The accompanying notes are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME
(In Thousands of Reais)

	Parent Company			Consolidated		
	2nd Half of 2022	01/01 to 12/31/2022	01/01 to 12/31/2021	2nd Half of 2022	01/01 to 12/31/2022	01/01 to 12/31/2021
Net Income Attributable to Shareholders	**323,018**	**714,934**	**948,535**	**323,018**	**714,934**	**948,535**
Non-controlling Interest	-	-	-	297	419	270
Net Income Attributable to Shareholders in the Period	**323,018**	**714,934**	**948,535**	**323,315**	**715,353**	**948,805**
Items That May Be Reclassified Into the Income Statement	**2,850**	**(146,733)**	**33,124**	**2,850**	**(146,733)**	**33,124**
Securities available for sale	3,823	(1,027)	(6,097)	3,823	(1,027)	(6,097)
Change in Fair Value	6,672	(1,369)	(10,251)	6,672	(1,369)	(10,251)
Tax Effect	(2,849)	342	4,154	(2,849)	342	4,154
Foreign Exchange Variations on Investments Abroad	(973)	(145,706)	39,221	(973)	(145,706)	39,221
Items That May Not Be Reclassified Into the Income Statement	**189,127**	**154,019**	**120,112**	**189,127**	**154,019**	**120,112**
Remeasurement of Post-Employment Benefit Obligations	189,127	154,019	120,112	189,127	154,019	120,112
Actuarial Gains/(Losses)	343,455	279,669	218,245	343,455	279,669	218,245
Tax Effect	(154,328)	(125,650)	(98,133)	(154,328)	(125,650)	(98,133)
Total Adjustments Not Included in Period Net Income	**191,977**	**7,286**	**153,236**	**191,977**	**7,286**	**153,236**
Total Comprehensive Income for the Period, Net of Tax Income and Social Contribution	**514,995**	**722,220**	**1,101,771**	**515,292**	**722,639**	**1,102,041**
Comprehensive Income Attributable to Controlling Interests	514,995	722,220	1,101,771	514,995	722,220	1,101,771
Comprehensive Income Attributable to Non-controlling Interests	-	-	-	297	419	270

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

(In Thousands of Reais)

		Attributable to Controlling Shareholders										
				Profit Reserves								
	Note	Capital	Capital Reserves	Legal	Statutory	For Expansion	Special Profit Reserve	Other Valuation Adjustments	Retained Earnings	**Total Parent Company**	Non-controlling Interest	**Total Consolidated**
Balance as of January 01, 2021		**5,200,000**	**4,511**	**632,650**	**2,250,943**	**504,458**	**23,199**	**(271,699)**	**-**	**8,344,062**	**2,153**	**8,346,215**
Other Valuation Adjustments												
MTM Change of Available-for-Sale Securities		-	-	-	-	-	-	(6,097)	-	(6,097)	-	(6,097)
Actuarial Valuation Changes		-	-	-	-	-	-	120,112	-	120,112	-	120,112
Foreign Exchange Effects on Investments Abroad		-	-	-	-	-	-	39,221	-	39,221	-	39,221
Change in Non-controlling Interest		-	-	-	-	-	-	-	-	-	213	213
Approval of Previous Year's Dividends		-	-	-	-	-	(23,199)	-	-	(23,199)	-	(23,199)
Realization Deferral Exclusivity Agreement		-	-	-	-	-	-	-	5,802	5,802	-	5,802
Net Income in the Perid		-	-	-	-	-	-	-	948,535	948,535	-	948,535
Allocation of Net Income	21c											
Constitution of Reservations		-	-	47,426	237,134	287,558	-	-	(572,118)	-	-	-
Interest on Equity		-	-	-	-	-	-	-	(367,244)	(367,244)	-	(367,244)
Additional Dividends		-	-	-	-	-	-	-	(14,975)	(14,975)	-	(14,975)
Balance as of December 31, 2021		**5,200,000**	**4,511**	**680,076**	**2,488,077**	**792,016**	**-**	**(118,463)**	**-**	**9,046,217**	**2,366**	**9,048,583**
Balance as of January 1st, 2022		**5,200,000**	**4,511**	**680,076**	**2,488,077**	**792,016**	**-**	**(118,463)**	**-**	**9,046,217**	**2,366**	**9,048,583**
Other Valuation Adjustments												
MTM Change - Available-for-Sale Securities		-	-	-	-	-	-	(1,027)	-	(1,027)	-	(1,027)
Actuarial Valuation Adjustments		-	-	-	-	-	-	154,019	-	154,019	-	154,019
Foreign Exchange Effects on Investments Abroad		-	-	-	-	-	-	(145,706)	-	(145,706)	-	(145,706)
Change in Non-controlling Interest		-	-	-	-	-	-	-	-	-	3,868	3,868
Realization Deferral Agreement of Exclusivity		-	-	-	-	-	-	-	5,802	5,802	-	5,802
Net Income in the Perid		-	-	-	-	-	-	-	714,934	714,934	-	714,934
Allocation of Net Income	21c											
Constitution of Reservations		-	-	35,747	178,734	145,909	-	-	(360,390)	-	-	-
Interest on Equity		-	-	-	-	-	-	-	(345,520)	(345,520)	-	(345,520)
Additional Dividends		-	-	-	-	-	-	-	(14,826)	(14,826)	-	(14,826)
Balance as of December 31, 2022		**5,200,000**	**4,511**	**715,823**	**2,666,811**	**937,925**	**-**	**(111,177)**	**-**	**9,413,893**	**6,234**	**9,420,127**
Balance as of July 1st, 2022		**5,200,000**	**4,511**	**699,672**	**2,572,778**	**792,016**	**-**	**(303,154)**	**-**	**8,965,823**	**4,567**	**8,970,390**
Other Valuation Adjustments												
MTM Change - Available-for-Sale Securities		-	-	-	-	-	-	3,823	-	3,823	-	3,823
Actuarial Valuation Adjustments		-	-	-	-	-	-	189,127	-	189,127	-	189,127
Foreign Exchange Effects on Investments Abroad		-	-	-	-	-	-	(973)	-	(973)	-	(973)
Change in Non-controlling Interest		-	-	-	-	-	-	-	-	-	1,667	1,667
Realization Deferral Agreement of Exclusivity		-	-	-	-	-	-	-	2,901	2,901	-	2,901
Net Income in the Perid		-	-	-	-	-	-	-	323,018	323,018	-	323,018
Allocation of Net Income	21c											
Constitution of Reservations		-	-	16,151	94,033	145,909	-	-	(256,093)	-	-	-
Interest on Equity		-	-	-	-	-	-	-	(55,000)	(55,000)	-	(55,000)
Additional Dividends		-	-	-	-	-	-	-	(14,826)	(14,826)	-	(14,826)
Balance as of December 31, 2022		**5,200,000**	**4,511**	**715,823**	**2,666,811**	**937,925**	**-**	**(111,177)**	**-**	**9,413,893**	**6,234**	**9,420,127**

The accompanying notes are an integral part of these financial statements.

CASH FLOW STATEMENT

(In Thousands of Reais)

	Parent Company			Consolidated		
	2nd Half of 2022	01/01 to 12/31/2022	01/01 to 12/31/2021	2nd Half of 2022	01/01 to 12/31/2022	01/01 to 12/31/2021
Cash Flow from Operating Activities						
Income Before Taxes Income and Employee Profit Sharing	**279,592**	**454,512**	**1,119,350**	**443,583**	**767,770**	**1,356,033**
Adjustments to Income Before Income Tax and Employee Profit Sharing						
Depreciation and Amortization	118,834	232,547	228,013	130,946	254,217	244,870
Share of Profit of Equity Accounted Investees	(369,101)	(679,735)	(506,119)	(46,356)	(81,068)	(42,830)
Income from Subordinated Debt	(15,799)	(433,409)	335,648	(15,799)	(433,409)	335,648
Provisions for Expected Losses Associated with Credit Risk	520,020	969,849	786,018	519,944	968,690	787,794
Provision for Civil, Tax and Labor Risks	184,470	662,519	564,465	183,995	661,469	566,606
Effects of the Exchange Rate Variation on Cash and Cash Equivalents	(1,941)	12,487	(12,441)	(1,941)	12,487	(12,441)
Adjusted Income Before Taxes on Income and Employee Profit Sharing	**716,075**	**1,218,770**	**2,514,934**	**1,214,372**	**2,150,156**	**3,235,680**
Equity Variations	**(5,944,688)**	**5,578**	**857,693**	**(6,703,333)**	**(1,288,302)**	**428,317**
(Increase) in Interbank Deposits	(932,833)	(184,608)	(586,672)	(932,833)	(184,608)	(586,672)
(Increase) in Central Bank Compulsory Deposits	(1,060,267)	(1,059,775)	(1,988,142)	(1,060,267)	(1,059,775)	(1,988,142)
(Increase) in Trading Securities	(1,479,447)	(385,159)	(1,716,415)	(1,503,451)	(546,950)	(1,696,667)
Decrease in Derivative Financial Instruments	100,256	1,376,028	138,869	100,256	1,376,028	138,869
(Increase) in Loans	(5,280,498)	(9,383,678)	(4,321,751)	(5,280,498)	(9,383,678)	(4,321,751)
(Increase) Decrease in Other Financial Assets	311,217	(155,956)	(349,849)	89,141	(544,440)	(930,049)
(Increase) Decrease in Tax Assets	132,728	(44,102)	(59,358)	226,290	(53,742)	(60,418)
Decrease in Other Assets	46,329	117,588	50,317	24,487	22,270	131,944
Increase in Deposits	3,431,798	3,661,499	2,221,354	2,967,170	3,357,066	1,826,839
Increase (Decrease) in Repurchase Agreements (Repos)	(3,052,574)	1,726,793	6,201,518	(3,062,365)	1,699,299	6,359,299
Increase (Decrease) in Funds from Acceptance and Issuance of Securities	933,821	1,432,655	(690,815)	763,331	1,219,082	(702,534)
Increase in Borrowings	898,078	1,098,750	517,141	898,078	1,098,750	517,141
Increase in Other Financial Liabilities	603,443	2,252,033	1,911,971	823,066	2,354,289	2,366,853
(Decrease) in Civil, Tax and Labor Provisions	(194,157)	(345,035)	(263,253)	(194,172)	(345,201)	(264,030)
Increase (Decrease) in Deferred Tax Liabilities	(71,534)	(240,305)	111,543	(31,944)	27,166	106,026
Increase (Decrease) in Other Liabilities	(331,048)	159,331	(116,520)	(442,048)	(41,271)	(80,048)
Income Tax and Social Contribution Paid	-	(20,481)	(202,245)	(87,574)	(282,587)	(388,343)
NET CASH FROM OPERATING ACTIVITIES	**(5,228,613)**	**1,224,348**	**3,372,627**	**(5,488,961)**	**861,854**	**3,663,997**
CASH FLOW FROM INVESTING ACTIVITIES						
Dividends Received from Associates and Subsidiaries	19,996	132,020	111,343	19,996	37,494	40,499
(Increase) in Securities Available for Sale	(31,498)	(37,579)	(33,859)	(30,338)	(36,711)	(13,809)
(Increase) in Securities Held to Maturity	1,163,579	(702,594)	(4,800,722)	1,162,850	(703,891)	(4,801,194)
Disposal of Investments	27,510	35,181	7,541	27,799	35,181	9,677
Disposal of Property and Equipment	185	418	2,891	303	650	4,789
Disposal of Intangible Assets	-	-	2,508	-	19	2,508
Acquisition of Investments	(304,288)	(325,285)	(7,552)	(3,024)	(24,006)	(1,997)
Acquisition of Property and Equipment	(9,813)	(23,111)	(70,479)	(66,356)	(94,647)	(87,757)
Acquisition of Intangible Assets	(63,999)	(126,135)	(133,415)	(63,999)	(126,135)	(133,415)
NET CASH FROM (USED IN) INVESTING ACTIVITIES	**801,672**	**(1,047,085)**	**(4,921,744)**	**1,047,231**	**(912,046)**	**(4,980,699)**
CASH FLOW FROM FINANCING ACTIVITIES						
Subordinated Debt	300,201	300,201	1,661,994	300,201	300,201	1,661,994
Payment Redemption/Interest on Subordinated Debts	(52,047)	(3,071,752)	(287,485)	(52,047)	(3,071,752)	(287,485)
Dividends	-	(14,975)	(23,199)	-	(14,975)	(23,199)
Interest on Equity Paid	(55,000)	(345,520)	(419,243)	(55,000)	(345,520)	(419,243)
Change in Non-controlling Interest	-	-	-	1,667	3,868	213
NET CASH (USED IN) FINANCING ACTIVITIES	**193,154**	**(3,132,046)**	**932,067**	**194,821**	**(3,128,178)**	**932,280**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**(4,233,787)**	**(2,954,783)**	**(617,050)**	**(4,246,909)**	**(3,178,370)**	**(384,422)**
Cash and Cash Equivalents at the Beginning of the Period	7,661,252	6,396,676	6,978,798	7,684,772	6,630,661	6,980,155
Effects of the Exchange Rate Variation on Cash and Cash Equivalents	1,941	(12,487)	34,928	1,941	(12,487)	34,928
Cash and Cash Equivalents at the End of the Period	3,429,406	3,429,406	6,396,676	3,439,804	3,439,804	6,630,661

The accompanying notes are an integral part of these financial statements.

STATEMENT OF ADDED VALUE

(In Thousands of Reais)

	Parent Company			Consolidated		
	2nd Half of 2022	01/01 to 12/31/2022	01/01 to 12/31/2021	2nd Half of 2022	01/01 to 12/31/2022	01/01 to 12/31/2021
INCOME (a)	**7,356,071**	**13,612,926**	**8,881,576**	**7,952,467**	**14,752,518**	**9,877,816**
Financial Income	7,263,434	12,963,826	8,200,054	7,278,782	12,992,510	8,212,176
Services Rendered and Bank Fees Income	459,286	915,924	967,040	1,072,576	2,083,514	1,972,158
Provisions for Expected Losses Associated with Credit Risk	(520,020)	(969,849)	(786,018)	(519,944)	(968,690)	(787,794)
Other	153,371	703,025	500,500	121,053	645,184	481,276
FINANCIAL INTERMEDIATION EXPENSES (b)	**(4,929,967)**	**(8,465,466)**	**(3,408,072)**	**(4,846,870)**	**(8,323,715)**	**(3,366,573)**
INPUTS ACQUIRED FROM THIRD PARTIES (c)	**(978,836)**	**(2,554,793)**	**(2,292,142)**	**(1,066,772)**	**(2,721,347)**	**(2,453,274)**
Supplies, Energy and Other	(594,935)	(1,803,436)	(1,616,287)	(672,430)	(1,948,726)	(1,752,249)
Third-party Services	(383,901)	(751,357)	(675,855)	(394,342)	(772,621)	(701,025)
GROSS ADDED VALUE (d=a-b-c)	**1,447,268**	**2,592,667**	**3,181,362**	**2,038,825**	**3,707,456**	**4,057,969**
DEPRECIATION AND AMORTIZATION (e)	**(118,834)**	**(232,547)**	**(228,013)**	**(130,946)**	**(254,217)**	**(244,870)**
NET ADDED VALUE PRODUCED BY THE COMPANY (f=d-e)	**1,328,434**	**2,360,120**	**2,953,349**	**1,907,879**	**3,453,239**	**3,813,099**
ADDED VALUE RECEIVED IN TRANSFER (g)	**369,101**	**679,735**	**506,119**	**46,356**	**81,068**	**42,830**
Equity in earnings (losses) in investees	369,101	679,735	506,119	46,356	81,068	42,830
ADDED VALUE FOR DISTRIBUTION (h=f+g)	**1,697,535**	**3,039,855**	**3,459,468**	**1,954,235**	**3,534,307**	**3,855,929**
DISTRIBUTION OF ADDED VALUE	**1,697,535**	**3,039,855**	**3,459,468**	**1,954,235**	**3,534,307**	**3,855,929**
Personnel	**1,098,690**	**2,011,169**	**1,730,205**	**1,106,770**	**2,033,022**	**1,753,667**
Salaries	750,697	1,444,392	1,215,594	756,255	1,461,542	1,234,890
Benefits	301,402	478,806	433,144	302,885	481,511	435,434
FGTS	46,591	87,971	81,467	47,630	89,969	83,343
Taxes, Fees and Contributions	**208,784**	**177,106**	**651,185**	**457,441**	**649,833**	**1,024,560**
Federal	185,709	127,680	596,193	411,199	555,962	929,316
State	5	16	14	22	50	52
Local	23,070	49,410	54,978	46,220	93,821	95,192
Remuneration on Third Party Capital	**67,043**	**136,646**	**129,543**	**66,709**	**136,099**	**128,897**
Rentals	67,043	136,646	129,543	66,709	136,099	128,897
Equity Remuneration	**323,018**	**714,934**	**948,535**	**323,315**	**715,353**	**948,805**
Interest on Equity	55,000	345,520	367,244	55,000	345,520	367,244
Dividends	14,826	14,826	14,975	14,826	14,826	14,975
Retained Earnings	253,192	354,588	566,316	253,192	354,588	566,316
Non-controlling Interests	-	-	-	297	419	270

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

We present below Notes to the financial statements, which are an integral part of the financial statements of Banco do Estado do Rio Grande do Sul S.A. (Banrisul), amounts expressed in thousands of Reais (unless otherwise indicated) and distribuited as follows:

NOTE 01 - OPERATIONS

Banco do Estado do Rio Grande do Sul S. A. (“Banrisul”, “Institution”), Banrisul Group leading company, controlled by the State of Rio Grande Sul, is a publicly traded corporation which operates a multiple-service bank, headquartered in Brazil, at Rua Capitão Montanha, 177 – 4th floor, in the city of Porto Alegre, Rio Grande do Sul State and that is engaged in retail banking, lending, financing and investment, mortgage loan, development, lease portfolio, and foreign exchange activities. Through its subsidiaries and associates, Banrisul engages in various other activities, including securities brokerage, management of sales poll groups, payment industry solutions, insurance, and pension plan and saving bonds products. Financial market transactions are conducted within the context of an integrated group of financial institutions. Banrisul also operates as an economic and financial agent for the State of Rio Grande do Sul, in conformity with the state government’s plans and programs.

NOTE 02 - PRESENTATION OF FINANCIAL STATEMENTS

(a) The financial statements have been prepared in accordance with accounting policies adopted in Brazil applicable to the financial institutions authorized to operate by the Central Bank of Brazil observing from the Brazilian corporation law, observing the standards and instructions of the National Monetary Council (CMN), the Central Bank of Brazil (BACEN) and the Brazilian Securities and Exchange Commission (CVM). The financial statements include accounting policies and estimates relating to the recognition of allowances and determination of the value of securities, derivatives financial instruments and deferred tax, actual results may differ from these estimates.

Banrisul's financial statements are being presented with the changes resulting from Central Bank Resolution No. 2/20 and CMN Resolution No 4,818/20. The balance sheet accounts are presented in order of liquidity and enforceability; balance sheet balances for the period presented in comparison with that of the end of the immediately previous fiscal year, with the other statements also compared with the same periods of the previous fiscal year for which they were presented.

Management declares that the disclosures made in Banrisul's individual and consolidated financial statements show all relevant financial information used in its management and that the accounting standards have been applied consistently between periods.

(b) Banrisul's individual financial statements include Banrisul’s Brazilian operations as well as the operations of its foreign branches (Miami and Grand Cayman). The effects of exchange variation on operations in foreign branches are distributed in the income statement lines according to the nature of the corresponding equity accounts and the exchange variation adjustments resulting from the conversion process are recorded as a component of Shareholders' Equity, in the amount of R$(145,706) (12/31/2021 – R$ 39,221).

On June 9, 2021, the Board of Directors approved the voluntary closure of the activities of the Miami branch, having the works started on 06/30/ 2021, whose definitive closing of activities occurred on 08/31/2022. In the second quarter of 2022, following the closing process, the capital of the Miami Agency was written off with the return of US$56 million to the headquarters in Brazil.

(c) The consolidated financial statements include the accounts of Banrisul, its foreign branches, subsidiaries and investment funds shares that Banrisul assumes or retains substantially all of the risks and benefits. In preparing the consolidated financial statements, the intercompany balances and the amounts of transactions between consolidated companies were eliminated. Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in Banrisul's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

The following table shows subsidiaries and investment funds shares included in the consolidated financial statements:

		Ownership Interest	
	Activity	**12/31/2022**	**12/31/2021**
Banrisul Armazéns Gerais S.A.	Services	99.50%	99.50%
Banrisul S.A. Corretora de Valores Mobiliários e Câmbio	Broker	98.98%	98.98%
Banrisul S.A. Administradora de Consórcios	Management of Sales Poll Groups	99.68%	99.68%
Banrisul Soluções em Pagamentos S.A.	Payment Options	99.82%	99.78%
Banrisul Seguridade Participações S.A. [1]	Insurance	100.00%	100.00%
Investment Funds Shares	Investment Funds	61.80% to 96.40%	86.88% to 98.95%

(1) Subsidiary Banrisul Seguridade Participações S.A fully controls Banrisul Corretora de Seguros S.A.

(d) Finance Leases are stated in the Balance Sheet at present value. Related income and expenses, which represent the financial result of these leases, are reported as income from Leases in the Income Statement.

(e) In the individual and consolidated financial statements of 2022, the balance sheet, income statement and consequently, cash flow statements were reclassified between groups. This procedure was carried out with the aim of improving the quality and consistency of these financial statements. That way, the comparative balances as of December 31, 2021 were also reclassified as demonstrated below:

BALANCE SHEET				
ASSETS				**Parent Company**
From	**To**	**Published in 12/31/2021**	**Reclassifications**	**12/31/2021 (Resubmission)**
Other Financial Assets		5,595,509	(2,198,419)	3,397,090
Leases		14,552	(14,552)	-
	Loans and Leases	-	2,212,971	2,212,971
Other Assets		819,132	(127,364)	691,768
	Other Financial Assets	-	127,364	127,364
(Provisions for Expected Losses Associated with Credit Risk)		(2,678,378)	-	(2,678,378)
(Loans)	(Loans)	(2,491,660)	(138,153)	(2,629,813)
(Leases)		(4,709)	4,709	-
(Other Loans)	(Other Financial Assets)	(182,009)	133,444	(48,565)
TOTAL		**3,750,815**	**-**	**3,750,815**

LIABILITIES				**Parent Company**
From	**To**	**Published in 12/31/2021**	**Reclassifications**	**12/31/2021 (Resubmission)**
Other Financial Liabilities		10,053,832	(3,898,454)	6,155,378
	Subordinated Debt	-	4,689,788	4,689,788
	Loans (Assets)	-	(791,334)	(791,334)
TOTAL		**10,053,832**	**791,334**	**10,845,166**

BALANCE SHEET				
ASSETS				**Consolidated**
From	**To**	**Published in 12/31/2021**	**Reclassifications**	**12/31/2021 (Resubmission)**
Other Financial Assets		7,854,055	(2,311,363)	5,542,692
Leases		14,552	(14,552)	-
	Loans and Leases (Assets)[1]	-	2,325,915	2,325,915

Other Assets		700,470	(14,420)	686,050
	Other Financial Assets	-	14,420	14,420
(Provisions for Expected Losses Associated with Credit Risk)		(2,681,589)	-	(2,681,589)
(Loans)	(Loans)	(2,491,660)	(138,153)	(2,629,813)
(Leases)		(4,709)	4,709	-
(Other Loans)	(Other Financial Assets)	(185,220)	133,444	(51,776)
TOTAL		**5,887,488**	**-**	**5,887,488**

LIABILITIES				**Consolidated**
From	**To**	**Published in 12/31/2021**	**Reclassifications**	**12/31/2021 (Resubmission)**
Other Financial Liabilities		11,355,163	(3,898,454)	7,456,709
	Subordinated Debts	-	4,689,788	4,689,788
	Loans and Leases[1]	-	(791,334)	(791,334)
TOTAL		**11,355,163**	**791,334**	**12,146,497**

(1) Amount referring to Advances on Foreign Exchange Contracts (Liabilities) classified for Credit and Financial Leasing Operations (Assets).

INCOME STATEMENT				**Parent Company**
From	**To**	**Published in 12/31/2021**	**Reclassifications**	**12/31/2021 (Resubmission)**
Other Operating Income		549,315	(48,815)	500,500
Other Operating Expenses		(1,049,971)	613,280	(436,691)
	Civil, Tax and Labor Provisions	-	(564,465)	(564,465)
TOTAL		**(500,656)**	**-**	**(500,656)**

INCOME STATEMENT				**Consolidated**
From	**To**	**Published in 12/31/2021**	**Reclassifications**	**12/31/2021 (Resubmission)**
Other Operating Income		530,664	(49,388)	481,276
Other Operating Expenses		(1,117,347)	615,994	(501,353)
	Civil, Tax and Labor Provisions	-	(566,606)	(566,606)
TOTAL		**(586,683)**	**-**	**(586,683)**

CASH FLOW STATEMENTS				**Parent Company**
From	**To**	**Published in 12/31/2021**	**Reclassifications**	**12/31/2021 (Resubmission)**
Lease		5,058	(5,058)	-
Other Financial Assets		(518,781)	168,932	(349,849)
Other Assets		123,346	(73,029)	50,317
Other Financial Liabilities		1,608,205	303,766	1,911,971
	Loans	-	(394,611)	(394,611)
TOTAL		**1,217,828**	**-**	**1,217,828**

CASH FLOW STATEMENTS				**Consolidated**
From	**To**	**Published in 12/31/2021**	**Reclassifications**	**12/31/2021 (Resubmission)**
Lease		5,058	(5,058)	-
Other Financial Assets		(1,025,952)	95,903	(930,049)
Other Financial Liabilities		2,063,087	303,766	2,366,853
	Loans	-	(394,611)	(394,611)
TOTAL		**1,042,193**	**-**	**1,042,193**

(f) The interim financial statements prepared for the reported period were approved to issuance by the Board of Directors on February 08, 2023.

NOTE 03 - SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in preparing the consolidated financial statements are as follows:

(a) Income and Expenses

Income and expenses are recorded on an accrual basis.

(b) Cash and Cash Equivalents

Cash and cash equivalents comprise cash and readily convertible, highly liquid interbank investments, with original maturity not exceeding ninety days and that have an insignificant risk of change in their fair value.

(c) Interbank Investments

These comprise funds invested in the interbank market, stated at present value, calculated on “pro rata die” basis, based on the variation of both the agreed index and the interest rate.

(d) Securities

Pursuant to Circular No. 3068/01, issued by the Central Bank of Brazil, and supplementary regulations, securities are classified and measured in three specific categories, as follows:

- Trading Securities - these include securities acquired for purposes of being actively and frequently traded, measured at fair value, with related gains or losses recognized in the income statement.

- Available-for-Sale Securities - these include securities used as part of the strategy to manage risk of changes in interest rates and may be traded as a result of these changes, changes in payment conditions or other factors. These securities are adjusted to fair value less impairment losses, if applicable, and income earned is recorded in the income statement. Unrealized gains and losses from changes in fair value are recorded directly in shareholders’ equity, net of taxes, under “Other Comprehensive Results” until they are realized through sale.

