

Management Report

1st Quarter of 2023

Brasilia,
May 18, 2023

Access our
IR webpage



Administration

Paulo Henrique Costa

President BRB

Cynthia Borges

Chief Financial Officer,
Controller, and CIRO

Alexandra Braga

BRB Seguros President

Carlos Antônio Fernandes

Financeira BRB President

Carlos Alberto Moreira Junior

BRB Card President

Emerson Rizza

BRB DTVM President

Mário Ferreira Neto

BRB Serviços President

Table of Contents

Letter to the reader.....	4
Phygital <i>bank</i> expansion.....	5
Customers 6	
Physical	
Presence.....	7
Innovation	and
Technology.....	8
<i>Big Data, Analytics</i>	and
<i>Cybersecurity</i>	9
Strategic projects	and
partnerships.....	10
Corporate Reorganization.....	
10	
Brasilia International Racetrack.....	10
#NaçãoBRBFla.....	11
Insurance.....	11
BRB <i>Venture Capital</i> Fund	12
America BRB.....	12
BRB Investment Platform.....	13
BRB DTVM.....	13
BRBCard.....	14
Awards.....	15
Governmental Solutions.....	15
Federal District Government Health	
Insurance.....	15
Food security, job creation, and productivity.....	16
Entrepreneurship in the countryside and in the city.....	16
Mobility Moves Forward.....	16
Consignment agreements.....	17
Judicial services.....	17
Na Hora.....	17
People.....	18
Governance for the future.....	19
Sustainability and business continuity.....	19
Social business.....	20
Instituto BRB.....	21
Sponsorships.....	

Dear reader,

In 2023, BRB begins a new cycle. Through challenging political and economic scenarios on a global scale, the Bank sustained its growth strategy, **backed by a safe and high quality credit portfolio**, and **expanding its sources of revenue generation**. Beginning in