When realized, the gains and losses are recognized in the income statement on the trading date, with a counter-entry to equity, net of taxes.

- Held-to-Maturity Securities - these are securities for which Management has the positive intent and financial capacity to hold to maturity. These securities are carried at amortized cost, less any impairment losses, plus income earned on a “pro rata” basis. Financial capacity is determined based on cash flow projections, disregarding the possibility of selling such securities.

(e) Derivative Financial Instruments

Derivative financial instruments are classified at the date of acquisition, in accordance with management's intent to use them as protective (hedge) instruments or not.

Derivative financial instruments are assess at market value, on the occasion of the monthly and annual balance sheets. Gains and losses are recognized in income or expense accounts of the respective financial instruments in the income statement.

Banrisul participates in transactions involving derivative financial instruments in the swap modality, recorded in equity and offsetting accounts, which are intended to meet its own needs to manage its global exposure in foreign currency.

The use of derivative financial instruments is predominantly aimed at mitigating the risks arising from exchange rate fluctuations in the external funding operation carried out by Banrisul, mentioned in Note 18, which result in the conversion of these rates to the variation of the CDI rate.

Derivative transactions are based on over-the-counter contracts registered with B3 S.A. - Brazil, Bolsa, Balcão, and have financial institutions classified as first class as counterparties.

Banrisul makes the documented designation, at the beginning of the operation, which describes the relationship between the objects and the hedge instruments, as well as the objectives of risk management and the strategy for carrying out the hedges. In this risk management, Banrisul periodically tests and documents the tests carried out to determine the level of effectiveness of hedge accounting operations in offsetting changes in the fair value of the protected items during the term of this protection.

Market Risk Hedge - derivative financial instruments intended to offset risks from exposure to changes in market value of hedged items are recorded in this category.

Banrisul included in this category the financial instruments derivative contracts used for hedging its US dollar denominated subordinate debt against foreign exchange variation, with a USD 300 million, due on January 28, 2031, with repurchase option in five years, according to conditions previously agreed in the Offering Memorandum of this issue, described in Note 18.

Banrisul also operates with DI Futures Contract, a derivative whose underlying asset is the average daily rate of Interbank Deposits (DI), calculated and disclosed by B3, between the trading date, inclusive, and the expiration date, excluding, and is used for hedging and managing the interest rate risk of assets and/or liabilities.

Banrisul operates with DI Futures contracts, in a "matched" way with investments made in LTN, which have a fixed rate, in order to offset the risk of fluctuation in the DI rate, and the price adjustments of these derivatives are recorded daily , using the accrual method based on the price calculation date.

(f) Loans, Leases and Other Receivables with Lending Characteristics

All loans and leases are classified based on Management's risk assessment, taking into account the economic scenario, past experience and specific risks related to transactions, debtors and guarantors, pursuant to National Monetary Council (CMN) Resolution No. 2,682/99, which requires a periodic analysis of the portfolio and classification into nine risk levels, from AA to H. A summary of this classification is presented in Note 09.

Loans and leases are recorded at present value, calculated on a daily pro-rata basis, based on the agreed index and interest rate, and accrue interest through the 60th day past due. Thereafter, interest income is recognized only when the payments are actually received.

The risk of renegotiated loans is classified in accordance with the criteria established by National Monetary Council (CMN) Resolution No. 2,682/99, i.e., the rating assigned before the renegotiation is maintained. Renegotiated loans that had previously been written-off against the allowance for loan losses and controlled in memorandum accounts are rated level H. Any gains on renegotiation are recognized as income only when actually received (Note 09 (h)).

(g) Provisions for Expected Losses Associated with Credit Risk

Allowance for loan losses, lease receivables and losses on other receivables are obtained from internal risk models that classify operations according to the levels of ratings set forth by the Resolution No. 2682/99 of the National Monetary Council (CMN). Historically, allowances remain in levels deemed sufficient to cover probable losses.

The total amount related to the allowance for loan losses, allowance for doubtful lease receivables and losses on other receivables is stated in Note 09 (e).

(h) Other Assets

Comprises mainly: Assets Not in Use, relating to real estate held for sale, both our own real estate that is no longer in use and real estate received in lieu of payment, which are adjusted to fair value through recognition of a provision, according to current regulations; and Prepaid Expenses, corresponding to investments whose benefits will occur in future years.

(i) Investments

Investments in subsidiaries and affiliates are valued using the equity method, based on the value of the subsidiary's or affiliate's equity, observing the same accounting practices as the parent company, that is, accounting practices adopted in Brazil applicable to financial institutions authorized to operate at Central Bank of Brazil.

(j) Property and Equipment

Property and equipment in use comprise mainly land and buildings. As set forth by CMN Resolution No. 4535/16, the property and equipment in use are stated at historical cost less depreciation, as are all other permanent assets. Historical cost includes expenses directly attributable to the acquisition or construction of assets.

Subsequent costs are included in the carrying amount of the asset or recognized as a separate asset, as appropriate, only when future economic benefits associated with the item are likely to flow and its cost can be reliably measured. All other repairs and maintenance are recognized in the income statement as operating expenses provided they do not effectively result in increase in lifespan, efficiency or productivity, when incurred.

Land is not depreciated. Depreciation of other assets is calculated using the linear method to reduce their costs to their residual values over the estimated useful life, as presented below:

Permanent Assets	Average Estimated Useful Life in Years
Property	60
Facilities	25
Equipment in Use	19
Other	7

The residual amounts and the lifespan of assets are reviewed and adjusted, if appropriate, at the end of each fiscal year. As required, useful life is reviewed once a year.

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the book value may not be recoverable. The book value of an asset is immediately reduced to its estimated recoverable value if it is greater than this recoverable value. The recoverable value is the higher amount between an asset's fair value less costs to sell and the value in use.

Gains and losses on disposals are determined by comparing the payments to be received with the book value and are recorded in Other Operating Income (Expenses), in the income statement.

(k) Intangible

Intangible corresponds to vested rights that have as object intangible assets intended for the maintenance of the company or to use for that purpose. CMN Resolution No. 4534/16 establishes that, from January 1, 2017, intangible assets are stated at their cost, and that assets with defined lifespan be amortized by the linear method throughout their lifespan.

This group is composed of payments made for banking service contracts (payroll services) and the acquisition of software, as follows:

Intangible	Average Estimated Useful Life in Years
Payroll Services	5 to 10
Software	8

Acquisition of Payroll Services

Public Sector - refers to agreements to obtain exclusive rights for the tendering of payroll services to the State of Rio Grande do Sul, to the Judiciary Branch of the State of Rio Grande do Sul, local town halls and other public agencies. Internal analysis and independent studies were conducted and no evidence of impairment related to these assets has been identified (Note 15).

Private Sector - refers to the five-year agreements signed with private entities, amortized throughout the contractual term. No impairment losses were identified on these assets.

Software

Software licenses are capitalized based on acquisition and readiness costs. These costs are amortized throughout the estimated lifespan of the software.

The costs associated with maintaining software are recognized as expense, as incurred. Development costs that are directly attributable to the project and to the testing of identifiable and unique software products controlled by Banrisul are recognized as intangible assets.

Directly attributable costs, capitalized as part of the software, include the costs of employees responsible for software development and the apportionment of the applicable indirect costs. Costs also include financing costs incurred during the software development period.

Other costs with software development that do not meet these criteria are recognized as incurred. Software development costs previously recorded into expense accounts are not recorded as assets in subsequent periods.

Software development costs recognized as assets are amortized over their estimated lifespan.

The book value of an intangible asset is immediately written off to its estimated recoverable value in case the accouting value it is greater than that recoverable value. The recovery value is reviewed annually.

(l) Impairment of Assets

Banrisul annually reviews intangible assets for impairment losses. When identified, losses are recognized in the income statement of the period.

(m) Foreign Currency Conversion

Banrisul’s financial statements are presented in Reais, the functional and reporting currency. The functional currency of the branches abroad was determined as per the National Monetary Council (CMN) Resolution No. 4817/20.

Banrisul has two branches overseas - Miami and Grand Cayman, whose financial statements are translated into USD. Their financial statements (none of which uses currency from hyperinflationary economies) are converted at the reporting date using current rates when their functional currency differs from the reporting currency, according to the following criteria:

• Assets and liabilities are converted using the exchange rate of the balance sheet date; and
• Income and expenses are converted using the monthly average exchange rate.

Foreign exchange variation adjustments arising from the conversion process are recorded as Other Comprehensive Income, a component Equity.

(n) Funding, Borrowings and Onlendings

These are stated at cost plus charges accrued through the reporting date, recognized on a "pro rata die" basis. The amounts and terms are shown in Notes 16 and 17.

(o) Provisions, contingent assets and liabilities and legal obligations

Provisions, contingent assets and liabilities, and legal obligations are recognized, measured and disclosed in accordance with the criteria set forth by Technical Pronouncement CPC 25, approved by the National Monetary Council (CMN) Resolution No. 3823/09.

- Contingent Assets - they are not recognized in the financial statements, except when there is evidence that realization thereof is virtually certain, and that no further appeal can be disputed.

- Provisions and Liabilities - a provision is recognized in the financial statements when, based on the opinion of the Company's legal sector, the risk of losing a lawsuit or administrative claim is deemed probable, there will be a probable outflow of funds for the settlement of liabilities and the amounts involved can be reliably measured.

Contingent liabilities assessed as possible losses are not provided for; however, disclosure is made in the Notes to the financial statements. Contingent liabilities assessed as remote losses are neither accrued nor disclosed.

- Legal, Tax and Social Security Liabilities - legal obligations are recorded as liabilities, regardless of the evaluation of loss probability.

(p) Income tax and Social Contribution

Deferred tax assets or income tax and social contribution liabilities for were calculated based on the rates in effect on the date of the financial statements, and in the perspective of estimated realization for these credits in the period of validity of these rates, and for the assets recorded under "Deferred tax assets" against the income for the period. Should there be a change in tax legislation that changes criteria and rates to be adopted in future periods, the effects are recorded immediately based on the criteria and rates applicable to the period in which each portion of the assets will be realized or the liability settled. The realization of these Deferred tax assets will occur upon the realization of triggering events and the respective recorded provisions.

Provision for income tax is recorded at the base rate of 15% of taxable income, plus an additional 10%.

Social Contribution on Profit (CSLL) had its rate altered from 20% to 25% for financial institutions, in the period of 07/01/2021 to 12/31/2021, and starting in January 2022, it went back to 20%, according to article 1 of Law 14,183/21. The aforementioned Law also changed, in the same period, the rate from 15% to 20% for Banrisul S/A Corretora de Valores Mobiliários e Câmbio, and starting in January 2022, it went back to 15%. For other non-financial companies, the Social Contribution rate on Net Income remains at 9%.

According to art. 1 of Law No. 14,446/22, the Social Contribution on Net Income (CSLL) was amended in the period from 8/1/2022 to 12/31/2022, from 20% to 21% for financial institutions and from 15% to 16% to Banrisul S/A Corretora de Valores Mobiliários e Câmbio.

The composition of the amounts of income tax and social contribution, the statement of their calculations, the origin and estimated realization of deferred tax assets, are presented in Notes 11 and 24.

(q) Post-Employment Long Term Benefit Obligations to Employees

- **Post-Employment Obligations** - Banrisul sponsors FBSS - Fundação Banrisul de Seguridade Social (Banrisul Social Security Foundation) and CABERGS - Caixa de Assistência dos Empregados do Banco do Estado do Rio Grande do Sul (Medical Assistance for Employees of Banco do Estado do Rio Grande do Sul) which, respectively, ensure the provision of retirement benefits and medical care to its employees.

- Retirement Plans - Banrisul sponsors pension plans of the “defined benefit” and “variable contribution” types.

A defined benefit plan is different from a defined contribution plan. In general, defined benefit plans provide a value of pension benefit that the employee will receive upon retirement, usually depending on one or more factors such as age, length of service and salary.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets. Independent actuaries calculate the defined benefit obligation periodically using the Projected Credit Unit Method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using rates consistent with market yields on high quality corporate bonds denominated in the currency in which the benefits will be paid and that have terms to maturity similar to those of the respective obligations of the pension plan.

The actuarial valuation is established based on assumptions and projections of interest rates, inflation, increases in benefits, life expectancy, the effect of any limitation upon the contribution of the employer in the cost of future benefits and contributions or third-party contributions that reduce the ultimate cost of those benefits to the Bank, among others. The actuarial valuation and its assumptions and projections are updated on an annual basis at the end of each year. Actuarial gains and losses resulting from adjustments based on experience and changes in actuarial assumptions are recognized directly in Equity, as Valuation Adjustments.

The cost of benefits under the defined benefit plans is determined separately for each plan. When they occur, costs of past services are immediately recognized in profit or loss as incurred.

The variable contribution plans are benefits with defined contribution characteristics, and cover expected retirement, early retirement and funeral assistance. In this case, Banrisul has no further payment obligations besides contributions already paid. The contributions are recognized as employee benefit expense when due. Contributions made in advance are recognized as an asset to the extent that cash refund or a reduction in future payments is available. In addition, there are further benefits with defined benefit characteristics, which are retirement for disability, proportionate benefit, sickness allowance, annual bonus, minimum benefit and retirement annuity with life insurance coverage.

- Health Plans - plans provided by Caixa de Assistência dos Empregados do Banco do Estado do Rio Grande do Sul (Cabergs, the Assistance Fund for the Employees of Banco do Estado do Rio Grande do Sul), which offers health care benefits in general and whose cost is established through an agreement of accession.

Banrisul also offers the benefit of post-retirement health care to its employees. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology used for defined benefit pension plans. Actuarial gains and losses resulting from adjustments based on experience and changes in actuarial assumptions are charged or credited to equity, under Valuation Adjustments. Independent qualified actuaries measure these obligations periodically.

Plan assets are not available to creditors of Banrisul and cannot be paid directly to the Bank. The fair value is based on information about market price and, in the case of traded assets, their market value. The value of any recognized defined benefit asset is limited to the sum of any previous service cost not yet recognized and to the present value of any economic benefit available as reductions in future employer contributions to the plan.

- **Retirement Award** - upon retirement, Banrisul gives its employees a premium for retirement that is proportional to their monthly salary, effective at the time of retirement.

Additionally, the results of the actuarial valuation can generate an asset to be recognized. The Institution records this asset only when:

- it controls a resource, which is the ability to use the surplus to generate future benefits;
- this control is the result of past events (contributions paid by the Bank and service provided by the employee); and
- future economic benefits to the Bank are available in the form of reductions in future contributions or of cash refund, either directly to the Bank, or indirectly to compensate for the deficit of another post-employment benefit plan (in compliance with law).

The commitments to these three types of post-employment benefits are periodically assessed and reviewed by independent qualified actuaries.

(r) Earnings per Share

Earnings per Share (EPS) can be calculated in its basic form and in its diluted form. In the basic form, the effects of potentially dilutive instruments are not considered, whereas, in the calculation of diluted earnings per share, the effects of potentially dilutive instruments are considered. As potentially dilutive financial instruments, we have convertible preferred shares, convertible debentures and subscription warrants, which can be converted into common shares, thus characterizing the dilutive potential of these instruments.

Banrisul does not have instruments that should be included in the calculation of diluted earnings per share, and, therefore, basic and diluted earnings per share are similar.

NOTE 04 - CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Cash	**1,004,350**	**1,464,621**	**1,004,366**	**1,464,768**
In Local Currency	824,683	934,541	824,699	934,688
In Foreign Currency	179,667	530,080	179,667	530,080
Interbank Investments (1)	**2,425,056**	**4,932,055**	**2,425,056**	**4,933,697**
Reverse Repurchase Agreements	1,850,305	4,850,003	1,850,305	4,851,645
Investments in Interbank Deposits	574,751	82,052	574,751	82,052
Securities	**-**	**-**	**10,382**	**232,196**
Investment Funds Quotas	-	-	10,382	232,196
Total	**3,429,406**	**6,396,676**	**3,439,804**	**6,630,661**

(1) Comprised of the agreements described in note 05, with original maturity of 90 days or less and that present an insignificant risk of a change in their fair values.

NOTE 05 - INTERBANK INVESTMENTS

					Parent Company
	Up to 3 months	3 to 12 months	Over 1 Year	12/31/2022	12/31/2021
Reverse Purchase Agreements	**1,850,305**	**-**	**-**	**1,850,305**	**4,850,003**
Reverse Repurchase Agreements - Own Portfolio					
Financial Treasury Letter – LFT	1,000,165	-	-	1,000,165	2,500,002
National Treasury Letter – LTN	-	-	-	-	2,350,001
National Treasury Notes - NTN	850,140	-	-	850,140	-
Interbank Deposits	**574,751**	**1,096,345**	**-**	**1,671,096**	**993,789**
Interbank Deposits	574,751	1,096,345	-	1,671,096	993,789
Total as of 12/31/2022	**2,425,056**	**1,096,345**	**-**	**3,521,401**	
Total as of 12/31/2021	**4,932,055**	**766,094**	**145,643**		**5,843,792**

					Consolidated
	Up to 3 months	3 to 12 months	Over 1 Year	12/31/2022	12/31/2021
Reverse Purchase Agreements	**1,850,305**	**-**	**-**	**1,850,305**	**4,851,645**
Reverse Repurchase Agreements - Own Portfolio					
Financial Treasury Letter – LFT	1,000,165	-	-	1,000,165	2,500,002
National Treasury Letter – LTN	-	-	-	-	2,350,001
National Treasury Notes - NTN	850,140	-	-	850,140	-
Bank Deposit Certificates	-	-	-	-	1,642
Interbank Deposits	**574,751**	**1,096,345**	**-**	**1,671,096**	**993,789**
Interbank Deposits	574,751	1,096,345	-	1,671,096	993,789
Total as of 12/31/2022	**2,425,056**	**1,096,345**	**-**	**3,521,401**	
Total as of 12/31/2021	**4,933,697**	**766,094**	**145,643**		**5,845,434**

NOTE 06 - COMPULSORY DEPOSITS OF CENTRAL BANK OF BRAZIL

		Parent Company and Consolidated	
	Form of Remuneration	12/31/2022	12/31/2021
Demand deposits and other resources	No Remuneration	1,035,147	861,453
Savings Deposits	Savings rate	2,262,979	2,016,105
Other Deposits	No Remuneration	312,208	210,762
Time Deposits	SELIC	7,188,192	6,650,431
Total		**10,798,526**	**9,738,751**

NOTE 07 - PORTFOLIO OF SECURITIES

Breakdown of the portfolio of securities:

	Parent Company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Trading Securities	8,674,102	8,288,943	8,909,298	8,584,162
Available-for-sale Securities	71,614	34,035	52,979	16,268
Held-to-Maturity Securities	30,480,767	29,778,173	30,492,530	29,788,639
Total	**39,226,483**	**38,101,151**	**39,454,807**	**38,389,069**

The fair values presented in the table below were determined as follows: actively traded Treasury Bills are determined based on prices published by the ANBIMA (Brazilian Association of Financial and Capital Markets); shares of publicly-held companies are based on the closing price of the last trading day prior to the reporting date; investment fund shares are updated daily with the respective share price informed by the fund administrator; and for securities where no prices are available Banrisul uses internal models for calculating the market value, using B3 S.A. – Brasil, Bolsa, Balcão (Brazil Stock Exchage) future curves.

(a) Trading Securities

Breakdown of Trading Securities by type and maturity, at fair value and amortized cost:

									Parent Company
	Fair Value					12/31/2022		12/31/2021	
	Without Maturity	Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Fair Value	Amortized Cost	Fair Value	Amortized Cost
Financial Treasury Letter – LFT	-	378,742	-	4,536,527	1,006,712	5,921,981	5,925,225	8,276,302	8,297,101
National Treasury Bonds – LTN	-	-	-	2,034,649	698,241	2,732,890	2,767,335	-	-
Shares of Publicly-Held Companies	19,231	-	-	-	-	19,231	17	12,641	17
Total as of 12/31/2022	**19,231**	**378,742**	**-**	**6,571,176**	**1,704,953**	**8,674,102**	**8,692,577**		
Total as of 12/31/2021	**12,641**	**1,909,373**	**1,117,280**	**1,956,320**	**3,293,329**			**8,288,943**	**8,297,118**

									Consolidated
	Fair Value					12/31/2022		12/31/2021	
	Without Maturity	Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Fair Value	Amortized Cost	Fair Value	Amortized Cost
Financial Treasury Letter – LFT	-	378,742	-	4,545,943	1,006,712	5,931,397	5,934,641	8,284,663	8,305,481
Shares of Publicly-Held Companies	-	-	-	2,034,649	698,241	2,732,890	2,767,335	-	-
Bank Deposit Certificates	19,231	-	-	-	-	19,231	17	12,641	17
Investment Fund Shares	223,964	1,816	-	-	-	225,780	225,780	286,858	286,858
Total as of 12/31/2022	**243,195**	**380,558**	**-**	**6,580,592**	**1,704,953**	**8,909,298**	**8,927,773**		
Total as of 12/31/2021	**299,499**	**1,909,373**	**1,117,280**	**1,964,681**	**3,293,329**			**8,584,162**	**8,592,356**

In December 2021, shares of Investment Funds were reclassified from the trading portfolio to the available-for-sale portfolio, in compliance with CMN Resolution No. 4,926/21, and BCB Resolution No. 111/21, with the objective of equating the accounting classification with that used in risk measurement. This reclassification did not reverse the amounts already computed in income resulting from unrealized gains or losses, as determined by Bacen Circular No. 3,068/01. The total book value of these shares is R$5,882 thousand as of December 31, 2021.

(b) Available-for-Sale Securities

Breakdown of Available-for-Sale Securities by type and maturity, at fair value and amortized cost:

					Parent Company					Consolidated
		12/31/2022		12/31/2021			12/31/2022		12/31/2021	
	Without Maturity	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Without Maturity	Fair Value	Amortized Cost	Fair Value	Amortized Cost
Investment Fund Shares	46,339	46,339	43,034	34,035	30,934	27,690	27,690	23,801	16,254	15,745
Privatization Certificates	-	-	-	-	-	14	14	14	14	14
Other	25,275	25,275	25,275	-	-	25,275	25,275	25,275	-	-
Total as of 12/31/2022	**71,614**	**71,614**	**68,309**			**52,979**	**52,979**	**49,090**		
Total as of 12/31/2021	**34,035**			**34,035**	**30,934**	**16,268**			**16,268**	**15,759**

(c) Held-to-Maturity Securities

Breakdown of Held-to-Maturity Securities by type and maturity, at fair value and amortized cost:

									Parent Company
	Updated Amortized Cost					12/31/2022		12/31/2021	
	Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Updated Amortized Cost	Fair Value	Updated Amortized Cost	Fair Value
Federal Government Securities									
Financial Treasury Letter – LFT	1,562,987	3,408,538	12,868,789	9,851,021	2,706,962	30,398,297	30,428,483	27,230,666	27,184,037
National Treasury Letter – LTN	-	-	-	-	-	-	-	2,246,502	2,244,439
Federal Bonds – CVS	-	-	-	80,138	-	80,138	66,524	61,006	52,298
Time Deposits with Special Collaterals - DPGE	-	-	-	-	-	-	-	237,161	238,025
Certificate of Real Estate Receivables - CRI	-	-	-	-	2,332	2,332	2,236	2,838	2,747
Total as of 12/31/2022	**1,562,987**	**3,408,538**	**12,868,789**	**9,931,159**	**2,709,294**	**30,480,767**	**30,497,243**		
Total as of 12/31/2021	**3,585,404**	**3,128,308**	**10,540,723**	**8,041,320**	**4,482,418**			**29,778,173**	**29,721,546**

									Consolidated
	Updated Amortized Cost					12/31/2022		12/31/2021	
	Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Updated Amortized Cost	Fair Value	Updated Amortized Cost	Fair Value
Federal Government Securities									
Financial Treasury Letter – LFT	1,562,987	3,408,538	12,868,789	9,862,784	2,706,962	30,410,060	30,440,202	27,241,132	27,194,433
National Treasury Letter – LTN	-	-	-	-	-	-	-	2,246,502	2,244,439
Federal Bonds - CVS	-	-	-	80,138	-	80,138	66,524	61,006	52,298
Time Deposits with Special Collaterals - DPGE	-	-	-	-	-	-	-	237,161	238,025
Certificate of Real Estate Receivables - CRI	-	-	-	-	2,332	2,332	2,236	2,838	2,747
Total as of 12/31/2022	**1,562,987**	**3,408,538**	**12,868,789**	**9,942,922**	**2,709,294**	**30,492,530**	**30,508,962**		
Total as of 12/31/2021	**3,585,404**	**3,128,308**	**10,540,723**	**8,046,169**	**4,488,035**			**29,788,639**	**29,731,942**

Management declares that Banrisul has the financial capability and the intention to hold these securities to maturity.

NOTE 08 - DERIVATIVE FINANCIAL INSTRUMENTS

Banrisul participates in transactions involving derivative financial instruments in the swap modality, recorded in equity and offsetting accounts, which are intended to meet its own needs to manage its global exposure in foreign currency.

The use of derivative financial instruments is predominantly aimed at mitigating the risks arising from exchange rate fluctuations in the external funding operation carried out by Banrisul, mentioned in Note 18, which result in the conversion of these rates to the variation of the CDI rate.

With this objective, swap transactions are short and long-term, aligned with the flow and maturity of the emissions (objects hedge) that they protect.

For this purpose, operations with derivative instruments in the swap modality are short and long term, following the flow and maturity of the issues (hedge objects) they protect.

The swaps are OTC contracts registered with B3 S. A. - Brasil, Bolsa, Balcão and have as counterparties top-tier financial institutions.

The table below demonstrates the effectiveness of the structure of hedge accounting developed by Banrisul, demonstrating the amortized cost value, fair value and fair value adjustments of objecct (subordinated debt) and the hedging instrument (swaps).

In the comparative information from 12/31/2021, there is the amount referring to the Subordinated Debt, signed in 2012 and settled in February 2022.

	Parent Company and Consolidated				
	12/31/2022				12/31/2021
Derivatives Used as Fair Value Hedge	**Notional Value**	**Amortized cost**	**Fair value adjustment**	**Fair Value**	**Fair Value**
Hedging Instrument					
Swaps	1,711,260	(238,381)	(431,917)	(670,298)	705,730
Foreign Currency (USD)	1,711,260	(238,381)	(431,917)	(670,298)	705,730
Hedged Item					
Subordinated Debt (Note 16)	1,629,000	1,600,908	(431,915)	1,168,993	4,673,265
Foreign Currency (USD)	1,629,000	1,600,908	(431,915)	1,168,993	4,673,265

The following table shows the breakdown of the derivatives (asset and liability) by notional value and fair value:

	Parent Company and Consolidated			
Swaps	**Notional Value**	**Receivable (Payable) Amortized Cost (1)**	**Fair Value Adjustments to Results (1)**	**Fair Value (1)**
Assets				
Foreign Currency (USD) + Fixed Rate	1,711,260	(110,270)	(431,992)	(542,262)
Liabilities				
% of Interbank Deposit Rate (CDI)	(1,711,260)	(128,111)	75	(128,036)
Net Adjustment as of 12/31/2022		**(238,381)**	**(431,917)**	**(670,298)**
Net Adjustment as of 12/31/2021		**754,468**	**(48,738)**	**705,730**

(1) Values presented net of the notional value.

The table below shows the information of derivatives segregated by contractual cash flow:

Swaps	Notional Value	Fair Value [1]	Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years
				Parent Company and Consolidated		
Assets						
Foreign Currency (USD) + Fixed Rate	1,711,260	(542,262)	(19,146)	(17,267)	(55,776)	(450,073)
Liabilities						
% of Interbank Deposit Rate (CDI)	(1,711,260)	(128,036)	(10,566)	(9,365)	(30,099)	(78,006)
Net Adjustment as of 12/30/2022		**(670,298)**	**(29,712)**	**(26,632)**	**(85,875)**	**(528,079)**
Net Adjustment as of 12/31/2021		**705,730**	**836,079**	**(6,574)**	**(23,553)**	**(100,222)**

(1) Values presented net of the notional value.

Banrisul and counterparties are mutually subject to providing a reciprocal basis if the derivatives exceed the fair value limits stipulated by contract.

The margin deposited by Banrisul as guarantee in operations involving derivatives consists of Interbank deposits in the amount of R$412,203.

Banrisul uses hedge accounting practices established by the Central Bank of Brazil and the effectiveness expected from the designation of hedging instruments and in the course of the operation is in accordance with the provisions of the Central Bank of Brazil.

Banrisul also carries out DI Futures Contract operations, a derivative whose underlying asset is the average daily rate of Interbank Deposits (DI), calculated and disclosed by B3, between the trading date, inclusive, and the expiration date, excluding , and is used for hedging and managing the interest rate risk of assets and/or liabilities.

Banrisul operates with DI Futures contracts, in a “matched” way with investments made in LTN, which have a fixed rate, in order to offset the risk of fluctuation in the DI rate, and the price adjustments of these derivatives are recorded daily , using the accrual method based on the price calculation date. The contracts have the maturities shown below:

Compensation Account/Referential Value	From 1 to 3 Years	From 3 to 5 Years	Total
		Parent Company and Consolidated	
DI Futures Contracts	2,034,376	700,140	2,734,516
Total as of 12/31/2022	**2,034,376**	**700,140**	**2,734,516**

NOTE 09 - LOANS, LEASES AND OTHER CONTRACTS WITH LENDING CHARACTERISTICS

(a) Breakdown by Type and Risk Level

										Parent Company and Consolidated	
	AA	**A**	**B**	**C**	**D**	**E**	**F**	**G**	**H**	**12/31/2022**	**12/31/2021**
Loans and Discounted Titles	919,165	25,827,985	1,226,728	466,402	546,592	155,956	229,543	347,923	1,555,612	31,275,906	27,553,291
Financing	377,640	693,726	72,822	20,027	70,916	11,305	4,066	3,013	9,089	1,262,604	1,101,717
Rural and Agro-Industrial Financing	795,828	6,117,182	534,505	279,727	61,309	22,234	8,940	9,488	50,222	7,879,435	4,836,636
Real Estate Loans	3,881,717	914,360	251,942	70,756	9,684	1,160	1,525	1,064	205	5,132,413	4,310,233
Loans Assigned with Recourse (1)	3,588	3,507	157	47	-	-	-	-	-	7,299	9,546
Infrastructure and Development Financing	9,030	88,312	-	-	-	-	-	-	-	97,342	98,883
Subtotal Loans	**5,986,968**	**33,645,072**	**2,086,154**	**836,959**	**688,501**	**190,655**	**244,074**	**361,488**	**1,615,128**	**45,654,999**	**37,910,306**
Lease Operations	2,209	1,577	424	169	2,698	119	185	3,267	227	10,875	14,552
Advances on Foreign Exchange Contracts (2)	227,667	430,345	160,602	105,671	6,823	7,235	2,785	48,300	24,831	1,014,259	804,434
Other Receivables (3)	104,569	1,922,932	235,282	107,938	38,728	8,408	4,028	2,609	11,189	2,435,683	2,264,945
Acquired Portfolio with Recourse	6,053	-	-	-	-	-	-	-	-	6,053	47,738
Total Credit Portfolio	**6,327,466**	**35,999,926**	**2,482,462**	**1,050,737**	**736,750**	**206,417**	**251,072**	**415,664**	**1,651,375**	**49,121,869**	**41,041,975**
Recourse and Guarantees Granted (4)	204,144	11,469	18,831	4,637	-	-	-	-	3,326	242,407	283,720
Total	**6,531,610**	**36,011,395**	**2,501,293**	**1,055,374**	**736,750**	**206,417**	**251,072**	**415,664**	**1,654,701**	**49,364,276**	**41,325,695**
Total Credit Portfolio as of 12/31/2021	**4,886,878**	**28,081,331**	**3,205,160**	**1,402,037**	**707,714**	**229,664**	**219,187**	**479,913**	**1,830,091**		**41,041,975**

(1) Refers to assignment of receivables with recourse where Banrisul has assigned to Cibrasec mortgage loans operations.
(2) Composed of Advances on Foreign Exchange Contracts and Income from Advances Granted.
(3) Refers to debit and credit cards, securitization credit, credit for guarantees honored and receivable income on foreign exchange and receivables from export contracts.
(4) Recorded in off-balance sheet accounts, For sureties and guarantees, the provision was recorded as shown in Note 18.

(b) Customer Breakdown per Maturity and Risk Levels

											Parent Company and Consolidated
	Credit Portfolio in Ordinary Course [1]										
	AA	A	B	C	D	E	F	G	H	12/31/2022	12/31/2021
Falling Due	**6,326,830**	**35,980,684**	**2,214,459**	**877,734**	**590,345**	**96,560**	**148,397**	**259,997**	**985,778**	**47,480,784**	**39,646,395**
01 to 30 days	191,439	2,129,682	285,554	136,124	58,409	14,728	8,574	15,601	32,351	2,872,462	2,290,295
31 to 60 days	123,431	1,436,965	144,796	84,511	45,583	8,974	10,624	30,820	24,359	1,910,063	1,686,302
61 to 90 days	170,380	1,316,351	130,955	75,406	30,294	5,910	3,911	17,468	19,785	1,770,460	1,348,862
91 to 180 days	363,944	4,123,495	374,212	180,854	47,711	19,390	8,707	22,910	68,077	5,209,300	3,896,218
181 to 360 days	681,549	5,693,287	419,030	179,930	89,304	13,261	18,942	33,034	111,111	7,239,448	5,684,250
Over 360 days	4,796,087	21,280,904	859,912	220,909	319,044	34,297	97,639	140,164	730,095	28,479,051	24,740,468
Past Due	**636**	**19,242**	**9,029**	**4,816**	**4,694**	**1,596**	**1,078**	**975**	**8,856**	**50,922**	**27,633**
Up to 14 days	636	19,242	9,029	4,816	4,694	1,596	1,078	975	8,856	50,922	27,633
Subtotal	**6,327,466**	**35,999,926**	**2,223,488**	**882,550**	**595,039**	**98,156**	**149,475**	**260,972**	**994,634**	**47,531,706**	**39,674,028**
	Non-Performing Contracts [1]										
Falling Due	**-**	**-**	**236,244**	**137,517**	**103,532**	**68,709**	**63,824**	**68,102**	**331,206**	**1,009,134**	**932,537**
01 to 30 days	-	-	5,372	4,222	4,100	3,045	2,269	2,208	10,424	31,640	29,460
31 to 60 days	-	-	4,759	3,538	3,179	2,221	2,011	2,025	10,140	27,873	26,542
61 to 90 days	-	-	4,801	3,356	2,886	2,030	1,805	1,919	9,707	26,504	24,701
91 to 180 days	-	-	13,901	9,308	8,113	5,666	5,316	5,376	26,858	74,538	71,033
181 to 360 days	-	-	27,802	16,451	14,305	9,537	8,753	9,446	51,136	137,430	128,718
Over 360 days	-	-	179,609	100,642	70,949	46,210	43,670	47,128	222,941	711,149	652,083
Past Due	**-**	**-**	**22,730**	**30,670**	**38,179**	**39,552**	**37,773**	**86,590**	**325,535**	**581,029**	**435,410**
01 to 14 days	-	-	583	518	434	315	317	292	1,709	4,168	5,064
15 to 30 days	-	-	20,202	7,202	6,197	3,778	2,983	7,086	41,382	88,830	54,849
31 to 60 days	-	-	1,945	21,936	9,877	6,434	5,486	11,912	28,757	86,347	52,859
61 to 90 days	-	-	-	695	21,118	7,552	6,308	21,068	14,888	71,629	48,949
91 to 180 days	-	-	-	319	553	21,238	21,841	44,754	116,432	205,137	139,884
181 to 360 days	-	-	-	-	-	235	838	1,478	115,507	118,058	117,714
Over 360 days	-	-	-	-	-	-		-	6,860	6,860	16,091
Subtotal	**-**	**-**	**258,974**	**168,187**	**141,711**	**108,261**	**101,597**	**154,692**	**656,741**	**1,590,163**	**1,367,947**
Total as of 12/31/2022	**6,327,466**	**35,999,926**	**2,482,462**	**1,050,737**	**736,750**	**206,417**	**251,072**	**415,664**	**1,651,375**	**49,121,869**	
Total as of 12/31/2021	**4,886,878**	**28,081,331**	**3,205,160**	**1,402,037**	**707,714**	**229,664**	**219,187**	**479,913**	**1,830,091**		**41,041,975**

(1) Nonperforming Contracts consists of loans with overdue installments of more than 14 days. All other contracts are considered Ordinary Course.

(c) Credit Portfolio Breakdown by Business Sector

	Parent Company and Consolidated	
	12/31/2022	12/31/2021
Public Sector	**119,837**	**102,207**
Government - Direct and Indirect Administration	119,837	102,207
Private Sector	**49,002,032**	**40,939,768**
Companies	11,378,454	9,778,898
Farming and Livestock	184,125	157,230
Food, Beverages and Tobacco	1,662,756	1,428,878
Automotive	532,817	394,772
Pulp and Paper, Wood and Furniture	296,428	201,453
Food Wholesale Trade	723,910	723,876
Wholesale Trade (except food)	773,734	656,660
Retail Trade - Other	1,277,271	1,003,249
Construction and Real Estate	790,004	719,696
Education, Health and other Social Services	1,107,914	1,025,433
Electronics and technology	432,182	350,109
Financial and Insurance	318,570	376,065
Machinery and equipment	256,223	265,830
Metallurgy	367,584	304,044
Infrastructure Works	42,878	42,215
Oil and Gas	423,744	398,718
Chemical and Petrochemical	705,494	521,689
Private Services	421,908	334,628
Textile, Clothing and Leather	312,850	265,386
Transportation	374,812	299,826
Others	373,250	309,141
Individuals	37,623,578	31,160,870
Total Loans	**49,121,869**	**41,041,975**

(d) Loan Concentration

	Parent Company and Consolidated			
	12/31/2022		12/31/2021	
	Value	% of Portfolio	Value	% of Portfolio
Largest Debtor	147,995	0.30	147,703	0.36
10 Largest Debtors	1,017,433	2.07	980,542	2.39
20 Largest Debtors	1,771,605	3.61	1,734,651	4.23
50 Largest Debtors	3,317,648	6.75	3,152,205	7.68
100 Largest Debtors	4,484,514	9.13	4,322,686	10.53

(e) Changes in Allowances

Allowance for Loan Losses, Doubtful Lease Receivables and Other Receivables with Lending Characteristics:

	Parent Company and Consolidated	
	01/01 to 12/31/2022	01/01 to 12/31/2021
Opening Balance	**2,629,813**	**2,763,101**
Allowance Recorded in the Period	970,001	786,164
Write-Offs	(1,159,992)	(919,452)
Closing Balance	**2,439,822**	**2,629,813**
Allowance for Loan Losses	2,330,449	2,491,660
Allowance for Doubtful Lease Receivables	2,928	4,709
Allowance for Losses on Other Receivables with Lending Characteristics (1)	106,445	133,444

(1) Refers to the constitution of a provision for operations involving Credits for Honored Sureties and Guarantees, Debit and Credit Cards, Foreign Exchange Portfolio and Credits Linked to Operations Acquired in Assignment.

(f) Breakdown of Allowances for Loan Losses, Doubtful Lease Receivables and Other Receivables with Lending Characteristics per Risk Level

			Parent Company and Consolidated
Risk Level	Credit Portfolio	Minimum Allowance Required by CMN Resolution No. 2,682/99	Recorded Allowance
AA	6,327,466	0.00%	-
A	35,999,926	0.50%	180,000
B	2,482,462	1.00%	24,825
C	1,050,737	3.00%	31,522
D	736,750	10.00%	73,675
E	206,417	30.00%	61,925
F	251,072	50.00%	125,536
G	415,664	70.00%	290,964
H	1,651,375	100.00%	1,651,375
Total as of 12/31/2022	**49,121,869**		**2,439,822**
Total as of 12/31/2021	**41,041,975**		**2,629,813**

(g) Emergency Employment Support Program (PESE)

The operations related to the Emergency Employment Support Program (PESE), classified by risk level and accompanied by the amount of the provision made for each risk level, are shown below, as determined by CMN Resolution No. 4,846/20.

				Parent Company and Consolidated
		12/31/2022		12/31/2021
Rating	Asset	Provision	Asset	Provision
AA	454	-	634	-
A	11,429	9	35,666	27
B	156	-	1,039	2
C	102	-	305	1
D	136	2	201	3
E	240	11	294	13
F	775	58	278	21
G	297	31	409	43
H	2,798	420	1,386	208
Total	**16,387**	**531**	**40,212**	**318**

(h) Recovery and Renegotiation of Credits

Recoveries of loans previously written off as losses were recognized as income from lending operations and amounted to R$397,286 (12/31/2021- R$458,049), net of losses generated in these recoveries.

The balance of renegotiated loans during the period amounted to R$726,260 (12/31/2021 - R$732,364). Pursuant to CMN Resolution No. 2682/99, these transactions remain classified in the same rating they were before the renegotiation; written off credit operations are classified in risk level H following renegotiation.

NOTE 10 - OTHER FINANCIAL INSTRUMENTS

						Parent Company
	Up to 12 Months	Over 12 Months	Total as of 12/31/2022	Up to 12 Months	Over 12 Months	Total as of 12/31/2021
Interbank Accounts	9,523	988,103	997,626	7,889	1,195,996	1,203,885
Credits with National Housing System [1]	-	988,103	988,103	-	1,195,996	1,195,996
Outstanding Payments and Receipts	1,626	-	1,626	1,714	-	1,714
Others	7,897	-	7,897	6,175	-	6,175
Interbranch Accounts	36,804	-	36,804	65,764	-	65,764
Foreign Exchange Portfolio	1,056,343	18,012	1,074,355	875,104	-	875,104
Income Receivable	218,767	-	218,767	199,565	-	199,565
Guarantee Deposit	-	771,133	771,133	-	677,718	677,718
Payments to Reimburse	46,013	-	46,013	57,572	-	57,572
Securities and Receivables [2]	51,979	257,849	309,828	49,588	244,623	294,211
Others	98,520	-	98,520	23,271	-	23,271
Total	**1,517,949**	**2,035,097**	**3,553,046**	**1,278,753**	**2,118,337**	**3,397,090**

						Consolidated
	Up to 12 Months	Over 12 Months	Total as of 12/31/2022	Up to 12 Months	Over 12 Months	Total on 12/31/2021
Interbank Accounts	2,528,635	988,103	3,516,738	2,167,238	1,195,996	3,363,234
Credits with the National Housing System [1]	-	988,103	988,103	-	1,195,996	1,195,996
Outstanding Payments and Receipts	2,520,738	-	2,520,738	2,161,063	-	2,161,063
Others	7,897	-	7,897	6,175	-	6,175
Interbranch Accounts	36,804	-	36,804	65,764	-	65,764
Foreign Exchange Portfolio	1,056,343	18,012	1,074,355	875,104	-	875,104
Income Receivable	89,122	-	89,122	117,283	-	117,283
Trading and Intermediation of Values	50,950	-	50,950	19,401	-	19,401
Guarantee Deposit	-	778,051	778,051	-	684,292	684,292
Reimbursable Payments	46,241	-	46,241	57,925	-	57,925
Securities and Receivables [2]	138,440	257,849	396,289	90,914	244,623	335,537
Others	98,521	-	98,521	24,152	-	24,152
Total	**4,045,056**	**2,042,015**	**6,087,071**	**3,417,781**	**2,124,911**	**5,542,692**

(1) Credits with the National Housing System are composed of:

(a) R$100,036 (12/31/2021 - R$143,876), refers to future flows including interest accrued at the discount pre-fixed rate of 14.07% p.a. used when purchasing FCVS credits from the Government of the State of Rio Grande do Sul.

(b) R$882,060 (12/31/2021 - R$1,049,256), refers to principal and interest installments over acquired credit portfolios to which Banrisul will be entitled to at the time of novation and that are indexed according to the original contracts, i.e., TR + 6.17% p.a. for loans using own funding and TR + 3.12% p.a. for loans with FGTS funding.

(c) R$3,007 (12/31/2021 - R$2,864), refers to the balance of own portfolio contracts using resources from the FGTS, with FCVS coverage, approved and ready for novation, indexed to TR + 3.12% p.a.

National Housing System (SFH) - Acquired Portfolio - From October 2002 to March 2005, Banrisul acquired from the State Government of Rio Grande do Sul receivables related to the Salary Variation Compensation Fund (FCVS). The acquisition terms include a clause guaranteeing financial settlement by the State Government of non-performing contracts, if any. As of December 31, 2022, the receivables were stated at the acquisition cost including interest accrued at the rate used to determine the purchase price, amounting to R$985,096 (12/31/2021 - R$1,193,132). The face value is R$1,001,316 (12/31/2021 - R$1,221,358). These receivables will be converted into CVS securities pursuant to the ratification and novation processes, and the amounts due to Banrisul at the time of novation are presented and indexed by reference to TR (Referential Rate) variation plus interest. While no maturity date has been set for these receivables, the market values of the securities, upon their issuance, could significantly differ from the carrying amounts.

Recently, in November 2022, in accordance with the provisions of CCFCVS Resolution No. 451/20 of the Board of Trustees of the Salary Variation Compensation Fund, as well as CEF Circular No. 934/20, Banrisul concluded the process of novating a batch of these securities from the acquired portfolio. As a result of this process, a total of R$27,800 in CVS securities and R$304,917 in cash were received. On the other hand, there was a reduction in the balance of the portfolio acquired from FCVS in the amount of R$285,060.

National Housing System (SFH) - Own Portfolio - Refers to FCVS credits arising from Banrisul's own mortgage loans portfolio that have already been approved by the FCVS' regulatory body.

(2) Securities and Recivables mainly comprise:

(a) Securities issued to cover court-ordered debts ("precatórios") involving the National Treasury, In the first quarter of 2005, as part of its receivables recovery policy, Banrisul received as payment in kind securities issued by the Federal Government to pay court-ordered debts from companies that belonged to the same Economic Group. The final transference of such securities depends on the outcome of a lawsuit between the Economic Group and the Federal Government and the release of escrow deposits that have been made by the Federal Government according to settle the original flow of the "precatórios" rescission. Management understands that there is no need to set up a provision. As of December 31, 2022, these judicial deposits, referring to court orders assigned to Banrisul, whose release depends on the final decision of the rescission lawsuit, amount to R$205,259 (12/31/2021 - R$190,457) and are indexed to TR and interest.

(b) Non-credit-like receivables, acquired by the Bank from the State Government of Rio Grande do Sul, in the amount of R$54,741 (12/31/2021 - R$56,268) related to receivables arising from transactions of the State Government of Rio Grande do Sul or its controlled entities, with the municipality of cities in the State of Rio Grande do Sul. These receivables have yields from 0.50% to 9.37% p.a., plus TR or IGP-M variation with maturity through 2029. For these credits, there is a provision constituted in the amount of R$47,199 (12/31/2021 – R$47,350); and

Credits Receivable related to BanriCard business and benefit agreements and the acquiring network Vero in the amount of R$28,073 (12/31/2021 - R$38,280) in the Consolidated.

NOTE 11 – DEFERRED TAXES

Banrisul has deferred tax assets and deferred income tax and social contribution on net income (CSLL), for the period shown below:

(a) Deferred Tax Assets - the balances of deferred tax assets, segregated according to their origins and disbursements, are represented by:

				Parent Company
	Balance as of 12/31/2021	Constitution	Realization	Balance as of 12/31/2022
Allowance for Loan Losses	1,485,946	394,096	(410,344)	1,469,698
Provision for Labor Risks	572,441	291,993	(134,681)	729,753
Provision for Tax Risks	198,081	21,279	(369)	218,991
Provision for Civil Risks	96,219	34,451	(32,902)	97,768
Fair Value Adjustments	35,001	236,124	(68,875)	202,250
Post Employment Benefits	363,005	45,463	(164,934)	243,534
Other Temporary Provisions	258,270	184,502	(130,065)	312,707
Tax Loss	-	212,877	-	212,877
Total Tax Assets	**3,008,963**	**1,420,785**	**(942,170)**	**3,487,578**
Unregistered Credits	(26)	-	-	(26)
Total Deferred Tax Assets Recorded	**3,008,937**	**1,420,785**	**(942,170)**	**3,487,552**
Deferred Tax Liabilities	(399,905)	(300,389)	133,848	(566,446)
Deferred Tax Assets Net of Deferred Tax Liabilities	**2,609,032**	**1,120,396**	**(808,322)**	**2,921,106**

				Consolidated
	Balance as of 12/31/2021	Constitution	Realization	Balance as of 12/31/2022
Allowance for Loan Losses	1,487,290	395,478	(412,119)	1,470,649
Provision for Labor Risks	573,524	292,184	(135,147)	730,561
Provision for Tax Risks	198,140	21,297	(371)	219,066
Provision for Civil Risks	97,521	34,795	(33,385)	98,931
Fair Value Adjustments	35,001	236,124	(68,875)	202,250
Post Employment Benefits	364,686	45,651	(165,665)	244,672
Other Temporary Provisions	259,864	200,161	(134,443)	325,582
Tax Loss	-	212,877	-	212,877
Total Tax Assets	**3,016,026**	**1,438,567**	**(950,005)**	**3,504,588**
Unregistered Credits	(26)	-	-	(26)
Total Deferred Tax Assets Recorded	**3,016,000**	**1,438,567**	**(950,005)**	**3,504,562**
Deferred Tax Liabilities	(401,295)	(301,653)	135,284	(567,664)
Deferred Tax Assets Net of Deferred Tax Liabilities	**2,614,705**	**1,136,914**	**(814,721)**	**2,936,898**

The expectation of realizing these assets is as follows:

				Parent Company	Consolidated
Year	Income tax	Social Contribution on Profit (CSLL)	Total	Registered Totals	Registered Totals
2023	399,669	319,735	719,404	719,404	733,542
2024	347,932	278,346	626,278	626,278	628,351
2025	387,932	310,346	698,278	698,278	698,416
2026	314,440	251,551	565,991	565,991	566,129
2027	307,273	245,819	553,092	553,092	553,438
2028 to 2030	118,887	95,110	213,997	213,997	214,174
2031 to 2032	61,396	49,116	110,512	110,512	110,512
As of 2033	14	12	26	-	-
Total as of 12/31/2022	**1,937,543**	**1,550,035**	**3,487,578**	**3,487,552**	**3,504,562**
Total as of 12/31/2021	**1,671,646**	**1,337,317**	**3,008,963**	**3,008,937**	**3,016,000**

The total present value of deferred tax assets is R$2,643,479 and in Consolidated R$2,658,352 calculated according to the expected realization of income tax and social contribution deferred by the average funding rate, projected for the corresponding periods.

(b) Deferred Tax Liabilities - the balances of the provision for deferred income tax and social contributions are represented by:

	Parent Company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Excess Depreciation	7,803	7,797	7,803	7,797
Own Securities Available for Sale	1,487	-	2,311	-
Adjustment of MTM Subordinated Debt – Hedge Accouting	194,362	30,341	194,560	31,540
Renegotiated Operations Law No, 12,715/12	273,547	269,415	273,547	269,415
Actuarial Surplus	89,247	92,352	89,443	92,543
Total	**566,446**	**399,905**	**567,664**	**401,295**

NOTE 12 - OTHER ASSETS

	Parent Company		Consolidated	
	Total as of 12/31/2022	Total as of 12/31/2021	Total as of 12/31/2022	Total as of 12/31/2021
Advances to Employees	16,906	15,598	17,054	15,861
Post-employment Benefit (Note 27)	188,281	198,580	188,857	199,143
Other Receivables - Domestic	211,834	138,828	210,053	129,404
Assets for Sale	151,631	144,695	151,738	144,802
Prepaid Expenses	111,379	190,353	112,038	191,622
Other	4,313	3,714	7,105	5,218
Total	**684,344**	**691,768**	**686,845**	**686,050**

NOTE 13 - INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES AND GOODWILL

	Parent Company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Investments in Domestic Subsidiaries and associates	**2,983,388**	**2,247,949**	**163,149**	**146,031**
Investments in Subsidiaries	2,820,239	2,101,918	-	-
Investments in Associates	163,149	146,031	163,149	146,031
Goodwill from Investment Acquisitions [1]	**-**	**624**	**-**	**624**
Total	**2,983,388**	**2,248,573**	**163,149**	**146,655**

(1) Goodwill represents the future economic benefit arising from the acquisition of Bem Promotora de Vendas e Serviços S.A., whose value is being amortized over 10 years.

					Parent Company
	Equity 12/31/2022	Participation in Capital (%) 12/31/2022	Investment Value 12/31/2022	Net Income Jan to Dec/2022	Equity Results Jan to Dec/2022
Subsidiaries	**2,826,719**		**2,820,239**	**610,976**	**598,667**
Banrisul Armazéns Gerais S.A.	69,630	99.50	69,280	9,894	9,845
Banrisul S.A. Corretora de Valores Mobiliários e Câmbio	105,374	98.98	104,303	14,136	13,977
Banrisul S.A. Administradora de Consórcios	377,440	99.68	376,244	62,105	61,908
Banrisul Soluções em Pagamentos S.A.	2,096,139	99.82	2,092,276	374,378	373,584
Banrisul Seguridade Participações S.A.	178,136	100.00	178,136	150,463	139,353
Associates	**326,474**		**163,149**	**162,223**	**81,068**
Bem Promotora de Vendas e Serviços S.A.	62,083	49.90	30,980	30,561	15,250
Banrisul Icatu Participações S.A.	264,391	49.99	132,169	131,662	65,818

					Consolidated
	Equity 12/31/2022	Participation in Capital (%) 12/31/2022	Investment 12/31/2022	Net Income Jan to Dec/2022	Equity Results Jan to Dec/2022
Associates	**326,474**		**163,149**	**162,223**	**81,068**
Bem Promotora de Vendas e Serviços S.A.	62,083	49.90	30,980	30,561	15,250
Banrisul Icatu Participações S.A.	264,391	49.99	132,169	131,662	65,818

					Parent Company
	Equity 12/31/2021	Participation in Capital (%) 12/31/2021	Investment Value 12/31/2021	Net Income Jan to Dec/2021	Equity Results Jan to Dec/2021
Subsidiaries	**2,107,535**		**2,101,918**	**462,657**	**462,386**
Banrisul Armazéns Gerais S.A.	63,437	99.50	63,118	5,689	6,277
Banrisul S.A. Corretora de Valores Mobiliários e Câmbio	94,595	98.98	93,634	7,532	7,447
Banrisul S.A. Administradora de Consórcios	342,806	99.68	341,720	53,782	53,611
Banrisul Cartões S.A.	1,509,496	99.78	1,506,245	280,053	279,450
Banrisul Seguridade Participações S.A.	97,201	100.00	97,201	115,601	115,601
Associates	**292,205**		**146,031**	**87,785**	**43,733**
Bem Promotora de Vendas e Serviços S.A.	46,280	49.90	23,093	30,092	15,016
Banrisul Icatu Participações S.A.	245,925	49.99	122,938	57,693	28,840
VG8JV Tecnologia S.A.[1]	-	-	-	-	(123)

(1) The company ended its activity on April 22, 2021.

					Consolidated
	Equity 12/31/2021	Participation in Capital (%) 12/31/2021	Investment Value 12/31/2021	Net Income Jan to Dec/2021	Equity Results Jan to Dec/2021
Associates	**292,205**		**146,031**	**87,785**	**42,830**
Bem Promotora de Vendas e Serviços S.A.	46,280	49.90	23,093	30,092	15,016
Banrisul Icatu Participações S.A.	245,925	49.99	122,938	57,693	28,840
VG8JV Tecnologia S.A.[1]	-	-	-	-	(1,026)

(1) The company ended its activity on April 22, 2021.

NOTE 14 - PROPERTY AND EQUIPMENT

							Parent Company
	Property in Use	Equipment in Inventory	Facilities	Equipment in Use	Data Processing System	Others	Total
As of December 31, 2021							
Original Cost	182,801	3,676	238,032	154,037	369,813	24,003	972,362
Accumulated Depreciation	(94,757)	-	(134,848)	(87,320)	(264,843)	(18,962)	(600,730)
Net Balance	**88,044**	**3,676**	**103,184**	**66,717**	**104,970**	**5,041**	**371,632**
Acquisitions	-	3,231	9,454	4,358	5,901	167	23,111
Disposals - Cost	(36)	-	(477)	(2,095)	(3,526)	(10)	(6,144)
Disposals - Accumulated Depreciation	36	-	256	1,920	3,507	7	5,726
Depreciation	(1,344)	-	(5,434)	(5,831)	(15,775)	(839)	(29,223)
Net Transfers - Cost	-	(4,155)	(7)	2,621	2,151	87	697
Net Transfers - Accumulated Depreciation	-	-	1	(219)	199	(101)	(120)
Net Change in the Period	**(1,344)**	**(924)**	**3,793**	**754**	**(7,543)**	**(689)**	**(5,953)**
As of December 31, 2022							
Cost	182,765	2,752	247,002	158,921	374,339	24,247	990,026
Accumulated Depreciation	(96,065)	-	(140,025)	(91,450)	(276,912)	(19,895)	(624,347)
Net Balance	**86,700**	**2,752**	**106,977**	**67,471**	**97,427**	**4,352**	**365,679**

							Consolidated
	Property in Use	Equipment in Inventory	Facilities	Equipment in Use	Data Processing System	Others	Total
As of December 31, 2021							
Original Cost	199,621	34,488	246,781	160,600	462,530	26,536	1,130,556
Accumulated Depreciation	(99,555)	-	(139,917)	(92,645)	(300,444)	(21,128)	(653,689)
Net Balance	**100,066**	**34,488**	**106,864**	**67,955**	**162,086**	**5,408**	**476,867**
Acquisitions	574	69,717	13,537	4,741	5,901	177	94,647
Disposals - Cost	(177)	-	(477)	(2,209)	(3,627)	(1,057)	(7,547)
Disposals - Accumulated Depreciation	36	-	256	2,027	3,550	1,028	6,897
Depreciation	(1,536)	-	(5,957)	(6,140)	(36,342)	(888)	(50,863)
Net Transfers - Cost	-	(58,709)	(7)	2,621	56,705	87	697
Net Transfers - Accumulated Depreciation	-	-	1	(219)	199	(101)	(120)
Net Change	**(1,103)**	**11,008**	**7,353**	**821**	**26,386**	**(754)**	**43,711**
As of December 31, 2022							
Original Cost	200,018	45,496	259,834	165,753	521,509	25,743	1,218,353
Accumulated Depreciation	(101,055)	-	(145,617)	(96,977)	(333,037)	(21,089)	(697,775)
Net Balance	**98,963**	**45,496**	**114,217**	**68,776**	**188,472**	**4,654**	**520,578**

NOTE 15 - INTANGIBLE ASSETS

				Parent Company
	Software Use Rights	Right from Acquisition of Payroll operations (1)	Others	Total
As of December 31, 2021				
Original Cost	206,585	1,551,334	1,708	1,759,627
Accumulated Amortization	(120,017)	(897,738)	(658)	(1,018,413)
Net Balance	**86,568**	**653,596**	**1,050**	**741,214**
Acquisitions	23,430	102,705	-	126,135
Disposals – Write Offs	(22)	(873)	-	(895)
Disposals – Amortization Write Offs	22	873	-	895
Amortization	(22,494)	(180,206)	-	(202,700)
Net Transfers Cost	(697)	-	-	(697)
Net Transfers Amortization	120	-	-	120
Net Change	**359**	**(77,501)**	**-**	**(77,142)**
As of December 31, 2022				
Original Cost	229,296	1,653,166	1,708	1,884,170
Accumulated Amortization	(142,369)	(1,077,071)	(658)	(1,220,098)
Net Balance as of December 31, 2022	**86,927**	**576,095**	**1,050**	**664,072**

				Consolidated
	Software Use Rights	Right from Acquisition of Payroll operations (1)	Others	Total
As of December 31, 2021				
Original Cost	208,775	1,551,334	1,944	1,762,053
Accumulated Depreciation	(122,137)	(897,738)	(875)	(1,020,750)
Net Balance	**86,638**	**653,596**	**1,069**	**741,303**
Acquisitions	23,430	102,705	-	126,135
Disposals – Write Offs	(942)	(873)	(19)	(1,834)
Disposals – Amortization Write Offs	942	873	-	1,815
Amortization	(22,524)	(180,206)	-	(202,730)
Net Transfers Cost	(697)	-	-	(697)
Net Transfers Amortization	120	-	-	120
Net Change	**329**	**(77,501)**	**(19)**	**(77,191)**
As of December 31, 2022				
Original Cost	230,566	1,653,166	1,925	1,885,657
Accumulated Depreciation	(143,599)	(1,077,071)	(875)	(1,221,545)
Net Balance as of December 31, 2022	**86,967**	**576,095**	**1,050**	**664,112**

(1) The net balance of R$576,095 (12/31/2021 - R$653,596) is comprised of:

a) R$460,635 (12/31/2021 - R$595,455) refers to the agreement signed with the State of Rio Grande do Sul granting Banrisul the exclusive right of servicing the payroll of state civil servants for the next ten years. In the second half of 2021, as defined in the contract, there was a price adjustment in the amount of R$48,781 which makes up the total balance that will be deferred for the remainder of the contract term. No indications that these assets are impaired were identified;

b) The agreement signed with the Judiciary Power of the State of Rio Grande do Sul to provide payroll services to the Court of Justice's servants for a period of 5 years ended in the third quarter of 2021.

c) R$103,801 (12/31/2021 - R$44,538) refers to contracts signed with town halls and other public sector bureaus, for the provision of banking services related to the payroll of their civil servants, and

d) R$11,659 (12/31/2021 - R$13,603) refers to agreements entered into with private sector, are effective for five years and are amortized over the agreement period, No indications that these assets are impaired were identified.

NOTE 16 - FUNDING

	Without Maturity	Up to 3 Months	3 to 12 Months	Over 12 Months	12/31/2022	12/31/2021
						Parent Company
Deposits						
Demand Deposits [(1)]	4,802,548	-	-	-	4,802,548	4,687,506
Savings Deposits [(1)]	11,294,457	-	-	-	11,294,457	11,565,559
Interbank Deposits	-	2,563,711	-	-	2,563,711	1,392,662
Time Deposits [(2)]	-	4,765,652	4,469,429	40,778,300	50,013,381	47,385,962
Other Deposits	14,685	-	-	-	14,685	14,158
Total	**16,111,690**	**7,329,363**	**4,469,429**	**40,778,300**	**68,688,782**	**65,045,847**
Repurchase Agreements (Repos)						
Own Portfolio [(3)]	-	12,501,695	-	-	12,501,695	10,774,902
Total	**-**	**12,501,695**	**-**	**-**	**12,501,695**	**10,774,902**
Funds from Acceptance and Issuance of Securities						
Funds from Real Estate, Mortgage, Credit and Similar Bonds	-	394,112	1,149,584	1,925,899	3,469,595	2,036,940
Total	**-**	**394,112**	**1,149,584**	**1,925,899**	**3,469,595**	**2,036,940**
Subordinated Debt						
Subordinated Debt – Level II	-	47,572	37,062	1,085,747	1,170,381	4,689,788
MTM Subordinated Debt (Note 08)	-	41,275	37,224	1,090,494	1,168,993	4,673,265
Goodwill/Discount and Charges to be Incorporated	-	6,297	(162)	(4,747)	1,388	16,523
Subordinated Financial Bills - LFS[(5)]	-	-	-	314,447	314,447	-
Total	**-**	**47,572**	**37,062**	**1,400,194**	**1,484,828**	**4,689,788**

	Without Maturity	Up to 3 Months	3 to 12 Months	Over 12 Months	12/31/2022	12/31/2021
						Consolidated
Deposits						
Demand Deposits [(1)]	4,788,216	-	-	-	4,788,216	4,675,682
Savings Deposits [(1)]	11,294,457	-	-	-	11,294,457	11,565,559
Interbank Deposits	-	2,563,711	-	-	2,563,711	1,392,662
Time Deposits [(2)]	-	4,765,652	3,409,436	40,778,300	48,953,388	46,626,153
Other Deposits	16,110	-	-	-	16,110	17,324
Total	**16,098,783**	**7,329,363**	**3,409,436**	**40,778,300**	**67,615,882**	**64,277,380**
Repurchase Agreements (Repos)						
Own Portfolio [(3)]	-	12,421,035	-	-	12,421,035	10,721,736
Total	**-**	**12,421,035**	**-**	**-**	**12,421,035**	**10,721,736**
Funds from Acceptance and Issuance of Securities						
Funds from Real Estate, Mortgage, Credit and Similar Bonds	-	394,111	637,073	1,925,899	2,957,083	1,738,001
Total	**-**	**394,111**	**637,073**	**1,925,899**	**2,957,083**	**1,738,001**
Subordinated Debt						
Subordinated Debt – Level II	-	47,572	37,062	1,085,747	1,170,381	4,689,788
MTM Subordinated Debt (Note 08)	-	41,275	37,224	1,090,494	1,168,993	4,673,265
Goodwill/Discount and Charges to be Incorporated	-	6,297	(162)	(4,747)	1,388	16,523
Subordinated Financial Bills - LFS[(5)]	-	-	-	314,447	314,447	-
Total	**-**	**47,572**	**37,062**	**1,400,194**	**1,484,828**	**4,689,788**

(1) Classified as without maturity since there is no contractual maturity date.

(2) Consider the contractual maturities of each contract.

Time deposits are made up of individuals and companies, with floating or fixed rates equivalent to 99.14% and 0.86% of the total portfolio, respectively. The average funding rate for floating-rate deposits corresponds to 82.11% (12/31/2021 – 81.39%) of CDI, and for fixed-rate deposits, to 8.66% (12/31/2021 – 3.69%) p.a. Of total time deposits, 69.10 % (12/31/2020 – 64.16%) have condition previously agreed of early redemption option, although expense recognition continues to be based on the contractual rate due through maturity, excluding discounts or reductions applicable in the case of early redemption. The maturity dates presented above do not consider the possibility of early redemption.

(3) Funding through securities sold under repurchase agreements - own portfolio is conducted with financial institutions and has an average funding rate of 100% of CDI.

(4) In 2012, Banrisul issued two tranches of Subordinated Debt in the amount of US$500 million and US$275 million, for a period of 10 years, with maturity on 02 February 2022. In 2015, the partial repurchase of the Subordinated Debt in the amount of US$251.81 million took place. After the repurchase, the debt balance denominated in US$ remained, with a notional of 523.185 million. This debt was settled in February 2022.

On January 28, 2021, Banrisul carried out a new issue of subordinated debt (Tier II) in the amount of US$300 million (three hundred million dollars) with annual interest of 5.375%, for a period of 10 years, with a repurchase option in 5 years, according to conditions previously agreed by the Offering Memorandum of this issue.

(5) On September 16, 2022, Banrisul issued Subordinated Financial Bills - LFS, in the amount of R$300,000 (three hundred million reais) with remuneration of CDI + 3.5% p.a., for a period of 10 years, with an option of repurchase by Banrisul from the 5th year, counted from the issuance date. Subordinated Financial Bills are authorized to compose Tier II Capital of Banrisul's Reference Equity, pursuant to BCB Resolution No. 122, of August 2, 2021.

NOTE 17 – BORROWINGS AND ONLENDINGS

	Up to 3 Months	3 to 12 Months	Over 12 Months	12/31/2022	12/31/2021
				Parent Company and Consolidated	
Borrowings[(1)]					
Foreign Borrowings	363,665	649,320	-	1,012,985	1,021,299
Total	**363,665**	**649,320**	**-**	**1,012,985**	**1,021,299**
Onlendings[(2)]					
Domestic Onlendings – Official Institutions	1,935,819	150,951	387,213	2,473,983	1,394,823
Foreign Onlendings	10,650	13,307	3,947	27,904	-
Total	**1,946,469**	**164,258**	**391,160**	**2,501,887**	**1,394,823**

(1) Represented by funds obtained from foreign banks to be used in foreign exchange transactions subject to the variation of the corresponding currencies plus annual interest at rates ranging from 1.68% and 7.75% (12/31/2021 – 1.10% and 2.63%) p.a.

(2) Domestic onlendings represent, basically, funds from Official Institutions (BNDES - National Bank for Economic and Social Development, FINAME - National Equipment Financing Authority, Caixa Econômica Federal - Federal Savings and Loan Bank and FINEP - Funding Authority for Studies and Projects). These onlendings mature on a monthly basis through November 2037, and are subject to from interest from 0.90% to 8.00% (12/31/2021 – 0.90% to 8,00%) p.a., plus variation of the indexes (TJLP - "Long-term interest rate", URTJ-01, US Dollar, currency basket, UPRD, TLP and SELIC) for floating-rate liabilities and up to 16.68% (12/31/2021 – 15.02%) p.a., for fixed-rate liabilities. Funds are transferred to customers on the same terms and with the same funding rates, plus commission for financial intermediation. These funds are collateralized by the same guarantees received for the related loans.

NOTE 18 - OTHER FINANCIAL LIABILITIES

	Up 12 Months	Over 12 Months	Total 12/31/2022	Up 12 Months	Over 12 Months	Total 12/31/2021
						Parent Company
Interfinancial Relations	34,772	-	34,772	46,592	-	46,592
Interdependence Relations	361,092	-	361,092	291,845	-	291,845
Foreign Exchange Portfolio	1,102,688	-	1,102,688	839,298	-	839,298
Securities Trading and Brokerage	2,838	-	2,838	-	-	-
Financial and Development Funds	4,283,259	-	4,283,259	2,601,475	-	2,601,475
Creditors for Resources to be Released	108,191	-	108,191	194,784	-	194,784
Payable Card Transactions	1,632,916	-	1,632,916	1,391,157	-	1,391,157
Acquisition Payable Obligations	731,735	-	731,735	730,199	-	730,199
Provision for guarantees provided and Guarantees (Note 26 (b))	4,296	-	4,296	18,738	-	18,738
Others	140,708	4,916	145,624	34,742	6,548	41,290
Total	**8,402,495**	**4,916**	**8,407,411**	**6,148,830**	**6,548**	**6,155,378**

	Up 12 Months	Over 12 Months	Total 12/31/2022	Up 12 Months	Over 12 Months	Total 12/31/2021
						Consolidated
Interfinancial Relations	34,772	-	34,772	46,592	-	46,592
Interdependence Relations	360,449	-	360,449	290,408	-	290,408
Foreign Exchange Portfolio	1,102,688	-	1,102,688	839,298	-	839,298
Securities Trading and Brokerage	53,667	-	53,667	19,245	-	19,245
Financial and Development Funds	4,283,259	-	4,283,259	2,601,475	-	2,601,475
Creditors for Resources to be Released	108,595	-	108,595	196,228	-	196,228
Payable Card Transactions	1,485,452	-	1,485,452	1,263,580	-	1,263,580
Acquisition Payable Obligations	2,232,034	-	2,232,034	2,118,722	-	2,118,722
and Guarantees (Note 26 (b))	4,296	-	4,296	18,738	-	18,738
Others	140,870	4,916	145,786	55,875	6,548	62,423
Total	**9,806,082**	**4,916**	**9,810,998**	**7,450,161**	**6,548**	**7,456,709**

NOTE 19 - PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

(a) Contingent Assets

No contingent assets were recorded and there are no ongoing lawsuits with probable gains.

(b) Contingent Reserves and Liabilities

In the normal course of their activities, Banrisul and its subsidiaries are parties to tax, labor and civil lawsuits at the judicial and administrative levels.

The provisions were calculated taking into account the opinion of Banrisul's legal counselors, using measurement models and benchmarks available, despite the inherent uncertainty as to the period and outcome of the lawsuits. Banrisul records a provision in the amounts involved in lawsuits that have been assessed as probable losses.

Management believes that the provisions are sufficient to cover probable losses arising from lawsuits.

The changes in reserves are as follows:

					Parent Company
	Tax	Labor	Civil	Other	Total
Opening Balance at 12/31/2021	**664,309**	**1,272,092**	**213,821**	**158,306**	**2,308,528**
Recognition and Inflation Adjustment	122,567	642,352	78,938	2,527	846,384
Reversal of Provision	(531)	-	(24,405)	(158,929)	(183,865)
Payment	(1,172)	(292,770)	(51,093)	-	(345,035)
Closing Balance at 12/31/2022	**785,173**	**1,621,674**	**217,261**	**1,904**	**2,626,012**
Guaranteed Debtors Deposits at 12/31/2022	116,610	586,891	67,632	-	771,133

					Parent Company
	Tax	Labor	Civil	Other	Total
Opening Balance at 12/31/2020	**575,226**	**1,037,629**	**237,899**	**156,562**	**2,007,316**
Recognition and Inflation Adjustment	99,825	418,183	93,528	1,744	613,280
Reversal of Provision	(622)	-	(48,193)	-	(48,815)
Payment	(10,120)	(183,720)	(69,413)	-	(263,253)
Closing Balance at 12/31/2021	**664,309**	**1,272,092**	**213,821**	**158,306**	**2,308,528**
Guaranteed Debtors Deposits at 12/31/2021	89,935	521,888	65,895	-	677,718

					Consolidated
	Tax	Labor	Civil	Other	Total
Opening Balance at 12/31/2021	**664,483**	**1,275,278**	**217,463**	**158,306**	**2,315,530**
Recognition and Inflation Adjustment	122,619	642,369	79,245	2,527	846,760
Provision Reversal	(531)	(829)	(25,002)	(158,929)	(185,291)
Payment	(1,177)	(292,770)	(51,254)	-	(345,201)
Closing Balance at 12/31/2022	**785,394**	**1,624,048**	**220,452**	**1,904**	**2,631,798**
Guaranteed Deposits at 12/31/2022	116,801	592,423	68,827	-	778,051

					Consolidated
	Tax	Labor	Civil	Other	Total
Opening Balance at 12/31/2020	**575,355**	**1,040,779**	**240,258**	**156,562**	**2,012,954**
Recognition and Inflation Adjustment	99,870	419,318	95,062	1,744	615,994
Provision Reversal	(622)	(380)	(48,386)	-	(49,388)
Payment	(10,120)	(184,439)	(69,471)	-	(264,030)
Closing Balance at 12/31/2021	**664,483**	**1,275,278**	**217,463**	**158,306**	**2,315,530**
Guaranteed Deposits at 12/31/2021	90,072	527,101	67,119	-	684,292

Tax Contingencies

Provisions for tax contingencies relate primarily to liabilities related to taxes whose legality or constitutionality is being challenged at the administrative or judicial levels and the likelihood of loss is considered probable, being recognized at the full amount under dispute. For lawsuits collateralized by escrow deposits, the provisioned amounts and respective escrow deposits are not adjusted for inflation. When legal permits are issued as the result of a favorable outcome, the provisioned amounts and respective escrow deposits are adjusted for inflation and withdrawn.

The main tax contingencies refers to: **(i)** income tax and social contribution on the deduction of expenses arising from the settlement of the actuarial deficit of Fundação Banrisul de Seguridade Social (Banrisul Social Security Foundation), challenged by the Brazilian Internal Revenue Service for the years 1998 to 2005, in which Banrisul, through its legal counsel, has been discussing the matter in court and recorded a provision for contingencies in the amount of the estimated loss and respective loss of suit registered in this period in the amount of R$761,363 (12/31/2021 – R$641,449); and **(ii)** other contingencies related to federal and municipal taxes classified by our legal counsel as probable loss in the amount of R$6,344 (12/31/2021 - R$6,290).

There are also some tax contingencies whose likelihood of loss, based on their nature, is considered as possible, in the amount of R$594,839 (12/31/2021 - R$ 45,274), and in the Consolidated - R$635,349 (12/31/2021 - R$46,463). These contingencies are mostly related to litigations of municipal and federal taxes and a provision for contingencies was not recognized, in accordance with applicable accounting practices. In addition to these, there is a tax assessment notice in the scope of the Federal Revenue upon the employer's contribution to the Social Security system as well as to contributions to various funds and entities, requiring the payment of the amount of R$321,824 (12/31/2021 - R$305,949), mainly related to the benefits of the Worker's Food Program - PAT and Profit Sharing - PLR, which was classified by our advisors as a possible loss, in the amount of R$304,358 (12/31/2021 - R$ 289,379), and as of probable loss, the amount of R$17,466 (12/31/2021 - R$16,570), which is duly provisioned.

Labor Contingencies

Refer to lawsuits filed mainly by active employees, former employees, employees of contractors, Associations, Unions and Prosecutors Office, relating to alleged violation of labor rights.

In 2022, a provision of R$361,925 was made for collective labor lawsuits, whose probability of loss has been classified as probable, arising from the contingency activity of class actions, whose conclusion took place in the first half of 2022. Management considers the provision constituted sufficient and continues to monitor the evolution of judicial decisions in lawsuits of this nature, constantly evaluating the risk classification and quantification, whenever necessary.

Besides the contingencies above, this account records provision for labor claims filed against Banrisul, in accordance with the Provisioning Policy for Individual Labor Claims implemented during the second half of 2020, in which, the provisioning for claims whose likelihood of loss is considered probable. Of the aforementioned provision, R$490,549 (12/31/2021 - R$420,424) - consolidated R$494,005 (12/31/2021 - R$423,648) - have been deposited in an escrow account. Additionally, R$96,342 (12/31/2021 - R$101,464) - consolidated R$98,418 (12/31/2021 - R$103,453) - were required for appeals.

There are also some labor contingencies whose likelihood of loss, based on their nature, is considered as possible, in the amount of R$1,472,033 (12/31/2021 - R$778,565) - consolidated R$1,476,483 (12/31/2021- R$781,555) - relating principally to overtime, reintegration to active positions and wage parity. A provision for contingencies was not recognized for the amounts of possible loss on labor claims, in accordance with applicable accounting practices.

Civil Contingencies

Lawsuits for damages refer to compensation for property damage and/or pain and suffering, referring to consumer relations, in particular, matters relating to credit cards, consumer credit, checking accounts, savings accounts, banking collection and loans,

To the civil lawsuits classified as probable loss being defined by the average historic cost of the court decisions and the respective legal costs. The Management will continue to monitor the evolution of judicial decisions over time.

From the previously mentioned allowance, the amount of R$67,632 (12/31/2021 - R$65,895) - consolidated R$68,827 (12/31/2021 - R$67,119) - has been deposited in court.

There is also the amount of R$721,194 (12/31/2021 - R$1,048,401) - consolidated R$723,594 (12/31/2021 - R$1,049,886) - related to lawsuits filed by third parties against Banrisul, mainly related to insurances, real estate loans and checking accounts, which are classified as possible loss by our legal counsel and, therefore, no provisions were recorded.

Other Contingencies

On September 29, 2000, Banrisul received an assessment notice from the Central Bank of Brazil in connection with administrative proceedings filed by that authority related to supposed irregularities in foreign exchange transactions between 1987 and 1989. In an appeal decision at the administrative level, Banrisul was required to pay a fine equivalent to 100% of the amount of the supposedly irregular transactions. This decision is being challenged in court by Management, which, and in compliance with the Central Bank of Brazil requirements, in March 2022 there was a provision for losses in the amount of R$159,360. In April 2022, with a final decision handed down by the STJ, which recognized the statute of limitations for the fines imposed, with the exception of a tiny portion, whose conviction remained, there was a reversal of the provision in 158,929, with the amount of R$1,904 remaining provisioned (12/31 /2021- R$158,306).

NOTE 20 - OTHER LIABILITIES

	Parent Company		Consolidated	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Collection of taxes and mandatory contributions	12,429	26,770	12,429	26,770
Social and Statutory Obligations	129,276	71,458	129,581	71,686
Provision of Personnel	272,658	205,262	273,870	188,870
Obligations for Official Covenants and Payment Services	124,591	123,278	127,765	127,331
Various Creditors in the Country	93,226	94,653	295,087	202,887
Actuarial Liabilities - Post-Employment Benefit (1)	653,764	908,146	657,110	913,091
Provisions for Outgoing Payments	153,140	236,491	190,611	270,027
Anticipated Income	139,517	152,451	139,378	152,404
Others	4,784	4,432	5,537	5,202
Total	**1,583,385**	**1,822,941**	**1,831,368**	**1,958,268**

(1) Refers mostly to the sponsor's obligations regarding deficits found in defined benefit plans offered to employees and former employees of Banrisul and group companies (Note 27 (e)).

NOTE 21 - EQUITY

(a) Capital

Fully subscribed paid-up capital as of December 31, 2022 is R$5,200,000, represented by 408,974 thousand shares with no par value as follows:

	Ordinary Shares		Class A Preferred Shares		Class B Preferred Shares		Total	
	Quantity	**%**	**Quantity**	**%**	**Quantity**	**%**	**Quantity**	**%**
Rio Grande do Sul State								
Shareholding as of 12/31/2021	201,225,359	98.13	751,479	54.73	-	-	201,976,838	49.39
Shares Conversion and Transfers	-		-		-		-	
Shareholding as of 12/31/2022	201,225,359	98.13	751,479	54.73	-	-	201,976,838	49.39
Executive Officers, Board of Directors and Committee Members								
Shareholding as of 12/31/2021	58	-	30	-	3,405	-	3,493	-
Shares Conversion and Transfers	-		-		(400)		(400)	-
Shareholding as of 12/31/2022	58	-	30	-	3,005	-	3,093	-
Free Float								
Shareholding as of 12/31/2021	3,839,424	1.87	621,582	45.27	202,533,140	100.00	206,994,146	50.61
Shares Conversion and Transfers	-		-	-	400	-	400	-
Shareholding as of 12/31/2022	3,839,424	1.87	621,582	45.27	202,533,540	100.00	206,994,546	50.61
Outstanding Shares as of 12/31/2021	**205,064,841**	**100.00**	**1,373,091**	**100.00**	**202,536,545**	**100.00**	**408,974,477**	**100.00**
Shares Conversion and Transfers	-	-	-	-	-	-	-	-
Outstanding Shares as of 12/31/2022	**205,064,841**	**100.00**	**1,373,091**	**100.00**	**202,536,545**	**100.00**	**408,974,477**	**100.00**

Preferred shares do not carry voting rights and are entitled to the following payments:

Class A Preferred Shares:

(i) Priority to receive fixed non-cumulative dividends of six percent (6%) p.a., on the figure resulting from the division of capital by the related number of shares comprising it;

(ii) Right to take part, after Common and Class B Preferred Shares have been paid dividends equal to that paid to those shares, in the distribution of any other cash dividends or bonuses paid out by Banrisul, under the same conditions as Common and Class B Preferred Shares, plus an additional ten percent (10%) over the amount paid to those shares;
(iii) Participates in capital increases deriving from the capitalization of reserves, under the same conditions as Common and Class B Preferred Shares; and
(iv) Priority in capital reimbursement, without a premium.

Class B Preferred Shares:

(i) Participates in capital increases deriving from the capitalization of reserves, under the same conditions as Common and Class A Preferred Shares; and
(ii) Priority in capital reimbursement, without a premium.

(b) Reserve

The Capital Reserve refers to the amounts received by the Company that did not pass through the result, as it is not linked to the delivery of goods or services provided.

The Legal Reserve aims to increasing the Company's capital or absorbing losses, but it cannot be distributed in the form of dividends.

The Statutory Reserve has the purpose of guaranteeing resources for general and IT investments, and is limited to 70% of the paid-in capital.

The Expansion Reserve has the purpose of retaining profits to finance investment opex and capex projects, according to Capital budget proposed by the Management and approved at the Shareholders Meeting.

(c) Allocation of Income

Net income for the year, adjusted in accordance with Law No, 6404/76, is allocated as follows: **(i)** 5% to the Legal Reserve, not exceeding 20% of total Capital; **(ii)** mandatory minimum dividends limited to 25% of adjusted net income; and **(iii)** up to 25% of the net income to the Statutory Reserve, limited to 70% of paid-up capital, and is intended to ensure funds for investments in information technology.

The payout policy adopted by Banrisul aims to pay interest on equity up to the maximum tax-deductible amount calculated in accordance with prevailing legislation, which can be based, on retained earnings or profit reserves, Interest on equity paid can be considered, net of withholding tax, in the calculation of mandatory dividends for the fiscal year, as stated in the Bank’s articles of incorporation.

As permitted by Law No. 9249/95 and CVM Rule No. 207/96 and Interest on Equity and Dividend Policy, Banrisul paid the amount of R$345,520 relating to interest on equity from January to December of 2022 (01/01 to 12/31/2021 - R$367,244), to be considered as dividends, net of withholding tax. The payment of such interest on equity resulted in a tax benefit for Banrisul in the amount of R$155,484 (01/01 to 12/31/2021 - R$174,015).

Banrisul has maintained, since the beginning of 2008, the Quarterly Interest on Equity and Dividend Policy, historically, has paid its shareholders with payment of interest on equity and dividends higher than the minimum legally required.

On April 27, 2022, at the Annual Shareholders’ Meeting, the proposal for the distribution of additional dividends for fiscal year 2022 in the percentage equivalent to 25% of the Net Income deducted from the Legal Reserve was approved, totaling 50%.

The distribution of dividends and interest on equity is shown in the table below:

	01/01 to 12/31/2022	01/01 to 12/31/2021
Net Income	**714,934**	**948,535**
Adjustment		
Legal Reserve	(35,747)	(47,426)
Dividend Calculation Basis	**679,187**	**901,109**
Mandatory Minimum Dividend 25%	169,797	225,277
Aditional Dividend 25% (15% in 2021)	169,797	135,166
Total Dividends	**339,594**	**360,443**
A) Paid Interest on Equity	**324,768**	**345,468**
Commom Shares (R$844.81828 per thousand shares)	173,242	184,131
Preferred Shares A (R$853.01173 per thousand shares)	1,171	1,252
Preferred Shares B (R$844.81828 per thousand shares)	171,107	181,861
Withholding Income Tax related to Interest on Equity	(20,752)	(21,776)
B) Accrued Dividends	**14,826**	**14,975**
Commom Shares (R$36,24072 per thousand shares)	7,431	7,506
Preferred Shares A (R$39.86479 per thousand shares)	55	55
Preferred Shares B (R$36.24072 per thousand shares)	7,340	7,414
Total Interest on Equity and Dividends (A+B)	**339,594**	**360,443**

NOTE 22 - OTHER OPERATING INCOME

(a) Income from Services Rendered and Bank Fees

	Parent Company		Consolidated	
	01/01 to 12/31/2022	01/01 to 12/31/2021	01/01 to 12/31/2022	01/01 to 12/31/2021
Assets Management Fees	48,895	45,659	81,822	70,617
Income from bill colection and custody services	67,939	65,564	67,924	65,550
Income from Management of Sales Poll Groups	-	-	99,141	111,837
Income from Operations Brokerage	-	-	6,080	8,539
Banrisul Pagamentos Service Revenues	-	-	741,902	621,848
Check Returns	11,069	10,731	11,069	10,731
Account Debits	50,245	56,302	50,245	56,302
Collection Services	45,997	47,510	45,997	47,510
Insurance Commissions	200	48,463	266,831	264,330
Bank Fees for Checking Accounts	583,747	577,161	583,747	577,161
Credit Card	52,544	62,533	52,544	62,533
Other Income	55,288	53,117	76,212	75,200
Total	**915,924**	**967,040**	**2,083,514**	**1,972,158**

(b) Other Income

	Parent Company		Consolidated	
	01/01 to 12/31/2022	01/01 to 12/31/2021	01/01 to 12/31/2022	01/01 to 12/31/2021
Recovery of Charges and Expenses	181,957	153,890	27,261	28,763
Reversal of Operating Provisions	25,349	31,018	25,349	31,018
Interbank Rates	24,823	26,408	24,823	26,408
Credit Receivables Securities	16,228	12,588	16,228	12,588
Other Revenues From Cards	146,408	127,352	146,408	127,352
Reversal of Provisions for Outgoing Payments	11,600	15,654	14,634	16,315
Receivables Advance Acquisition Revenue	-	-	25,479	21,357
Portability Income from Credit Operations	9,730	54,543	9,730	54,543
Income from POS Rentals	-	-	61,589	56,084
Update on Judicial Deposits	48,260	24,252	48,588	24,397
Write-off of Investment Abroad	103,832	-	103,832	-
Income Bonus Actions Demutualization of CIP	18,986	-	18,986	-
Update of Taxes to be Compensated	12,565	2,294	13,476	2,294
Salary Variation Compensation Fund Revenue - FCVS	50,280	-	50,280	-
Atualização de Ativo Atuarial	36,335	28,400	36,462	28,486
Other	16,672	24,101	22,059	51,671
Total	**703,025**	**500,500**	**645,184**	**481,276**

(1) Refers to the reclassification of the exchange rate variation on investment in a subsidiary abroad, previously accounted for in Other Comprehensive Income, due to the termination of activities and return of capital to the parent company, which took place in the 2nd quarter of 2022.

NOTE 23 - OTHER OPERATING EXPENSES

(a) Personnel expenses

	Parent Company		Consolidated	
	01/01 to 12/31/2022	01/01 to 12/31/2021	01/01 to 12/31/2022	01/01 to 12/31/2021
Salary	1,261,072	1,090,091	1,278,031	1,109,274
Benefits	372,601	332,461	375,274	334,733
Social charges	494,122	455,089	498,022	458,757
Trainings	4,420	3,800	4,452	3,817
Total	**2,132,215**	**1,881,441**	**2,155,779**	**1,906,581**

(1) The amount of R$119,814 is included in the Direct Remuneration and Benefits expenses, referring to the incentives granted and provisioned under the PDV – Voluntary Termination Program in 2022.

In 2022, the Profit Sharing Program – PPR was implemented, in which performance measurement indicators aligned with the Bank's strategy and based on results, productivity and competences are evaluated. Thus, in 2022, the variable remuneration payment process was discontinued, which occurred until 2021 accounted for in Personnel expenses. From 2022 onwards, the accounting started to be recognized under the Employee Profit Sharing item.

(b) Other Administrative Expenses

	Parent Company		Consolidated	
	01/01 to 12/31/2022	01/01 to 12/31/2021	01/01 to 12/31/2022	01/01 to 12/31/2021
Communications	49,932	52,177	51,059	53,244
Data processing	140,529	117,334	157,374	141,166
Surveillance, Security and Transportation of Values	135,237	125,161	135,237	125,161
Amortization and Depreciation	232,547	228,013	254,217	244,870
Rentals and Condominiums	147,820	139,312	147,363	139,530
Supplies	11,104	11,067	16,738	16,617
Third Party Services (1)	573,483	540,959	589,201	563,506
Specialized Technical Services	177,874	134,896	183,420	137,519
Promotions and Advertising (2)	92,906	93,800	116,255	118,683
Maintenance	60,989	67,461	64,346	68,634
Water, Energy and Gas	32,933	35,387	33,674	36,153
Financial System Services	40,370	32,427	43,553	36,981
Other	73,420	70,548	83,355	77,018
Total	**1,769,144**	**1,648,542**	**1,875,792**	**1,759,082**

(1) Of the amount of R$573,483 (12/31/2021- R$540,959), R$284,930 (12/31/2021 – 255,980) come from expenses with services originating from payroll deductible loans through the Bem Promotora de Vendas e Serviços S.A.

(2) Consists mainly of R$32,852 (12/31/2021- R$39,051), and in the Consolidated R$41,924 (12/31/2021- R$48,844), of institutional advertising expenses of R$57,750 (12/31/2021 – R$51,551) and in Consolidated of R$44,325 (09/30/2021- R$37,916) as sponsorship of sport events and teams.

(c) Other Operational Expenses

	Parent Company		Consolidated	
	01/01 to 12/31/2022	01/01 to 12/31/2021	01/01 to 12/31/2022	01/01 to 12/31/2021
Discounts Granted on Debt Restructurings	53,913	43,469	53,913	43,469
Expenses on Collection of Federal Taxes	8,887	2,897	8,887	2,897
Expenses on Cards	12,771	10,073	12,771	10,073
Expenses with Provisions for Guarantees Provided by Banrisul	266	780	266	780
Credit Operations Portability Expenses	52,581	91,920	52,581	91,920
Fees from INSS Covenant	194,059	142,130	194,059	142,130
Banrisul Advantage Membership Program Bonus	21,710	12,425	21,710	12,425
Expenses with Banrisul Pagamentos Branded Cards	-	-	50,735	37,322
Costs with Payroll Loan Agreements	6,304	6,911	6,304	6,911
Inflation Adjustment on Financing Release	13,336	4,105	13,336	4,105
Fee Losses Not Received	20,955	22,249	20,955	22,249
Update of Actuarial Obligations	55,588	34,947	55,934	35,233
Other	51,953	64,785	82,951	91,839
Total	**492,323**	**436,691**	**574,402**	**501,353**

NOTE 24 - INCOME TAX AND SOCIAL CONTRIBUTION

Reconciliation of Income Tax and Social Contribution Expenses/Revenue

	Parent Company		Consolidated	
	01/01 to 12/31/2022	01/01 to 12/31/2021	01/01 to 12/31/2022	01/01 to 12/31/2021
Income for the Period before Taxes and Profit Sharing	**454,512**	**1,119,350**	**767,770**	**1,356,033**
Income Tax (IRPJ) - Rate 25%	(113,628)	(279,837)	(191,942)	(339,008)
Social Contribution Tax (CSLL) - Rate 9%	-	-	(74,166)	(56,357)
Social Contribution Tax (CSLL) – Rate (1)	-	-	(3,734)	(2,321)
Social Contribution Tax (CSLL) – Rate (2)	(90,902)	(246,553)	-	(145,973)
Total Income and Social Contribution Taxes calculated at Current Rate	**(204,530)**	**(526,390)**	**(269,842)**	**(543,659)**
Exchange Variation on Divestment Abroad	46,725	-	46,725	-
Profit Sharing	82,736	59,399	82,736	59,399
Interest on Equity	155,484	174,015	155,484	174,015
Equity Result	305,211	240,230	36,480	20,858
Other Exclusions, Net of Additions	58,116	7,434	79,511	7,775
Total Income and Social Contribution Taxes	**443,742**	**(45,312)**	**131,094**	**(281,612)**
Current	-	(97,314)	(323,415)	(335,698)
Deferred	443,742	52,002	454,509	54,086

(1) Social Contribution Tax (CSLL) – Rate of 15% from January until June, 2021, rate of 20% from July, 2021 and December, 2021 and rate of 15% from January 2022. Law No. 14,446 of 09/02/22, Art. 1, changed the rate of Social Contribution on Income of the financial sector, raising it from 15% to 16% as of August 2022. This rate increase also impacted tax credits constituted on temporary differences, which will take place until December 2022. On January 1, 2023, the Social Contribution on Profit of the financial sector will return to a rate of 15%.

(2) Social Contribution Tax (CSLL) – Rate of 20% from January until June, 2021, rate of 25% from July, 2021 and December, 2021 and rate of 20% from January 2022. Law No. 14,446 of 09/02/22, Art. 1, changed the rate of Social Contribution on Income of the financial sector, raising it from 20% to 21% as of August 2022. This rate increase also impacted the tax credits constituted on temporary differences, which will take place until December 2022. On January 1, 2023, the Social Contribution on Profit of the financial sector will return to a rate of 20%.

NOTE 25 – EARNINGS PER SHARING

The following table presents the earnings per share using the weighted average number of outstanding common and preferred shares, timely adjusted to the period of the present financial statements.

	Parent Company and Consolidated	
	01/01 to 12/31/2022	01/01 to 12/31/2021
Net Income Attributable to Controlling Shareholders – R$ Thousand	**714,934**	**948,535**
Common Shares	358,409	475,500
Preferred A Shares	2,535	3,398
Preferred B Shares	353,990	469,637
Weighted Average of Outstanding Shares	**408,974,477**	**408,974,477**
Weighted Average Number of Outstanding Common Shares	205,064,841	205,064,841
Weighted Average Number of Outstanding Preferred A Shares	1,373,091	1,373,091
Weighted Average Number of Outstanding Preferred B Shares	202,536,545	202,536,545
Basic and Diluted earnings per Share – R$		
Commom Shares	1.75	2.32
Preferred A Shares	1.85	2.47
Preferred B Shares	1.75	2.32

NOTE 26 – COMMITMENTS, GUARANTEES AND OTHER

(a) State Law No. 12069, enacted on April 22, 2004, as amended by Law No. 14738/15, instructs that Banrisul must transfer to Rio Grande do Sul State up to 95% (ninety five percent) of the escrow deposits made to the Reserve Fund for the Return of Legal Deposit Guarantee, in which the disputing parties are neither the State nor municipalities. The remaining amount of collected escrow deposits not transferred will constitute the Reserve Fund to ensure the refund of said deposits. As of December 31, 2022, the balance of said collected resources, indexed by the same rules as savings accounts, according to Law No 12,703/12 and article 12 of Law No 8177/91 as of the reporting date totaled R$13,352,105 (12/31/2021 - R$12,035,888), of which R$10,040,503

(12/31/2021 - R$10,112,837) was transferred to the State upon its request. The remaining balance, which makes up the aforementioned fund, is recorded in Other Liabilities - Financial and Development Fund.

(b) Sureties and guarantees granted to customers amount to R$117,204 (12/31/2021 - R$185,625), generate fee income and have recourse to the beneficiaries in case they have to be honored. Provisions for possible losses amounting to R$4,296 (12/31/2021 - R$18,738) have been made.

(c) Banrisul has confirmed import and export credits for R$121,636 (12/31/2021 - R$93,787) and recourse exposure from credit assignments for R$3,567 (12/31/2021 - R$4,308).

(d) Banrisul manages various funds and portfolios, which have the following net assets:

	Parent Company and Consolidated	
	12/31/2022	**12/31/2021**
Investment Funds (1)	15,057,700	13,283,419
Feeder Funds	65,603	100,606
Equity Funds	206,519	335,830
Individual Retirement Programmed Funds	10,738	10,731
Fund to Guarantee the Liquidity of Rio Grande do Sul State Debt Securities	7,489,225	6,034,960
Managed Portfolios	524,225	464,244
Total	**23,354,010**	**20,229,790**

(1) The investments fund portfolios consist primarily of fixed-rate and variable rate securities, and their carrying amounts already reflect fair value adjustments at the balance sheet date.

(e) Subsidiary Banrisul S.A. Administradora de Consórcios is responsible for the management of 161 buyers' pools (169 in 12/31/2021), including real estate, motorcycles and vehicles, comprising active 79,012 pool members (75,312 in 12/31/2021).

(f) Banrisul leases properties, mainly used for branches, based on standard contracts which may be cancelled at its own discretion and include renewal options and adjustment clauses. Total future minimum payments under lease agreements as of December 31, 2022 were R$309,170, of which R$109,102 mature in up to one year, R$191,364 from one to five-year term and R$8,704 beyond five-year term. In the period, lease payments recognized as expenses amounted to R$136,646.

NOTE 27 - POST-EMPLOYMENT LONG-TERM BENEFIT OBLIGATIONS TO EMPLOYEES

Banrisul is the sponsor of Fundação Banrisul ("FBSS") and Cabergs, ensuring the provision of retirement benefits and medical care to its employees.

Fundação Banrisul is an independent entity that seeks to offer pension benefit plans to its participants, employees from its sponsors and their beneficiaries, through specific contributions established in their respective plans and regulations.

Banrisul's Social Security Policy, operated through Fundação Banrisul de Seguridade Social, and established in January 29, 1963, in accordance with the rules then in force, is legally grounded on article 202 of the Federal Constitution of October 5, 1988, Supplementary Laws No. 108 and No. 109 of May 29, 2001 and other legal provisions in force, issued by regulators of Social Security associated with the Ministry of Finance, the National Supervisory Office of Supplementary Pension (Previc) and the National Council on Supplementary Pension (CNPC), the articles of incorporation of Fundação Banrisul and the relevant regulations of the Benefit Plans and in accordance with CMN Resolutions No 4,994/22. As per article 08 of the CMN Resolution No. 4,994/22, the Chief Investment Officer, the technically qualified portfolio manager, is to be designated by the Deliberative Committee of the Pension Fund, in the quality of the main officer responsible for managing, allocating, supervising and monitoring the plans resources and by making available information related to the sources and uses of these resources.

The Benefit Plans which put into practice Banrisul's Private Pension Policy are grounded on the respective regulations of the Plans, which set forth all rights and obligations of the Participants, Sponsors, Actuarial Funding Plan, legal deadlines, way of payment of monthly contributions and benefits, length of minimum contribution and other parameters. All regulations are approved by the legal internal management bodies, by the Sponsor(s) and by the Federal Supervision and Regulation bodies, pursuant to the legislation currently in force, In accordance with CNPC Resolution No. 30/2018, the Executive Council of Banrisul Foundation has appointed the Administrator Responsible for the Benefit Plan – ARPB.

The set of assumptions and actuarial methods adopted for the actuarial calculations arose from interaction with an external actuarial advisory firm which performed the calculations for the Benefit Plans managed by Fundação Banrisul, Executive Board and the representatives of the Decision-making Board of the Foundation and supported by the sponsors of Benefit Plan I and Settled Plan (defined benefit type) and FBPREV, FBPREV II and FBPREV III Plan (variable contribution type), pursuant to CNPC Resolution No. 30/2018, Previc Instruction No. 33/2020 and Previc Ordinance No. 373/2022.

(a) Key Assumptions

The key assumptions below were elaborated upon information available at December 31, 2022 and 2021, subject to annual review.

Economic Assumptions – 06/30/2022	PBI Plan (% p.a)	Settled Plan (% p.a)	FBPREV Plan (% p.a)	FBPREV II Plan (% p.a)	FBPREV III Plan (% p.a)	Health Plan (% p.a) [1] PAM	POD	PROMED	Retirement Award (% p.a)
Real Actuarial Discount Rate	6.10	6.14	6.11	6.14	6.10	6.17	6.17	6.17	6.09
Expected Real Return on Assets	6.10	6.14	6.11	6.14	6.10	6.17	6.17	6.17	6.09
Real Salary Growth Rate for Active Employees	1.36	-	5.15	1.51	0.41	According to Plan [2]	n/a	n/a	5.15
Real Growth in Plan Benefits During Receipt	0.30	-	-	-	-	-	-	1.00	-
Capacity Factor on Benefits	98.00	98.00	98.00	98.00	98.00	98.00	100.00	100.00	n/a
Capacity Factor on Salaries	98.00	98.00	98.00	98.00	98.00	98.00	100.00	100.00	100.00
Expected Inflation Rate	5.23	5.23	5.23	5.23	5.23	5.23	5.23	5.23	5.23
Nominal Discount Rate	11.65	11.69	11.66	11.69	11.65	11.72	11.72	11.72	11.64
Expected Nominal Return on Assets	11.65	11.69	11.66	11.69	11.65	11.72	11.72	11.72	11.64
Nominal Salary Growth Rate for Active Employees	6.66	5.23	10.65	6.82	5.66	According to Plan [2]	n/a	n/a	10.65
Nominal Growth in Plan Benefits During Receipt	5.55	5.23	5.23	5.23	5.23	5.23	5.23	6.28	5.23

(1) Health Plans with post-employment benefits in PAM - Medical and Hospital Assistance Plan, POD - Dental Plan and PROMED - Medication Aid Program.

(2) According to the Pension Plan to which the beneficiaries are registered.

Economic Assumptions - 12/31/2021	PBI Plan (% p.a)	Settled Plan (% p.a)	FBPREV Plan (% p.a)	FBPREV II Plan (% p.a)	FBPREV III Plan (% p.a)	Health Plan (% p.a) [1] PAM	POD	(% p.a)	Retirement Award (% p.a)
Real Actuarial Discount Rate	5.28	5.44	5.36	5.47	5.32	According to Plan [2]	5.44	5.47	5.24
Expected Real Return on Assets	5.28	5.44	5.36	5.47	5.32	According to Plan [2]	5.44	5.47	5.24
Real Salary Growth Rate for Active Employees	0.66	-	4.35	2.06	0.41	According to Plan [2]	n/a	n/a	4.35
Real Growth in Plan Benefits During Receipt	0.30	-	-	-	-	-	-	1.00	-
Capacity Factor on Benefits	98.00	98.00	98.00	98.00	98.00	98.00	100.00	100.00	n/a
Capacity Factor on Salaries	98.00	98.00	98.00	98.00	98.00	98.00	100.00	100.00	100.00
Expected Inflation Rate	5.03	5.03	5.03	5.03	5.03	5.03	5.03	5.03	5.03
Nominal Discount Rate	10.58	10.74	10.66	10.78	10.62	According to Plan [2]	10.75	10.77	10.53
Expected Nominal Return on Assets	10.58	10.74	10.66	10.78	10.62	According to Plan [2]	10.75	10.77	10.53
Nominal Salary Growth Rate for Active Employees	5.72	5.03	9.60	7.19	5.46	According to Plan [2]	n/a	n/a	9.60
Nominal Growth in Plan Benefits During Receipt	5.35	5.03	5.03	5.03	5.03	5.03	5.03	6.08	5.03

(1) Health Plans with post-employment benefits in PAM - Medical and Hospital Assistance Plan, POD - Dental Plan and PROMED - Medication Aid Program.

(2) According to the Pension Plan to which the beneficiaries are registered.

Demographic Assumptions as of 12/31/2022	Mortality Table	Mortality Table (Disabled)	Disability Entry Table	Annual Turnover Rate	Option for BPD	Retirement Entry	Family Composition
PBI Plan	AT-2000 (-10%) gender specific	RRB – 83 (-50%)	Álvaro Vindas (-70%)	PBI and FBPREV Experience III 2015-2020	Not Applicable	100% when reaching full benefit	To be Granted: Average Family (74% married, woman 4 years younger), Granted: Real Family
Settled Plan	AT-2000 (-30%) gender specific	RRB – 83 (-50%)	Álvaro Vindas (-70%)	Settled Experience 2015-2020	Not Applicable	Likely retirement date informed in registrer	To be Granted: Average Family (74% married, woman 4 years younger), Granted: Real Family
FBPREV Plan	AT-2000 (-30%) gender specific	RRB – 83 (-50%)	Álvaro Vindas (-70%)	FBPREV Experience 2015-2020	-	100% in normal retirement according to plan elegibility	Real Family, as registered
FBPREV II Plan	AT-2000 (-30%) gender specific	Winklevoss	Álvaro Vindas (-70%)	FBPREV III Experience 2015-2020	-	100% in normal retirement according to plan elegibility	Real Family, as registered
FBPREV III Plan	AT-2000 smoothed by 10%, gender specific	RRB – 83 (-50%)	Álvaro Vindas	PBI and FBPREV III Experience 2015-2020	-	100% in normal retirement according to plan elegibility	Real Family, as registered
Health Plan (1):							
PAM	According to Pension Plan (2)	According to Pension Plan (2)	According to Pension Plan (2)	According to Pension Plan (2)	-	100% in normal retirement according to plan elegibility	According to Pension Plan (2)
POD	AT-2000 Basic (-30%) gender specific	RRB – 83 (-50%)	Álvaro Vindas (-70%)	PBI and FBPREV I Experience 2015-2020	-	100% in normal retirement according to plan elegibility	Real Family
PROMED	AT-2000 Basic (-30%) gender specific	RRB – 83 (-50%)	Álvaro Vindas (-70%)	PBI and FBPREV I Experience 2015-2020	-	100% in normal retirement according to plan elegibility	Not Applicable
Retirement Award	AT-2000 (-30%) gender specific	n/a	Álvaro Vindas (-70%)	FBPREV Experience 2015-2020	-	60 years old and 10 years in Company	Not Applicable

(1) Health Plans with post-employment benefits in PAM - Medical and Hospital Assistance Plan, POD - Dental Plan and PROMED - Medication Aid Program.

(2) According to the Pension Plan to which the beneficiaries are registered.

Demographic Assumptions as of 12/31/2021	Mortality Table	Mortality Table (Disabled)	Disability Entry Table	Annual Turnover Rate	Option for BPD	Retirement Entry	Family Composition
PBI Plan	AT-2000 (-10%) gender specific	RRB – 83 (-50%)	Álvaro Vindas (-70%)	PBI and FBPREV Experience III 2015-2020	Not Applicable	100% when reaching full benefit	To be Granted: Average Family (74% married, woman 4 years younger), Granted: Real Family
Settled Plan	AT-2000 (-40%) gender specific	RRB – 83 (-50%)	Álvaro Vindas (-70%)	Settled Experience 2015-2020	Not Applicable	Likely retirement date informed in registrer	To be Granted: Average Family (74% married, woman 4 years younger), Granted: Real Family
FBPREV Plan	AT-2000 (-30%) gender specific	RRB – 83 (-50%)	Álvaro Vindas (-70%)	FBPREV Experience 2015-2020	-	100% in normal retirement according to plan eligibility	Real Family, as registered
FBPREV II Plan	AT-2000 (-40%) gender specific	Winklevoss	Álvaro Vindas (-70%)	FBPREV III Experience 2015-2020	-	100% in normal retirement according to plan eligibility	Real Family, as registered
FBPREV III Plan	AT-2000 smoothed by 10%, gender specific	RRB – 83 (-50%)	Álvaro Vindas	PBI and FBPREV III Experience 2015-2020	-	100% in normal retirement according to plan eligibility	Real Family, as registered
Health Plan (1):							
PAM	According to Pension Plan (2)	According to Pension Plan (2)	According to Pension Plan (2)	According to Pension Plan (2)	-	100% in normal retirement according to plan eligibility	According to Pension Plan (2)
POD	AT-2000 Basic (-40%) gender specific	RRB – 83 (-50%)	Álvaro Vindas (-70%)	PBI and FBPREV I Experience 2015-2020	-	100% in normal retirement according to plan eligibility	Real Family
PROMED	AT-2000 Basic (-40%) gender specific	RRB – 83 (-50%)	Álvaro Vindas (-70%)	PBI and FBPREV I Experience 2015-2020	-	100% in normal retirement according to plan eligibility	Real Family
Retirement Award	AT-2000 (-30%) gender specific	n/a	Álvaro Vindas (-70%)	FBPREV Experience 2015-2020	-	60 years old and 10 years in Company	Not Applicable

(1) Health Plans with post-employment benefits in PAM - Medical and Hospital Assistance Plan, POD - Dental Plan and PROMED - Medication Aid Program.

(2) According to the Pension Plan to which the beneficiaries are registered.

The assumptions relating to mortality experience are set based on the actuarial experience, adjusted according to the demographic profile of Banrisul employees.

The current value of obligations for the defined benefit pension plan is obtained from actuarial calculations, which use a set of financial, economic and biometric assumptions. The discount rate is among the assumptions used in determining the net cost (income) for these plans. Any changes in these assumptions will affect the carrying value of the obligations of pension plans.

Banrisul determines the appropriate discount rate at the end of each year, in observance of CVM Resolution No. 110 and CMN Resolution No. 4877/20, which is used to determine the present value of estimated future cash outflows that shall be required to settle the obligations of pension plans. The real discount rates were calculated considering the interpolation of the rates of the IMA-B index, released by ANBIMA, as of December 29, 2022.

Pursuant to CNPC Resolution No. 30/2018, combined with PREVIC Instruction No. 33/2020 and PREVIC Ordinance No. 373/2022, Fundação Banrisul de Seguridade Social carries out studies to establish the profile of the obligation maturities of the Benefit Plans I and determine the duration and other analyses of distribution of the payment of benefits.

Other important assumptions for pension obligations are based in part on current market conditions.

(b) Descriptions of the Plans and Other Long-Term Benefits

Benefit Plan I (PBI) - This plan, incorporated as a defined benefit plan, encompass post-retirement benefits, salary payment during any sickness period of the participant, prisoner's family grant, funeral allowance and annual bonus.

The plan participants' monthly contribution corresponds to the payment of percentages of their salary, The Benefit Plan was closed to new members as from July 2009.

Settled Defined Plan (PBS) - the benefits provided by this defined benefit plan include settled retirement benefit, settled disability benefit, death benefits, funeral assistance and annual bonus.

There will not be ordinary contributions to the settled benefit plan and, upon retirement, the participant will receive a benefit proportional to the period of contribution to the PBI plan.

Plan FBPREV - provides variable contribution benefits, such as regular retirement, early retirement, disability retirement, proportional benefits, sick pays, annual bonus, minimum benefit, life insurance with survival coverage benefit and funeral allowance.

The participant's regular contributions comprise three portions:
(i) Basic portion: 1% to 3% (0,5% intervals) of the monthly contribution pay base;
(ii) Additional portion: may vary from 1% to 7,5% (0,5% intervals) of the monthly contribution pay base in excess of 9 (nine) reference units; and
(iii) Variable portion: percentage applied to the monthly contribution pay basis, annually established by the actuary to cover 50% of the costs of risk benefits and 50% of the plan's administrative expenses.

In addition to regular contributions, a participant may opt to make monthly contributions not lower than 1 (one) reference unit and not matched by the sponsor.

Banrisul's contributions match the participants' regular contributions.

Plan FBPREV II - provides variable contribution benefits, such as regular retirement, early retirement, disability retirement, proportional benefits, sick pays, annual bonus, minimum benefit and, life insurance with survival coverage benefit and funeral allowance.

The participant's regular contributions comprise three portions:

(i) Basic portion: 3% to 5% of the monthly contribution pay base;
(ii) Additional portion: may vary from 5% to 10% (interval of 1%) of the monthly contribution pay base in excess of 9 (nine) reference units; and
(iii) Variable portion: percentage applied to the monthly contribution pay basis, annually established by the actuary to cover 50% of the costs of risk benefits and 50% of the plan's administrative expenses, calculated at 10% of the total of other contributions.

In addition to regular contributions, the participant may opt to make contributions not lower than 1 (one) reference unit not matched by the sponsor.

Banrisul's contributions match the participants' regular contributions.

Plan FBPREV III - provides variable contribution benefits, such as regular retirement, early retirement, disability retirement, proportional benefits, sick pays, annual bonus, minimum benefit and, life insurance with survival coverage benefit and funeral allowance.

The participant's regular contributions comprise three portions:

(i) Basic portion: 3%, 4% or 5% of the monthly contribution pay base;
(ii) Additional portion: may vary from 5% to 10% (interval of 1%) of the monthly contribution pay base in excess of 9 (nine) reference units; and
(iii) Variable portion: percentage applied to the monthly contribution pay basis, annually established by the actuary to cover 50% of the costs of risk benefits and the plan's administrative expenses.

In addition to regular contributions, the participant may opt to make contributions not lower than 1 (one) reference unit not matched by the sponsor.

Banrisul's contributions match the participants' regular contributions.

Health Plan (PAM, POD and PROMED) - Banrisul offers health plans through CABERGS, to its active employees and retirees by Banrisul Foundation.

Retirement Award (Post-employment Benefits) - Banrisul grants its employees a premium for retirement that is paid in full on the date the employee leaves the company for retirement.

(c) Main Actuarial Risks

Banco do Estado do Rio Grande do Sul and Fundação Banrisul de Seguridade Social together may carry out studies of asset-liability gaps in order to identify transactions in the financial, capital and insurance markets which could reduce or eliminate the actuarial risks of the Plans.

Through its defined benefit plans, the Bank is exposed to a number of risks, the most significant being:

Volatility of Assets - the plan's obligations are calculated using a discount rate that is established based on the profitability of corporate or government bonds, in the absence of an active market; If the event that the plan assets do not achieve such profitability, a deficit is created. The pension plans in Brazil and in the United States maintain a significant proportion of their assets invested in equity, whose yield is expected to exceed the yield of the corporate bonds in the long term, while resulting in volatility and risk in the short term.

Variation in Bond Yields - a decrease in the yield of private or government bonds will result in the increase of the liabilities of the plan, although this variation may be partially offset by an increase in the fair value of securities held by the plans.

Inflation Risk - certain obligations of the Banrisul's pension plans are linked to inflation indexes, and higher inflation will lead to higher level of obligations (though, in many cases, there are limits to the level of inflation adjustments allowed to protect the plan against extreme inflation rates). Most of the plan assets either are not affected (securities with fixed interest) or have a small correlation (equity) with inflation, which means that higher inflation will also result in higher deficits.

Life Expectancy - most of the obligations of the plans is to grant lifetime benefits to participants. Therefore, increases in life expectancy will result in increased obligations of the plans.

(d) Plan Asset Management

The Plan's asset allocations percentage are as follow:

Plans	PB I % Allocated		PBS % Allocated		FBPREV % Allocated		FBPREV II % Allocated		FBPREV III % Allocated		Health % Allocated	
Categories	**Dec22**	**Dec21**	**Dec22**	**Dec21**	**Dec22**	**Dec21**	**Dec22**	**Dec21**	**Dec22**	**Dec21**	**Dec22**	**Dec21**
Cash	0.03	0.04	-	0.01	0.01	0.01	0.00	0.01	-	0.01	0.12	0.02
Fixed Income	84.97	80.92	77.97	72.09	85.44	73.80	82.69	70.55	89.46	81.27	97.86	98.06
Equity	6.10	10.09	3.95	8.02	1.21	4.64	1.85	6.33	5.21	9.30	2.02	1.92
Real Estate	5.26	4.43	3.40	3.05	-	-	1.43	1.41	4.43	3.85	-	-
Other	3.64	4.52	14.68	16.83	13.34	21.55	14.03	21.70	0.90	5.57	-	-
Total	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

Defined benefit plan assets include Banrisul shares with a fair value of R$7,322 (12/31/2021 - R$7,825) and rented real state with a fair value of R$143,786 (12/31/2021 - R$136,289).

(e) Actuarial Reviews

The net actuarial liability/(asset) breakdown summary for the periods ended December 31, 2022 and 2021, prepared based on the actuarial report as of December 31, 2022 and 2021, respectively, and in accordance with CPC 33 (R1), is shown below:

Liabilities/(Assets) Recorded in the Balance Sheet with Benefits of:	12/31/2022	12/31/2021
Pension Plans		
Benefit Plan I (PBI)	353,432	455,009
Settled Plan (PBS)	122,931	258,236
FBPREV Plan (FBPREV)	(2)	-
FBPREV II Plan (FBPREV II)	(56)	(71)
FBPREV III Plan (FBPREV III)	29,361	53,159
Health Plan (PAM, POD and PROMED)	(188,799)	(199,072)
Retirement Award	151,386	146,687
Total	**468,253**	**713,948**

The breakdown of the net actuarial liabilities/(assets) prepared based on the actuarial reports as of December 31, 2022 and 2021, and according to CPC 33 (R1), is as follows:

Balance of net Liabilities/(Assets) as of 12/31/2022	**Benefit Plan I**	**Settled Plan**	**FBPREV Plan**	**FBPREV II Plan**	**FBPREV III Plan**	**Health Plan**	**Retirement Award**
Actuarial Liabilities Assessed in the Actuarial Report	1,248,707	1,331,422	17,678	180,975	349,578	-	151,386
Fair Value of Plan Assets	(895,275)	(1,208,491)	(26,602)	(220,984)	(320,217)	-	-
Deficit/(Surplus)	**353,432**	**122,931**	**(8,924)**	**(40,009)**	**29,361**	**-**	**151,386**
Effect of Asset Limit	-	-	8,922	39,953	-	-	-
Net Actuarial Liabilities/Assets	**353,432**	**122,931**	**(2)**	**(56)**	**29,361**	**-**	**151,386**

Balance of net Liabilities/(Assets) as of 12/31/2021	**Benefit Plan I**	**Settled Plan**	**FBPREV Plan**	**FBPREV II Plan**	**FBPREV III Plan**	**Health Plan**	**Retirement Award**
Actuarial Liabilities Assessed in the Actuarial Report	1,486,513	1,464,479	15,920	182,808	381,458	199,072	146,687
Fair Value of Plan Assets	(1,031,504)	(1,206,243)	(20,121)	(215,382)	(328,299)	(530,942)	-
Deficit/(Surplus)	**455,009**	**258,236**	**(4,201)**	**(32,574)**	**53,159**	**(331,870)**	**146,687**
Effect of Asset Limit	-	-	4,201	32,503	-	132,798	-
Net Actuarial Liabilities (Assets)	**455,009**	**258,236**	**-**	**(71)**	**53,159**	**(199,072)**	**146,687**

Changes in Present Value of Actuarial Liabilities as of 12/31/2022	**Benefit Plan I**	**Settled Plan**	**FBPREV Plan**	**FBPREV II Plan**	**FBPREV III Plan**	**Health Plan**	**Retirement Award**
Present Value of Actuarial Liabilities as of January 1st	**1,486,513**	**1,464,479**	**15,920**	**182,808**	**381,458**	**199,072**	**146,687**
Net Cost of Current Service	52	-	476	(224)	(10)	692	5,571
Contributions from Plan Participants in the Period	49,563	3,378	2,489	671	617	-	-
Interest on Actuarial Liabilities	153,101	154,615	1,665	19,548	39,376	21,142	13,868
Benefits Paid in the Period	(189,980)	(107,362)	(1,046)	(15,242)	(38,167)	(11,488)	(4,792)
(Gain)/Loss on Actuarial Liabilities	(250,542)	(183,688)	(1,826)	(6,586)	(33,696)	(20,619)	(9,948)
Present Value of Actuarial Liabilities at end of Period (Restated)	**1,248,707**	**1,331,422**	**17,678**	**180,975**	**349,578**	**188,799**	**151,386**

Changes in Present Value of Actuarial Liabilities as of 12/31/2021	**Benefit Plan I**	**Settled Plan**	**FBPREV Plan**	**FBPREV II Plan**	**FBPREV III Plan**	**Health Plan**	**Retirement Award**
Present Value of Actuarial Liabilities as of January 1st	**1,754,779**	**1,561,554**	**19,062**	**178,207**	**427,271**	**228,908**	**194,483**
Net Cost of Current Service	154	-	994	(245)	3	(615)	9,475
Contributions from Plan Participants in the Period	35,783	3,234	588	556	8	-	-
Interest on Actuarial Liabilities	111,621	105,484	1,269	11,688	27,409	15,919	11,567
Benefits Paid in the Period	(197,800)	(98,750)	(917)	(14,513)	(36,982)	(10,476)	(6,120)
(Gain)/Loss on Actuarial Liabilities	(218,024)	(107,043)	(5,076)	7,115	(36,251)	(34,664)	(62,718)
Present Value of Actuarial Liabilities at End of Period	**1,486,513**	**1,464,479**	**15,920**	**182,808**	**381,458**	**199,072**	**146,687**

Changes in the Fair Value of Plan Assets as of 12/31/2022	**Benefit Plan I**	**Settled Plan**	**FBPREV Plan**	**FBPREV II Plan**	**FBPREV III Plan**	**Health Plan**	**Retirement Award**
Fair Value of the Plan Assets as of January 1st	**(1,031,504)**	**(1,206,243)**	**(20,121)**	**(215,382)**	**(328,299)**	**(530,942)**	**-**
Benefits Paid from Plan Assets in the Period	189,980	107,362	1,046	15,242	38,167	-	
Contributions from Plan Participants in the Period	(49,563)	(3,378)	(2,489)	(671)	(617)	-	-
Contributions from the Sponsor in the Period	(26,631)	(3,356)	(2,391)	(660)	(537)	-	-
Expected Return on Assets	(101,370)	(126,405)	(2,284)	(23,315)	(33,534)	(60,062)	-
(Gain)/Loss on Fair Value of the Plan Assets	123,813	23,529	(363)	3,802	4,603	16,620	-
Fair Value of the Plan Assets at end of Period	**(895,275)**	**(1,208,491)**	**(26,602)**	**(220,984)**	**(320,217)**	**(1,137,910)**	**-**

Changes in the Fair Value of Plan Assets as of 12/31/2021	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Fair Value of the Plan Assets as of January 1st	**(1,198,494)**	**(1,254,789)**	**(18,618)**	**(186,180)**	**(345,834)**	**(512,738)**	**-**
Benefits Paid from Plan Assets in the Period	197,800	98,750	917	14,513	36,982	-	
Contributions from Plan Participants in the Period	(35,783)	(3,234)	(588)	(556)	(8)	-	-
Contributions from the Sponsor in the Period	(24,836)	(3,224)	(499)	(543)	(8)	-	-
Expected Return on Assets	(75,658)	(84,261)	(1,268)	(12,270)	(21,975)	(36,352)	-
(Gain)/Loss on Fair Value of the Plan Assets	105,467	40,515	(65)	(30,346)	2,544	18,148	-
Fair Value of the Plan Assets at end of Period	**(1,031,504)**	**(1,206,243)**	**(20,121)**	**(215,382)**	**(328,299)**	**(530,942)**	**-**

Net Actuarial Liabilities (Assets) of the Plan as of 12/31/2022	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Net Actuarial Liabilities (Assets) at End of Previous Year	**455,009**	**258,236**	**-**	**(71)**	**53,159**	**(199,072)**	**146,687**
Expense/(Revenue) Recognized in Income for the Year	51,783	28,210	426	(295)	5,832	(21,563)	19,439
(Gains)/Losses Recognized in Comprehensive Income	(126,729)	(160,159)	1,963	970	(29,355)	43,324	(9,948)
Contributions from the Sponsor	(26,631)	(3,356)	(2,391)	(660)	(537)	(11,488)	-
Benefits Paid Directly by the Sponsor	-	-	-	-	-	-	(4,792)
Net Actuarial Liabilities (Assets) at the of Current Year	**353,432**	**122,931**	**(2)**	**(56)**	**29,361**	**(188,799)**	**151,386**

Net Actuarial Liabilities (Assets) of the Plan as of 12/31/2021	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Net Actuarial Liabilities (Assets) at End of Previous Year	**556,285**	**306,765**	**452**	**(9)**	**81,458**	**(228,908)**	**194,483**
Expense/(Revenue) Recognized in Income for the Year	36,117	21,223	996	(287)	5,438	(17,154)	21,042
(Gains)/Losses Recognized in Comprehensive Income	(112,557)	(66,528)	(949)	768	(33,729)	57,466	(62,718)
Contributions from the Sponsor	(24,836)	(3,224)	(499)	(543)	(8)	(10,476)	-
Benefits Paid Directly by the Sponsor	-	-	-	-	-	-	(6,120)
Net Actuarial Liabilities (Assets) at the of Current Year	**455,009**	**258,236**	**-**	**(71)**	**53,159**	**(199,072)**	**146,687**

Result for the Year of 2022	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Net Cost of Current Services	52	-	476	(224)	(10)	692	5,571
Cost of Interest on Actuarial Liabilities	153,101	154,615	1,665	19,548	39,376	21,142	13,868
Expected Return on Plan Assets	(101,370)	(126,405)	(2,284)	(23,315)	(33,534)	(60,062)	-
Interest on Effect of Asset Limit and Additional Liabilities	-	-	569	3,696	-	16,665	-
Total Expense (Income) Recognized in Result for the Year	**51,783**	**28,210**	**426**	**(295)**	**5,832**	**(21,563)**	**19,439**

Result for the Year of 2021	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Net Cost of Current Services	154	-	994	(245)	3	(615)	9,475
Cost of Interest on Actuarial Liabilities	111,621	105,484	1,269	11,688	27,409	15,919	11,567
Expected Return on Plan Assets	(75,658)	(84,261)	(1,268)	(12,270)	(21,975)	(36,352)	-
Interest on Effect of Asset Limit and Additional Liabilities	-	-	1	540	1	3,894	-
Total Expense (Income) Recognized in Result for the Year	**36,117**	**21,223**	**996**	**(287)**	**5,438**	**(17,154)**	**21,042**

Other Comprehensive Income in 2022	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
(Gains)/Loss on Plan Assets	123,813	23,529	(363)	3,802	4,603	16,620	-
(Gains)/Loss on Actuarial Liabilities	(250,542)	(183,688)	(1,826)	(6,586)	(33,696)	(20,619)	(9,948)
(Gains)/Loss on Effect of Asset Limit and Additional Liabilities	-	-	4,152	3,754	-	47,323	-
(Gains)/Loss Recognized in Other Comprehensive Income	**(126,729)**	**(160,159)**	**1,963**	**970**	**(29,093)**	**43,324**	**(9,948)**

Other Comprehensive Income in 2021	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
(Gains)/Loss on Plan Assets	105,467	40,515	(65)	(30,346)	2,544	18,148	-
(Gains)/Loss on Actuarial Liabilities	(218,024)	(107,043)	(5,076)	7,115	(36,251)	(34,664)	(62,718)
(Gains)/Loss on Effect of Asset Limit and Additional Liabilities	-	-	4,192	23,999	(22)	73,982	-
(Gains)/Loss Recognized in Other Comprehensive Income	**(112,557)**	**(66,528)**	**(949)**	**768**	**(33,729)**	**57,466**	**(62,718)**

Result of the Year Projected for the Next Period	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Net Cost of Current Services	24	-	(2,025)	(301)	(10)	1,939	5,637
Cost of Interest on Actuarial Liabilities	137,939	149,328	1,962	20,249	38,628	21,410	15,064
Expected Return on Plan Assets	(99,214)	(135,443)	(3,359)	(25,005)	(35,270)	(67,306)	-
Interest on Effect of Asset Limit and Additional Liabilities	-	-	1,040	4,671	-	23,059	-
Estimated Actuarial Expense (Income)	**38,749**	**13,885**	**(2,382)**	**(386)**	**3,348**	**(20,898)**	**20,701**

Estimated Cash Flow for the Next Period	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
Contributions Paid by the Sponsor	43,107	8,542	3,147	701	1,099	12,545	-
Contributions Paid by Plan Participants	73,948	8,542	3,147	701	1,099	-	-
Benefits Paid on Plan Assets	206,672	119,897	1,751	15,989	38,060	12,545	-
Benefits Paid Directly by the Sponsor	-	-	-	-	-	-	45,153

The estimated benefit payments for the next 10 years are as follows:

Maturity Profile of the Present Value of the Liability	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan	Retirement Award
2023	206,672	119,897	1,751	15,989	38,060	12,545	45,153
2024	193,877	118,911	1,354	15,531	35,688	12,177	11,900
2025	188,933	118,005	1,377	15,151	34,739	12,601	15,301
2026	183,607	116,937	1,372	14,764	33,742	13,015	13,749
2027	178,031	115,549	1,388	14,463	32,707	13,361	11,931
2028 to 2032	798,704	549,303	7,160	68,432	146,815	69,734	38,527

The weighted average duration of the present value of the liabilities is as follows:

						Health Plan			
Duration (in years)	**Benefit Plan I**	**Settled Plan**	**FBPREV Plan**	**FBPREV II Plan**	**FBPREV III Plan**	**PAM**	**POD**	**PROMED**	**Retirement Award**
12/31/2022	8.10	10.04	9.36	10.18	8.48	According to Pension Plan (1)	10.07	12.40	6.93
12/31/2021	9.67	12.35	11.08	12.85	10.42	According to Pension Plan (1)	12.45	17.27	8.51

(1) According to the Pension Plan to which the beneficiaries are registered.

Other information concerning the plans:

Number of Participants as of 12/31/2022	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan PAM	Health Plan POD	Health Plan PROMED	Retirement Award
Active	125	449	5,051	2,979	131	1,952	395	7,875	8,683
Assisted	2,921	2,460	81	1,864	1,471	6,981	-	-	-
Inactives	-	-	-	-	-	-	3,039	6,253	-
Total	**3,046**	**2,909**	**5,132**	**4,843**	**1,602**	**8,933**	**3,434**	**14,128**	**8,683**

Number of Participants as of 12/31/2021	Benefit Plan I	Settled Plan	FBPREV Plan	FBPREV II Plan	FBPREV III Plan	Health Plan PAM	Health Plan POD	Health Plan PROMED	Retirement Award
Active	134	482	5,223	3,033	142	2,112	409	8,151	9,064
Assisted	2,971	2,463	72	1,182	1,484	6,007	-	-	-
Inactives	-	-	-	-	-	-	3,158	6,330	-
Total	**3,105**	**2,945**	**5,295**	**4,215**	**1,626**	**8,119**	**3,567**	**14,481**	**9,064**

(f) Sensitivity Analysis

The assumptions adopted for the actuarial valuation of the defined benefit plan have a significant effect on the amounts reported, The following tables show the impact on the calculation of benefits considering changes in the assumptions considered in the last actuarial revaluation performed for each post-employment benefit.

Benefit Plan I (PBI) - 12/31/2022		**Impact in R$ Thousand**
Assumption Description	**Hypothesis**	**Effect on Present Value of Actuarial Liabilities**
Discount Rate	Increase of 0.5 p.p.	(45,763)
Discount Rate	Decrease of 0.5 p.p.	49,113
Mortality Table	Increase of 10%	(34,905)-
Mortality Table	Decrease of 10%	38,663

Settled Plan (PBS) - 12/31/2022		**Impact in R$ Thousand**
Assumption Description	**Hypothesis**	**Effect on Present Value of Actuarial Liabilities**
Discount Rate	Increase of 0.5 p.p.	(60,906)
Discount Rate	Decrease of 0.5 p.p.	66,223
Mortality Table	Increase of 10%	(35,312)
Mortality Table	Decrease of 10%	39,609

FBPREV Plan (FBPREV) - 12/31/2022		**Impact in R$ Thousand**
Assumption Description	**Hypothesis**	**Effect on Present Value of Actuarial Liabilities**
Discount Rate	Increase of 0.5 p.p.	(726)
Discount Rate	Decrease of 0.5 p.p.	781
Mortality Table	Increase of 10%	(1,050)
Mortality Table	Decrease of 10%	1,049

FBPREV II Plan (FBPREV II) - 12/31/2022		**Impact in R$ Thousand**
Assumption Description	**Hypothesis**	**Effect on Present Value of Actuarial Liabilities**
Discount Rate	Increase of 0.5 p.p.	(8,241)
Discount Rate	Decrease of 0.5 p.p.	8,860
Mortality Table	Increase of 10%	(2,486)
Mortality Table	Decrease of 10%	2,731

FBPREV III Plan (FBPREV III) - 12/31/2022		**Impact in R$ Thousand**
Assumption Description	**Hypothesis**	**Effect on Present Value of Actuarial Liabilities**
Discount Rate	Increase of 0.5 p.p.	(13,349)
Discount Rate	Decrease of 0.5 p.p.	14,376
Mortality Table	Increase of 10%	(8,630)
Mortality Table	Decrease of 10%	9,466

Health Plan - 12/31/2022		**Impact in R$ Thousand**
Assumption Description	**Hypothesis**	**Effect on Present Value of Actuarial Liabilities**
Discount Rate	Increase of 0.5 p.p.	(9.726)
Discount Rate	Decrease of 0.5 p.p.	10.724
Mortality Table	Increase of 10%	(5.009)
Mortality Table	Decrease of 10%	5.657

Retirement Award - 12/31/2022		**Impact in R$ Thousand**
Assumption Description	**Hypothesis**	**Effect on Present Value of Actuarial Liabilities**
Discount Rate	Increase of 0.5 p.p.	(4,586)
Discount Rate	Decrease of 0.5 p.p.	4,976
Mortality Table	Increase of 10%	(333)
Mortality Table	Decrease of 10%	334

NOTE 28 - CORPORATE RISKS AND CAPITAL MANAGEMENT

The joint management of Capital and credit, market, Interest Risk Rate in The Banking Book (IRRBB, the variation of interest rates for instruments classified in the banking portfolio), liquidity, operational, social, environmental and climate risks is an essential and strategic tool for a financial institution. The constant improvement on processes of **i)** monitoring, control, evaluation, goal planning and capital requirements; and **ii)** identification, measurement, evaluation, monitoring, control and mitigation of risks contribute to good governance practices aligned to the strategic objectives of the Institution.

Controlling corporate risk and capital management rely on all layers involved on Banrisul's administration and others companies of its Prudential Conglomerate, The integrated risk management structure for managing risks related to Banrisul Group is led by the Corporate Risk Management Department, responsible for capital management and credit, market, IRRBB, liquidity, operational, social, environmental and climate risks, with the support of the Control and Risk Executive Board, The information produced by that Department subsidizes the Risk Committee (as well as others Management Committees), the Board of Directors and the Executive Board in the decision-making process, The Control and Risk Executive Board is responsible for the Corporate Risk Management Department and the Board of Directors is responsible for information disclosed in regards to risk management.

Banrisul seeks to align its management activities to the recommendations from the Basel Committee, adopting the best market practices to maximize profitability and to ensure the best possible combination of asset applications and required capital use.

Credit Risk

This corresponds to the possibility of incurring losses related to the nonperformance of a loan or obligation by the counterparty under the agreed terms, the devaluation, the reduction of remuneration and earnings expected for a financial instrument arising from the deterioration of the credit quality of the counterparty, the intervening party or the mitigating instrument; restructuring of financial instruments; or recovery costs of troublesome assets.

The credit risk assessment structure is based on the statistical methodologies of Application and Behavior Score and/or the principle of joint technical decision. Banrisul defines different credit limits corresponding to the decision levels, from the widespread branch network (with different categories) to the credit and risk committees at the Head Office and the Board of Directors. This process aims at expediting the concession of credit limits based on technically predefined customers, which establish Banrisul's risk exposure for each customer, in conformity with the risk/return ratio.

The use and improvement of Application and Behavior Score systems have permitted that pre-approved credit limits to individuals be established in accordance with their risk ratings predicted on statistical models. Risk assessments are increased through the continuous and growing use of statistical models to assess customers' risks, the improvements in customers' segmentation, the standardization of credit and the business policies along with the optimization of the controls strengthen Banrisul's credit risk management, allowing the continuity of loan credit expansion in a sustainable way, with agility and safety.

(a) Credit Risk Assessment

Lending Operations - Banrisul assesses the probability of default of each counterparty individually by using credit rating tools designed for different categories of counterparties. Such proprietary tools, which combine statistical analyses and the opinion of the staff of the credit area, are validated, when appropriate, by comparing external available data. The rating tools are reviewed and updated when necessary. Periodically, Management validates the rating performance and its capacity to forecast default events.

Default exposure is based on the total amounts that may be owed to Banrisul at the time of default; in the case of a loan, for example, it corresponds to the nominal value.

(b) Credit Risk Control

Credit risk control basically includes the following procedures:

(i) Credit risk exposure is managed through regular analysis of borrowers, both actual and potential, regarding principal and interest payments and changes in the cadastral situation and its limits, when appropriate;

(ii) In the case of a counterparty, the exposure to any borrower, including financial agents, is additionally restricted by sublimit that covers adventitious exposures, whether recorded or not, in the financial statements; and

(iii) The levels of risk that the Institution assumes are structured based on the definition of limits on the extent of acceptable risk in relation to a specific debtor, groups of debtors, industry segments, among others, Concentrations are periodically monitored and subject to review, When necessary, limits on the level of credit risk are approved by the Executive Board and the Board of Directors.

Market Risk and Interest Rate Risk in the Banking Portfolio

Banrisul is exposed to market risks arising from the possibility of loss due to the fluctuation in the market values of instruments held by the institution, This definition include the risk of changes in interest rates and stock prices for instruments classified in the trading portfolio and the risk of exchange variation and commodity prices for instruments classified in the trading or banking portfolio.

Banrisul is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the US dollar, Foreign exchange risk arises from the operation of foreign funding described in Note 18. To manage its foreign exchange risk, Banrisul uses derivative contracts as an instrument of protection (hedge market risk), as described in Note 03 (e).

The management of market risk in Banrisul is held by the Corporate Risk Management Unit, responsible for executing and annually updating risk policies, managing strategies of Banrisul's market risk, establishing operational limits to identify, monitor, assess and manage exposure to risks of trading and non-trading portfolios.

The management of market risk in Banrisul is segregated among operations classified in the trading portfolio; in others words, operations in financial instruments, including derivatives held for trading or intended for the hedging of other elements in the trading portfolio, and which are not subject to the limitation of their negotiability, and operations classified under non-tradeable portfolio or banking portfolio, that includes all operations of the institution not classified in the trading portfolio, as the loan portfolio, portfolio of securities held to maturity, time deposits, savings deposits and other transactions held up to maturity.

In measuring the market risk of the trading portfolio, the Value at Risk (VaR) methodology is used for calculating the exposure of operations with a risk factor for pre-determined interest rates, VaR is a measure of the maximum expected loss in monetary value under normal market conditions in a given time horizon of ten days, with a probability level of 99%, used to measure the exposures subject to market risk, For the calculation of exposure in other indexes, the Maturity Ladder approach is used.

The calculation of the risk of Banking Portfolio operations is carried out using a standardized model of the Central Bank of Brazil through the Economic Value Approach methodologies, which consists of evaluating the impacts of changes in interest rates on the present value of cash flows from instruments classified in the Bank's banking book - Economic Value of Equity (EVE), by the Financial Intermediation Result Approach, which consists of evaluating the impacts of changes in interest rates on the financial intermediation result in its banking book - Net Interest Income (NII) and also for Embedded Gains and Losses, which is the difference between the economic value of asset and liability positions and exposures not recorded in the balance sheet (off-balance sheet) subject to IRRBB and the respective book value.

The Institution also conducts quarterly sensitivity analysis for the trading portfolio based on specific scenarios for each risk factor. The goal is to measure the impact of market fluctuations on the portfolio of the institution and its ability to recover from a potential worsening of crisis.

Sensitivity Analysis of Trading Portfolio - to enhance risk management and comply with Corporate Governance practices, Banrisul conducted a sensitivity analysis of its trading portfolios, without considering derivatives, Stress tests are carried out for upward or downward variations on the following scenarios: 1% (Scenario 1), 25% (Scenario 2) and 50% (Scenario 3),

Trading Portfolio - to set the scenarios that compose the table of sensitivity analysis, Banrisul considered the situations as follows:

Scenario 1: Probable situation, Assumptions: a deterioration of 1% in market risk variables, taking into account prevailing conditions on December 31, 2022.
Scenario 2: Possible situation, Assumptions: a deterioration of 25% in market risk variables, taking into account prevailing conditions on December 31, 2022.
Scenario 3: Remote situation, Assumptions: a deterioration of 50% in market risk variables, taking into account prevailing conditions on December 31, 2022.

The following table shows the highest expected loss considering scenarios 1, 2 and 3.

For Foreign Exchange Risk, the rate of R$5.2177/USD1.00 as of December 31, 2022. (PTAX - Central Bank of Brazil) was used.

Sensitivity analysis identified below do not consider the responsiveness of the risk and treasury areas because, once loss is observed on these positions, risk mitigating measures may be taken which could mitigate the possibility of significant losses.

Sensitivity Analysis: Trading Portfolio

Scenarios		Risk Factors			Total
		Interest Rate	Exchange Rate	Equity	
1	1%	93,838	106	193	**94,137**
2	25%	85,878	2,655	4,807	**93,340**
3	50%	70,639	5,310	9,615	**85,564**

Definitions:

Interest Rate - exposures subject to variations in interest rates, fixed-coupon interest rates and inflation indexes.
Exchange Rate - exposures subject to currency fluctuations.
Equity - exposures subject to the variation of stock prices.

Analyzing the results, can be identified in the “Interest Rate – Prefixed” Risk Factor the largest loss, which represents approximately 99.7% of the expected loss in each scenario. Scenario 3 corresponds to 31% of the total expected loss. Scenario 2 and Scenario 1, respectively, represent approximately 34% and 35% of the total loss. Considering absolut values, the greatest expected loss observed in these Sensitivity Analysis Scenario occurs in Scenario 1, in the total amount of R$94,137.

Sensitivity Analysis of Derivative financial instruments - Banrisul also conducted a sensitivity analysis of its derivatives positions (trading portfolio) and the international funding transactions carried out for USD 300 million (300 million U.S. Dollars) recorded in the Banking Portfolio (Note 18), upon which stress tests were conducted for upward and downward variations in Scenarios I, II and III.

Stress tests were carried out on the value of foreign currency U.S. Dollar considering the rate of R$5.2487 on December 31, 2022 (1:00 pm, SPOT price - Central Bank of Brazil).

Scenario I is the most probable one and considers the changes expected by the Bank in relation to the market reference curves (B3 S.A. - Brasil, Bolsa, Balcão), used to mark to market such financial instruments, Scenarios II and III are defined to contemplate variations of +25% and +50% and scenarios of decreases of -25% and -50%.

As they reflect projections, Scenario I is defined by the increase of 1% in the U.S. Dollar coupon, the Scenario II is defined by the increase of 25% in the U.S. Dollar coupon, and the scenario III is defined by the increase of 50% in the U.S. Dollar coupon, according to the Bank's position, considering the conditions prevailing on December 31, 2022.

The sensitivity analyses shown below were established using premises and assumptions regarding future events, The estimated scenarios show the impacts on the outcome for each scenario in a static position of the portfolio as of December 31, 2022.

The table below shows the probability of impact on the cash flow in the three scenarios of derivatives exposures (or trading portfolio) and in the instrument being hedged (banking portfolio or held to maturity) on December 31, 2022 independently.

Trading and Banking Portfolio

Operation	Portfolio	Risk	Scenario I	Scenario II	Scenario III
Swap	Trading	Increase in U.S. Dollar Coupon	(4,262)	(97,509)	(179,232)
		Line Item Being Hedged			
Debt 1	Banking	Increase in U.S. Dollar Coupon	4,262	97,509	179,233
	Net Effect		-	-	**1**

U.S. Dollar coupon: all the products with price variations tied to changes in the U.S. Dollar and interest rates in U.S. Dollars.

Additionally, the results do not necessarily translate into accounting results, because the analysis has the sole objective of disclosing the risk exposure and the respective protective actions considering the fair value of financial instruments, decoupled from any accounting practices adopted by the institution.

Banrisul considers that the risk of having a debt in CDI by way of swaps would be the rise in the CDI rate and this would be offset by the increase in revenues from its investments linked to the CDI rate.

Liquidity Risk

The definition of Liquidity Risk is the possibility of incurring losses due to the lack of sufficient liquid funds to meet payment obligations in a defined timeframe, and also of being unable to negotiate at market prices certain positions due to their high amounts in relation to the volume usually transacted or by reason of any interruption of the market itself.

Banrisul establishes operating limits for liquidity risk consistents with the its business strategies for financial instruments and other exposures whose achievement of parameters stablished are regularly reviewed by committees and submitted to the Board in order to ensure its effectively operability by managers.

The Corporate Risks Management Unit is in charge of Banrisul's Consolidated Liquidity Risk Management, being responsible for executing and updating annually the policy and strategies for managing liquidity risk of Banrisul.

Liquidity management is centralized at the Treasury Department and is responsible to maintain a satisfactory level of cash to meet the financial needs in the short-, medium- and long-term, both in normal scenario and in a crisis scenario, taking the necessary corrective action, when necessary.

The liquidity risk measurement and control activities are carried out through the calculation of several indicators, in different time horizons, both in historical scenarios and in projected scenarios, comparing the results with the limits present in the institution's internal policies and with the limits established in the Risk Appetite Statement. The processes and techniques used in the measurement are periodically evaluated and revised, so that their relevance and adherence are always aligned with the adequate reporting of the risk inherent to the financial instruments involved. The liquidity risk management processes are in line with the guidelines of the Institutional Liquidity Risk Management Policy and with the institution's Risk Appetite Statement, whose documents are reviewed annually or less frequently, if necessary.

Pursuant to its Liquidity Contingency, Banrisul aims to identify beforehand and minimize potential crises and their effects on business continuity, the parameters used for the identification of crisis events consist of a range of responsibilities and procedures to be followed to ensure the stability of the required level of liquidity.

Periodically, reports are sent to Committees, Commissions, Executive Board and Board of Directors, containing information for management of liquidity risk, once a year or more frequently when needed, the Liquidity Risk Management Policy is presented to the Board of Directors, containing the guidelines for risk management, which includes budget, financial planning, appetite for risks and optimization of available resources.

Operational Risk

Operational Risk is defined as the possibility of losses resulting from external events or failure, deficiency or inadequacy of internal processes, individuals or systems.

The methodology of Operational Risk management requires the conduction of analysis for the identification, measurement, assessment, monitoring, reporting, controlling and reduction of operational risks to which Banrisul is exposed, as shown at the table:

Operational Risk Management Phase	Activity
Risk Identification	The identification of operational risks aims to indicate the areas of incidence, causes and potential financial impacts of the risks associated with the processes, products and services to which the Subsidiaries of the Banrisul Group are exposed.
Risk Measurement and Assessment	The assessment consists of quantifying the risk, leading to the consequent measurement of its level of criticality in accordance with previously established parameters, with the objective of estimating the impact of its eventual occurrence on the Institution's business.
Monitoring	The objective of monitoring is to monitor exposure to identified operational risks, anticipating critical situations, so that weaknesses detected are brought to the attention of decision-making bodies in a timely manner.
Control	Control consists of recording the behavior of operational risks, limits, indicators and operational loss events, as well as implementing mechanisms to ensure that operational risk limits and indicators remain within the desired levels.
Mitigation	Mitigation consists of creating and implementing mechanisms to modify the risk, seeking to reduce operating losses by eliminating the cause, changing the probability of occurrence or mitigating the consequences. At this stage, the manager is asked to determine the response to the risk, considering all impacts.
Report	It consists of preparing texts and reports related to operational risk management, as defined in the Communication Plan of the Corporate Risk Management Unit.

Through key risk indicators and the Internal Operational Risk Data Base, it is possible to monitor the evolution of losses and exposure to risk and propose improvement actions.

The results of the analysis and the records of the Internal Database of Operational Risk are reported to the deliberative committees, according to the governance structure defined in corporate risk policies, including the Board of Executive Officers, to the Risk Committee and the Board of Directors.

Social, Environmental and Climate Risk

Social risk is defined as the possibility of losses for the institution caused by events associated with the violation of fundamental rights and guarantees or acts harmful to the common interest.

Environmental risk is defined as the possibility of losses for the institution caused by events associated with environmental degradation, including the excessive use of natural resources.

Climate risk is defined, in its transition risk and physical risk components, as:

I - climate transition risk: possibility of losses for the institution caused by events associated with the transition process to a low carbon economy, in which the emission of greenhouse gases is reduced or offset and the natural mechanisms for capturing these gases are preserved; and

II - physical climate risk: possibility of losses for the institution caused by events associated with frequent and severe weather or long-term environmental changes, which may be related to changes in weather patterns.

The management of social, environmental and climate risk encompasses the Bank's own products, services, activities and processes and activities performed by its counterparties, controlled entities and relevant third-party suppliers and service providers.

The results of the analyzes are reported to the deliberative committees, following the governance structure defined in the corporate risk policies, including the Executive Board, the Risk Committee and the Board of Directors.

Capital Management

Capital management is a continuous process of monitoring, controlling, evaluating and planning goals and the need for capital, considering the risks to which the institution is subject, as well as its strategic objectives.

The adoption of best market practices and the maximization of investor profitability is carried out based on the best possible combination of investments in assets and the use of regulatory capital. The systematic improvement of risk policies, systems of internal controls and safety standards, integrated with the strategic and marketing objectives of the Institution are continuous processes in this scope.

Banrisul's capital management structure is the responsibility of the Board of Directors, which must review it annually and direct the alignment of the corporate strategy with the institution's risk appetite. The purpose of this management structure is to ensure that the risks to which the institution is subject are understood, managed and communicated, when necessary, so that the institution's capital is managed in the best possible way.

The risks relevant to Banrisul are divided between the risks subject to the capital requirement calculations, or pillar 1 risks, and the other risks considered relevant.

Pillar 1 Risks are those whose determination needs are determined by the Central Bank in order to strengthen the institutions' capital structure. These risks are credit risk, market risk and operational risk. The minimum capital requirement for these risks seeks to provide financial institutions with strength, Banrisul adopts the Standardized model for calculating the installments that make up the total Risk-Weighted Assets - RWA, which provides for the calculation methodology for regulatory capital requirements for Credit, Market and Operational risks, defined by the national regulatory agency.

Each of the aforementioned risks is calculated and managed in accordance with its respective Structure and its consolidation is part of the Capital Management Structure. The RWA is the basis for determining the minimum limits for Principal Capital - CP, Tier 1 Capital - CN1 and Reference Equity - PR, which have their percentages defined in a schedule published by Central Bank.

In addition to the risks that are determined in Pillar 1, CMN Resolution No, 4,557/17 determines that the management structure must identify, measure, evaluate, monitor, report, control and mitigate liquidity, IRRBB, social, environmental and climate risks and other relevant risks considered by the Institution.

The Leverage Ratio - RA is another indicator required by the regulator, as it aims to guide the leverage of the banking sector, improving the ability of financial institutions to absorb shocks from the financial system itself or from other sectors of the economy, resulting in an environment of stability financial. This indicator is the result of the division of Level I of the PR by the Total Exposure, calculated according to the current regulation.

CMN Resolution No. 4,615/17 determines that institutions in Segment S1 and Segment S2 must permanently comply with a minimum requirement of 3% for the Leverage Ratio. In this case, the higher the index, the better the institution's conditions in terms of leverage. The Leverage Ratio calculated for Banrisul as of December 31, 2022 was 6.78%.

Banrisul assesses and monitors its sufficiency and need for capital in order to keep its volume of capital compatible with the risks incurred by the Prudential Conglomerate, In this sense, on the amount calculated for the total RWA, the Minimum Required Capitals are calculated, and compared with the CP, CN1 and PR values, projected and realized, also considering the additional capital, calculated for the same period, Comparing the required capital ratios with those calculated for Banrisul, the margins are calculated for the three capital levels, and also in relation to the IRRBB and the Additional Principal Capital, After this calculation, the capital adequacy assessment is carried out for each level:

a) Margin on the Required Reference Equity;
b) Margin on Required Level I Reference Equity;
c) Margin on Required Principal Capital;
d) Margin on PR considering IRRBB and ACP; and
e) Margin on Principal Capital after Pillar I considering ACP

If the assessment of the capital requirement calculated by the financial institution points to a value above the minimum requirements for PR, Level I and Principal Capital, as dealt with in CMN Resolution No 4,958/2021, the institution must maintain capital compatible with the results of its internal evaluations.

The capital requirements imposed by the current regulations aim to maintain the soundness of financial institutions and the national financial system. Banrisul seeks to organize the elements required by regulation in a way that seeks to optimize its management. Among the components of the Institution's Capital Management, the following can be highlighted.

The Institutional Capital Management Structure and Policy are the organizing pillars of capital management. The structure determines its main components and its general responsibilities and the policy organizes and delimits the responsibilities of each of the parties involved. Respecting the existing regulations, both the structure and the policy are reviewed annually, and a summary of the first is published on Banrisul's Investor Relations website.

The Risk Appetite Statement (RAS), introduced by CMN Resolution No. 4,557/17, defines the levels of risk appetite for Banrisul and the Prudential Conglomerate. The institution's risk appetite is the maximum level of risk that it is willing to accept, within its productive capacity, to achieve the strategic objectives present in its business plan. The Institution's risk-taking capacity is based on the levels of its available resources, such as capital, liquidity, assets and liabilities, information systems and the management capacity of its administrators. The main function of RAS is based on supporting the formulation of business and risk management objectives and strategies and on the identification and strategic direction regarding the risks acceptable to the Institution in relation to the objectives defined for its Capital.

The Simplified Internal Capital Adequacy Assessment Process - $ICAAP_{SIMP}$ was also introduced by CMN Resolution No. 4,557/17, for institutions in the S2 segment. This process comprises the identification, management and measurement of risks, including the measurement of the capital need to face losses in a severe crisis scenario. For this purpose, projections are made for a three-year horizon, considering the definitions provided in the corporate strategy, as well as in the Institution's Risk Appetite Statement. The $ICAAP_{SIMP}$ process, in addition to considering the Capital Plan and all the elements evaluated therein (as described below) also considers the results of the stress test program.

The Capital Plan, prepared in accordance with CMN Resolution No. 4,557/17, covers the companies of the Prudential Conglomerate and considers the possible impacts of the Banrisul Group companies that are controlled by members of the conglomerate. The Plan is designed for a three-year horizon, foresees goals and projections and describes the main sources of capital, in addition to being aligned with the Institution's strategic planning. The Capital Plan is based on the strategies defined by the Board of Directors, considering the economic and business environment, the values of assets and liabilities, off-balance sheet operations, revenues and expenses, growth and market share goals and, especially the RAS definitions.

The Stress Testing Program - PTE, defined based on CMN Resolution No. 4,557/17, is a coordinated set of processes and routines, with its own methodologies, documentation and governance, and its main objective is to identify potential vulnerabilities of the institution. The stress test itself is an exercise in assessing the potential impacts of adverse events and circumstances on the institution or on a specific portfolio. Stress tests provide an indication of the appropriate level of capital needed to withstand deteriorating economic conditions. Within the scope of the Capital Management Structure, it is a tool that complements other risk management approaches and measures, providing inputs, at least, for Strategic Planning, RAS, $ICAAP_{SIMP}$ and the Capital Plan.

The monitoring and reporting of Capital requirements are carried out through Management Reports that contain both quantitative and qualitative references, for a given period, allowing for evaluation and the performance of actions for correction when detecting deviations. These reports are prepared to report the elements of Capital Management and include information regarding risk management, the calculation of the amount of RWA and PR, the adequacy analysis and the monitoring of the Capital Plan and RAS projections. Monitoring also includes the minimum limits required by the regulator, the minimum limits defined for Banrisul and also the limits for the maintenance of instruments eligible for capital.

Other timely reports may be necessary or demanded by the members of the capital structure, which may deal with any deficiencies identified in the management structure itself, or in its components, and actions to correct them; the adequacy of the PR, Level I and Principal Capital levels to the risks incurred by the Institution and; other pertinent matters. All reports are sent to the governance bodies defined in the Institutional Capital Management Structure for consideration.

Considering the reported period, Banrisul met all the capital requirements provided for in the current regulations.

Basel Ratio

As set forth by the CMN Resolution No. 4,950/21, the calculation of Regulatory Capital and Assets Weighted by Risk that make up the DLO Operating Limits Statement, is based on the Prudential Conglomerate and includes Banco do Estado do Rio Grande do Sul S.A., Banrisul S.A. Administradora de Consórcios, Banrisul S.A. Corretora de Valores Mobiliários e Câmbio and Banrisul Soluções em Pagamentos S.A.).

The possible impacts arising from the risks associated with the other companies controlled by members of the Conglomerate are also considered, as well as the participation in investment funds shares in which the entities of this conglomerate, in any form, assume or retain substantially risks and benefits, as provided current regulations, since they are part of the scope of consolidation of the Prudential Conglomerate.

The following table summarizes the composition of Reference Equity, Risk Weighted Assets (RWA) and the Basel Index of the Prudential Conglomerate:

Conglomerate Prudential	12/31/2022	12/31/2021
Reference Equity	**9,291,817**	**9,021,832**
Tier I	**7,806,989**	**7,366,852**
Core Capital	**7,806,989**	**7,366,852**
Equity	5,205,891	5,205,891
Capital Reserve and Earnings Revaluation	4,325,934	3,965,326
Deduction from Core Capital - Except for prudential adjustments	(115,668)	(122,955)
Prudential Adjustments	(2,041,085)	(1,681,410)
Positive Adjustments to the Market Value of Derivatives Recorded in Liabilities	431,917	-
Tier II	**1,484,828**	**1,654,980**
Tier II Eligible Instruments	1,484,828	1,654,980
RWA - Risk Weighted Assets	**52,887,990**	**48,966,064**
RWA_{CPAD} (Credit Risk)	42,994,328	35,920,003
RWA_{MPAD} (Market Risk)	1,458,546	3,325,767
RWA_{JUR1} (Interest Rate Risk)	262,156	9,156
RWA_{JUR3} (Interest Rate Risk)	29	679
RWA_{ACS} (Equity Risk)	38,462	25,282
RWA_{CAM} (Exchange Risk)	1,157,899	3,290,650
RWA_{OPAD} (Operational Risk)	8,435,116	9,720,294
Banking Portfolio (IRRBB)	502,057	292,777
Reference Equity Margin – considering Banking Portfolio after Aditional of Core Capital	3,236,521	3,832,448
Capital Ratio		
Basel Ratio	17.57%	18.42%
Tier I Ratio	14.76%	15.04%
Core Capital Ratio	14.76%	15.04%
Permanent Assets Ratio	9.74%	8.59%
Leverage Ratio	6.78%	6.88%

CMN Resolution No, 4783/20 establishes the percentages that RWA is subject for the purposes of calculating the required amount of Principal Capital Additional - $ACP_{Conservation}$. Banrisul is subject to this surcharge, only. Thus, the percentages applied, according to the regulator's schedule, in the next periods can be seen in the table below:

Requirement	As of 04/01/2022
Core Capital	4.50%
Level I	6.00%
PR	8.00%
$ACP_{Conservation}$ (1)	**2.50%**
$ACP_{Contracyclic}$ (1) (up to)	2.50%
$ACP_{Systemic}$ (1) (up to)	2.00%
Total ACT (1) (up to)	**7.00%**
Factor F	8.00%

(1) According to CMN Resolution No, 4,958/21, these additions are limited to these maximum percentages (%) in relation to RWA_{TOTAL}, In the event of an increase, the percentage must be disclosed by BACEN with at least 12 months in advance.

The Basel Ratio (BR) represents the ratio between Reference Equity and Risk Weighted Assets. Under current regulations, the Basel Ratio demonstrates the company's solvency. For December 2022, the minimum required capital limits are 8.00% for Basel Ratio (Reference Equity), 6.00% for Tier I Ratio and 4.50% for the Core Capital Index. The additional required capital is 2.50%, totaling 10.50% for Basel Ratio, 8.50% for Tier I and 7.00% for Core Capital.

The Reference Equity reached R$9,291,817 in December 2022, increasing R$269,985 from December 2021.

BACEN Resolution No. 3876/18 sets forth that the Prudential Conglomerate determines and discloses the IRRBB (Interest Rate Risk of the Banking Book) in substitution of the R_{BAN}, commencing on January 2019. The methodology for measuring the need for Reference Equity in relation to the interest rate risks to which the Bank's portfolio is calculated by ΔEVE (Variation of Economic Value of Equity) and ΔNII (Variation of Net Interest Income: variation in the result of financial intermediation).

Accordingly, IRRBB reached R$502,057 as of December 2022, increasing R$209,280 in relation to the capital allocation of R$292,777 as of December 2021.

To calculate the Reference Equity using R_{BAN}/IRRBB, the following is considered: total of Reference Equity, RWA, Factor F (8.00% from January 2019), interest rate risk of the bank, and the additional core capital (minimum of 2.5% from April 2022).

On December 31, 2022, the Basel Ratio of the Prudential Conglomerate was 17.57%, higher than the minimum required by BACEN. Tier 1 ratio and Core Capital were 14.76% in the same period.

Banrisul manages and monitors the requirements and capital margins in order to meet the minimum requirements of the CMN. Thus, the Banrisul Group Prudential Conglomerate has fulfilled all the minimum requirements to which it is subject.

NOTE 29 - TRANSACTIONS WITH RELATED PARTIES

(a) Transactions among related parties are disclosed in compliance with Brazilian FASB 05 (R1) (CPC 05(R1)) and CMN Resolution No. 4,818/20.

Account balances referring to transactions among consolidated Banrisul companies are eliminated in the consolidated financial statements and take into consideration the absence of risk. As to the transactions carried out with the State Government and its fully or partially controlled entities. Banrisul has opted for the partial exemption instructed by CMN Resolution No. 4818/20. In this case, only the most significant transactions are disclosed.

With related parties, Banrisul operates banking transactions such as current account deposits (not remunerated), remunerated deposits, open market funding, loans and the provision of services. These operations are carried out at amounts, terms and average rates of usual market practices during the period, and under reciprocal conditions.

The unconsolidated related parties are as follows:

(i) Rio Grande do Sul State - in June 17, 2016, Banrisul signed with the State Government an agreement for the rights to service the payroll of state employees. Such agreement aims at centralizing at Banrisul the processing of 100% (one hundred percent) of the payroll of the State, which will be processed and deposited at checking accounts owned by the state employees, civil and military alike, or their beneficiaries, for the deposit of their salaries as well as credit of benefits and earnings payable to retirees and pensioners of the State's own pension plan, while preserving any portability rights to the state's employees. The contract is valid for a period of ten years, and the agreed price of R$1,250,638 was paid on June 20, 2016. The agreement also establishes that Banrisul will not be entitled to receiving any payment from the State, such as banking fees, for example, in relation to banking services and similar provided;
The contract provides for a price adjustment at the end of the 61st (sixty-first) month of validity, as a result of the variation in the SELIC rate and inflation projections. As a result, a price adjustment was calculated by Banrisul's technical area and validated by an independent external advisor. The value of the calculated price adjustment, as defined in the Agreement, was R$48,781, which amount will be deferred for the remainder of the term of the agreement. This amount was paid to the State of RS on July 23, 2021, after the completion of the formalization of the amendment to the Agreement;
(ii) Companhia Riograndense de Saneamento (CORSAN), Centrais de Abastecimento do Rio Grande do Sul S.A. (CEASA), Companhia Rio-grandense de Mineração (CRM), Companhia de Processamentos de Dados do Estado do Rio Grande do sul (PROCERGS) and BADESUL Desenvolvimento S.A. - Agência de Fomento/RS - companies controlled by the Government of the State of Rio Grande do Sul;
(iii) Affiliated *(i)* Bem Promotora de Vendas e Serviços S.A., engaged in payroll loan origination, *(ii)* Banrisul Icatu Participações S.A. (BIPAR), holding company owning 100% of Rio Grande Seguros e Previdência S.A., a life and pension insurance company, and Rio Grande Capitalização; and *(iii)* VG8JV Tecnologia S.A. - VG8JV, company that ended its activity on 04/22/2021, offering integrated payment solutions to shopping centers located in its operating area throughout the national territory;

(iv) Fundação Banrisul de Seguridade Social (FBSS), closed supplementary pension entity that manages the pension plans sponsored by Banrisul and/or its subsidiaries;
(v) Caixa de Assistência dos Empregados do Banco do Estado do Rio Grande do Sul (Cabergs) is a non-profit assistance association, regulated by private law; and
(vi) Investment Funds and Managed Portfolios, managed by Banrisul.

Main related party transactions are as follows:

				Parent Company
	Assets (Liabilities)		Income (Expense)	
	12/31/2022	12/31/2021	01/01 to 12/31/2022	01/01 to 12/31/2021
State of Rio Grande do Sul Government	**(8,691,941)**	**(6,896,827)**	**(1,117,151)**	**(210,539)**
Other Assets	4,288	31	-	-
Demand Deposits	(1,199,429)	(1,021,381)	-	-
Repurchase Agreements (Repos) (1)	(7,489,225)	(5,863,743)	(1,114,577)	(208,097)
Other Liabilities	(7,575)	(11,734)	(2,574)	(2,442)
Subsidiaries and Investment Fund	**(2,354,499)**	**(1,831,910)**	**1,353**	**73,050**
Securities	20,905	-	-	-
Other Financial Assets	147,363	-	-	7
Other Assets	25,357	168,647	155,329	125,933
Demand Deposits	(14,332)	(11,745)	-	-
Time Deposits	(1,059,994)	(759,598)	(85,180)	(25,573)
Repurchase Agreements (Repos)	(80,660)	(53,166)	(8,347)	(2,122)
Funds from Acceptance and Issuance of Securities	(512,511)	(298,939)	(48,225)	(13,808)
Other Financial Liabilities (2)	(879,841)	(859,212)	-	-
Other Liabilities	(786)	(17,897)	(12,224)	(11,387)
Fundação Banrisul de Seguridade Social	**(1,402)**	**(1,245)**	**(16,134)**	**(15,965)**
Other Liabilities	(1,402)	(1,245)	(16,134)	(15,965)
Total	**(11,047,842)**	**(8,729,982)**	**(1,131,932)**	**(153,454)**

(1) These funds bear interest at 100% of the Selic rate.
(2) These mainly refer to receivables related to Banricompras and Visa and Mastercard cards issued by Banrisul.

				Consolidated
	Assets (Liabilities)		Income (Expense)	
	12/31/2022	12/31/2021	01/01 to 12/31/2022	01/01 to 12/31/2021
State of Rio Grande do Sul Government	**(8,691,941)**	**(6,896,667)**	**(1,117,125)**	**(210,486)**
Other Financial Assets	-	160	26	53
Other Assets	4,288	31	-	-
Demand Deposits	(1,199,429)	(1,021,381)	-	-
Repurchase Agreements (Repos) (1)	(7,489,225)	(5,863,743)	(1,114,577)	(208,097)
Other Liabilities	(7,575)	(11,734)	(2,574)	(2,442)
Fundação Banrisul de Seguridade Social	**(1,402)**	**(1,245)**	**(16,134)**	**(15,965)**
Other Liabilities	(1,402)	(1,245)	(16,134)	(15,965)
Total	**(8,693,343)**	**(6,897,912)**	**(1,133,259)**	**(226,451)**

(1) These funds bear interest at 100% of the Selic rate.

(b) Management Compensation

Annually, the General Shareholders' Meeting determines the total annual compensation of the members of Management, comprising the Executive Board, the Board of Directors, the Supervisory Board, Audit Committee, Compensation Committee and Risk Committee, as stated in the Bank's bylaws.

	01/01 to 12/31/2022	01/01 to 12/31/2021
Short Term Benefits	**22,832**	**20,827**
Salaries	17,447	15,944
Social Security	5,385	4,883
Post-Employment Benefits	**684**	**544**
Supplementary Pension Plans (1)	684	544
Total	**23,516**	**21,371**

(1) Banrisul pays for complementary pension plans to managers who belong to the staff.

Banrisul does not offer its key management personnel any long-term, termination and stock-based compensation benefits.

Banrisul has a D&O liability insurance policy for its officers and members of the Boards, and paid insurance premium in the amount of R$2,000.

(c) Shareholding

As of December 31, 2022, members of the Executive Board, the Board of Directors, the Supervisory Board, the Audit Committee, the Compensation Committee and the Risk Committee jointly hold 3,093 Banrisul's shares, as presented in Note 21(a).

NOTE 30 - OTHER INFORMATION

a) Fair Value of Financial Assets and Liabilities

(i) Financial Instruments Measured at Fair Value - when determining and disclosing the fair value of financial instruments, Banrisul uses the following hierarchy:

Level 1 - prices quoted in active markets for the same instrument without modification;
Level 2 - prices quoted in active markets for similar instruments or valuation techniques, for which all significant inputs are based on observable market data; and
Level 3 - valuation techniques, for which any significant input is not based on observable market data.

Measurement at fair value for the period ended December 31, 2022:

	Parent Company			Consolidated		
	Level 1	**Level 2**	**Total**	**Level 1**	**Level 2**	**Total**
Financial Assets						
Trading Securities	**8,674,102**	**-**	**8,674,102**	**8,895,920**	**13,378**	**8,909,298**
Financial Treasury Letter – LFT	5,921,981	-	5,921,981	5,931,397	-	5,931,397
National Treasury Letter - LTN	2,732,890		2,732,890	2,732,890	-	2,732,890
Shares of Publicly-Held Companies	19,231	-	19,231	19,231	-	19,231
Investment Fund Shares	-	-	-	212,402	13,378	225,780
Available-for-Sale Securities	**-**	**71,614**	**71,614**	**2,256**	**50,723**	**52,979**
Investment Fund Shares	-	46,339	46,339	2,256	25,434	27,690
Privatization Certificates	-	-	-	-	14	14
Other	-	25,275	25,275	-	25,275	25,275
Total Assets at Fair Value	**8,674,102**	**71,614**	**8,745,716**	**8,898,176**	**64,101**	**8,962,277**
Financial Liabilities						
Derivatives	-	670,298	670,298	-	670,298	670,298
Subordinated Debt	-	1,170,381	1,170,381	-	1,170,381	1,170,381
Total Liabilities at Fair Value	**-**	**1,840,679**	**1,840,679**	**-**	**1,840,679**	**1,840,679**

Measurement at fair value for the period ended December 31, 2021:

	Parent Company			Consolidated		
	Level 1	**Level 2**	**Total**	**Level 1**	**Level 2**	**Total**
Financial Assets						
Trading Securities	**8,288,943**	**-**	**8,288,943**	**8,572,292**	**11,870**	**8,584,162**
Financial Treasury Letter – LFT	8,276,302	-	8,276,302	8,284,663	-	8,284,663
Shares of Publicly-Held Companies	12,641	-	12,641	12,641	-	12,641
Investment Fund Shares	-	-	-	274,988	11,870	286,858
Available-for-Sale Securities	**-**	**34,035**	**34,035**	**2,307**	**13,961**	**16,268**
Investment Fund Shares	-	34,035	34,035	2,307	13,947	16,254
Privatization Certificates	-	-	-	-	14	14
Derivatives	**-**	**841,900**	**841,900**	**-**	**841,900**	**841,900**
Total Assets at Fair Value	**8,288,943**	**875,935**	**9,164,878**	**8,574,599**	**867,731**	**9,442,330**
Financial Liabilities						
Derivative Financial Instruments	-	136,170	136,170	-	136,170	136,170
Subordinated Debt	-	4,689,788	4,689,788	-	4,689,788	4,689,788
Total Liabilities at Fair Value	**-**	**4,825,958**	**4,825,958**	**-**	**4,825,958**	**4,825,958**

Banrisul does not have financial instruments classified in Level 3 of the fair value hierarchy.

(ii) Financial Instruments Not Measured at Fair Value - The following table summarizes the carrying amounts and fair values of financial assets and liabilities that were presented at amortized cost.

	Parent Company		Consolidated	
	12/31/2022		12/31/2022	
	Book Value	Fair Value	Book Value	Fair Value
Financial Assets				
Interbank Lending Market Investments	3,521,401	3,532,137	3,521,401	3,532,137
Compulsory Deposits at Central Bank of Brazil	10,798,526	10,798,526	10,798,526	10,798,526
Securities (1)	30,480,767	30,497,243	30,492,530	30,508,962
Loans, Leases and Other Credit-like Receivables (2)	49,121,869	44,613,038	49,121,869	44,613,038
Other Financial Assets	3,553,046	3,553,046	6,087,071	6,087,071
Total	**97,475,609**	**92,993,990**	**100,021,397**	**95,539,734**
Financial Liabilities (3)				
Deposits (a)	68,688,782	68,658,923	67,615,882	67,586,023
Repurchase Agreements (b)	12,501,695	12,501,695	12,421,035	12,421,035
Funds from Acceptance and Issuance of Securities (a)	3,469,595	3,472,239	2,957,083	2,959,728
Subordinated Debt (a)	314,447	317,205	314,447	317,205
Borrowings (c)	1,012,985	1,012,985	1,012,985	1,012,985
Onlendings (c)	2,501,887	2,501,887	2,501,887	2,501,887
Other Financial Liabilities	8,407,411	8,407,411	9,810,998	9,810,998
Total	**96,896,802**	**96,872,345**	**96,634,317**	**96,609,861**

	Parent Company		Consolidated	
	31/12/2021		31/12/2021	
	Book Value	Fair Value	Book Value	Fair Value
Financial Assets				
Interbank Lending Market Investments	5,843,792	5,861,799	5,845,434	5,863,441
Compulsory Deposits at Central Bank of Brazil	9,738,751	9,738,751	9,738,751	9,738,751
Securities (1)	29,778,173	29,721,546	29,788,639	29,731,942
Loans, Leases and Other Credit-like Receivables (2)	41,041,975	38,962,045	41,041,975	38,962,045
Other Financial Assets	3,269,721	3,269,721	5,528,267	5,528,267
Total	**89,672,412**	**87,553,862**	**91,943,066**	**89,824,446**
Financial Liabilities (3)				
Deposits (a)	65,045,847	65,016,219	64,277,380	64,247,752
Repurchase Agreements (b)	10,774,902	10,774,902	10,721,736	10,721,736
Funds from Acceptance and Issuance of Securities (a)	2,036,940	2,036,903	1,738,001	1,737,964
Borrowings (c)	1,021,299	1,021,299	1,021,299	1,021,299
Onlendings (c)	1,394,823	1,394,823	1,394,823	1,394,823
Other Financial Liabilities	10,845,167	10,845,167	12,146,498	12,146,498
Total	**91,118,978**	**91,089,313**	**91,299,737**	**91,270,072**

(1) Securities - the fair value securities is based on market prices or quotes from brokers or operators. When this information is not available, the fair value is estimated using prices quoted in the market for securities with similar credit, maturity and interest characteristics.

(2) Loans, Leases and Other Credit-like Receivables - the estimated fair value of loans, leases and other credit-like receivables represents the discounted value of future cash flows expected to be received. The expected cash flows are discounted at current market rates plus the counterparty risk rate to determine their fair value.

(3) Financial Liabilities - the estimated fair value of deposits with no specific maturity, which includes deposits without interest, is the payable amount upon demand. The estimated fair value of deposits with fixed and floating rates and other unlisted loans in the active market is based on undiscounted cash flows using interest rates for new debt with similar terms plus the risk rate for the bank.

(a) Deposits, Funds from Acceptance and Issuance of Securities and Subordinated Debt: fair value is calculated by discounting the difference between future cash flows, adopting discount rates equivalent to the weighted average rates of the most recent contracting or similar negotiations, of securities with similar characteristics.

(b) Repurchase Agreements: for operations with pre-fixed rates, the fair value was calculated by calculating the discount of estimated cash flows, adopting discount rates equivalent to the rates used in contracting similar operations on the last day of the market.

(c) Borrowings and Onlendings: such operations are exclusive to the Bank, with no similar ones in the market, Due to its specific characteristics, exclusive rates for each amount and the absence of an active market and similar instrument, the fair value of these operations was considered equivalent to the book value.

b) Non-recurring Result

Banrisul considers a non-recurring result one which is not related or is incidentally related to the institution's typical activities and is not expected to occur frequently in future years. In the first quarter of 2021 and 2022, there were no events treated as non-recurring.

We present below the events considered non-recurring for the indicated periods:

	01/01 to 12/31/2022	01/01 to 12/31/2021
Adjusted Net Income	780,832	990,355
Ajdjustments	(65,898)	(41,820)
Voluntary Termination Program - PDV	(119,814)	-
Provision for Tax Contingencies [1]	-	(76,036)
Tax Effects [2]	53,916	34,216
Net Income	**714,934**	**948,535**

(1) Provision arising from the review of parameters and progress of the lawsuit related to income tax and social contribution on the deduction of expenses from the settlement of the actuarial deficit at the Banrisul Social Security Foundation, evoked by the Federal Revenue Service for the period 1998 to 2005 (Note 19b).
(2) Refers to Tax Effects on Provision for Tax Contingencies in 2021 and to the Voluntary Termination Program in 2022.

c) Effects of the War in Eastern Europe on the Financial Statements

Banrisul, due to the war that has been taking place in Eastern Europe, informs that has no clients and/or businesses involving the countries in conflict, that it will continue to monitor the economic impacts and so far no impact on Banrisul's operations has been identified.

d) Plan for the implementation of accounting regulations – CMN Resolution No 4,966/21

CMN Resolution No. 4,966 of November 25, 2021 provides for the concepts and accounting criteria applicable to financial instruments, as well as for the designation and recognition of hedging relationships (hedge accounting) by financial institutions and other institutions authorized to operate by the Central Bank of Brazil.

The new regulation includes rules on the classification, measurement, recognition, write-off and provisioning of financial instruments, as well as for the designation and recognition of hedging relationships (hedge accounting). The norm aims to converge the Central Bank standard to the international accounting standards on financial instruments, that is, to IFRS 9. It will come into effect in January 2025, giving financial institutions a deadline to adapt their risk classification and management processes and verification of its provisions, revoking several normative acts that currently regulate the matter.

The main points that the Resolution aproaches, knowing that further supplements must be published by the Central Bank of Brazil and that may lead to changes in this initial planning, we highlight the main processes that will undergo adjustments and will require actions at Banrisul:

- ✓ Classification, recognition and measurement of financial assets now have as basic foundations the business model adopted by the institution in the management of financial instruments and the characteristics of the contractual cash flows of the evaluated instrument, instead of the individual characteristics of each instrument and the mere intention to negotiate.

- ✓ Concepts adopted for renegotiated operations and/or problematic assets are expanded, with direct implications in the form of revenue recognition from these operations.

- ✓ Implements the concept of effective interest rate in the appropriation of Revenues on financial instruments that fit the SPPJ test – Only Payment of Principal and Interest.

- ✓ With regard to provisioning, the resolution expands the scope of financial instruments subject to the constitution of a provision for expected losses associated with credit risk - expanding the current scope that deals only with credit operations, leasing and guarantees provided - also passing to adopt allocation criteria in stages to define the amount to be provisioned. In addition, it maintains with the regulator the definition of provision floors, which start to have a direct impact on the process of writing off assets due to credit loss, with a strong connection with the characteristics of each product and its guarantees.

- ✓ Recognition and measurement of Financial Assets and Liabilities

- ✓ Disclosure in Notes

The implementation in Banrisul's processes of all the standard's requirements will involve several areas of the bank, as well as changes to the systems that support these areas, the possible impacts for adoption of this methodology are still been accurate. Thus, Banrisul carried out internal training involving people affected by the business areas that will be impacted and, as this is an extremely complex subject, which requires specific knowledge, it proceeded to hire Specialized Consulting, focused on the impacts on all the companies that make up the Banrisul Group. including BCB Resolution 219/22, with the following scope of work: Step 1 Review of Diagnosis and Implementation Plan, Step 2 Implementation of CMN Resolution No. 4966/21 and BCB No. 219/22.

Banrisul is seeking to evolve with the challenge of carrying out all the changes at the same time, with the necessary synchrony of different areas, establishing all the appropriate controls for the implementation of the work to comply with the norm within the deadline established by Bacen, in this way, it prepared the Implementation Plan for the accounting regulations established in the regulations that were approved by management.

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

Banco do Estado do Rio Grande do Sul S.A.

Individual and Consolidated Financial Statements for the Six-month Period and Year Ended December 31, 2022 and Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT ON THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors, Management and Shareholders of
Banco do Estado do Rio Grande do Sul S.A.

Opinion

We have audited the accompanying individual and consolidated financial statements of Banco do Estado do Rio Grande do Sul S.A. and its subsidiaries ("Bank"), identified as Parent Company and Consolidated, respectively, which comprise the individual and consolidated balance sheets as at December 31, 2022 and the related individual and consolidated statements of income, of comprehensive income, of changes in equity and of cash flows for the six-month period and year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the individual and consolidated financial statements referred to above present fairly, in all material respects, the individual and consolidated financial position of Banco do Estado do Rio Grande do Sul S.A. as at December 31, 2022, and its individual and consolidated financial performance and its individual and consolidated cash flows for the six-month period and year then ended, in accordance with accounting practices adopted in Brazil applicable to financial institutions authorized to operate by the Central Bank of Brazil (BACEN).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Bank in accordance with the relevant ethical requirements set out in the Code of Ethics for Professional Accountants and the professional standards issued by the Brazilian Federal Accounting Council ("CFC"), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current six-month period and year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Allowance for loan losses

The recognition of an allowance for loan losses involves a degree of judgment and the use of estimates by the Bank's Management. As disclosed in notes 3.g) and 9 to the individual and consolidated financial statements, loan transactions and other receivables with loan characteristics are classified by risk level, based on Management's judgment, taking into consideration the economic scenario, past experience and the risks specific to the transactions and to the debtors, considering the guidelines established by CMN (National Monetary Council) Resolution 2682/99. For this purpose, the Bank uses internal credit risk classification models for debtors and their related transactions, involving Management's assumptions and judgments in order to represent its best estimate of the credit risk underlying its portfolio.

The allowance for loan losses was considered a key audit matter due to the complexity of the relevant recognition model, the use of estimates and the degree of judgment by Management in determining the allowances recognized.

How was the matter addressed in our audit?

Our audit procedures included, but were not limited to: (a) understanding the allowance recognition criteria adopted by the Bank for loan transactions and other receivables with loan characteristics; (b) understanding and testing the design and implementation of the relevant internal controls over the rating process of debtors and their related transactions; (c) reviewing the allowance recognition criteria and challenging the assumptions used by Management and their compliance with the guidelines set by CMN Resolution 2682/99, on a sampling basis, with the involvement of senior members of our team; (d) reviewing the level of the total allowance for the existing portfolios; and (e) assessing the disclosures made in the individual and consolidated financial statements.

We consider that the criteria and assumptions adopted by Management to estimate the allowance for loan losses are acceptable in the context of the individual and consolidated financial statements taken as a whole.

2. Information technology environment

The Bank's operations depend on an IT and infrastructure environment capable of supporting a high volume of transactions processed daily in its legacy information systems that provide input to its accounting records. The information technology-related processes, associated with its controls, may pose risks in the processing and generation of critical information, including that used in the preparation of financial statements, justifying our consideration as a key audit matter due to the significance in the context of the individual and consolidated financial statements.

How was the matter addressed in our audit?

Drawing on the support of our system audit specialists, we identified the significant systems supporting the Bank's key business activities, assessed the design of the general controls over the processing environment and tested the operating effectiveness of these controls, including, when applicable, the tests of compensatory controls over information security, development and maintenance of significant systems and the IT environment operations concerning the infrastructure that supports the Bank's business.

The evaluation of the information technology environment's processes and controls, associated with the testing procedures previously mentioned, allowed us to consider acceptable the information obtained from certain systems to plan the nature, timing and extent of our substantive procedures as appropriate in the context of the individual and consolidated financial statements taken as a whole.

Other matters

Consolidated financial statements

The Bank has prepared a complete set of consolidated financial statements for the year ended December 31, 2022, in accordance with the International Financial Reporting Standards - IFRS, issued by the International Accounting Standards Board – IASB, which were separately presented, and we issued a separate, unmodified opinion thereon dated February 10, 2023.

Statements of value added

The individual and consolidated statements of value added ("DVA") for the six-month period and year ended December 31, 2022, prepared under the responsibility of the Bank's Management, which presentation is not required by the accounting practices adopted in Brazil applicable to financial institutions authorized to operate by BACEN, were subject to audit procedures performed together with the audit of the Bank's individual and consolidated financial statements. In forming our opinion, we assess whether these individual and consolidated statements of value added are reconciled with the financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set out in technical pronouncement CPC 09 - Statement of Value Added. In our opinion, these statements of value added were appropriately prepared, in all material respects, in accordance with the criteria set out in such technical pronouncement and are consistent in relation to the individual and consolidated financial statements taken as a whole.

Other information accompanying the individual and consolidated financial statements and the independent auditor's report

Management is responsible for the other information. The other information comprises the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of audit conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the individual and consolidated financial statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil applicable to financial institutions authorized to operate by BACEN, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, Management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and matters that may reasonably be thought to bear on our independence, and, when applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the individual and consolidated financial statements of the current six-month period and year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The accompanying individual and consolidated financial statements have been translated into English for the convenience of readers outside Brazil.

Porto Alegre, February 10, 2023

DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.

Carlos Claro
Engagement Partner

2023SP019818

BANCO DO ESTADO DO RIO GRANDE DO SUL S.A.

Executive Board

CLÁUDIO COUTINHO MENDES
Chief Executive Officer

IRANY DE OLIVEIRA SANT'ANNA JUNIOR
Deputy CEO

CLAÍSE MÜLLER RAUBER
FERNANDO POSTAL
JORGE FERNANDO KRUG SANTOS
MARCUS VINÍCIUS FEIJÓ STAFFEN
MARIVANIA GHISLENI FONTANA
OSVALDO LOBO PIRES
WAGNER LENHART
Officers

Board of Directors

JORGE LUIS TONETTO
Chairman

CLÁUDIO COUTINHO MENDES
Vice-Chairman

ADRIANO CIVES SEABRA
EDUARDO CUNHA DA COSTA
EDUARDO RODRIGUES MACLUF
IRANY DE OLIVEIRA SANT'ANNA JUNIOR
JOÃO VERNER JUENEMANN
MÁRCIO GOMES PINTO GARCIA
MÁRCIO KAISER
RAFAEL ANDREAS WEBER
RAMIRO SILVEIRA SEVERO
Board Members

WERNER KÖHLER
Accountant CRC RS 38534

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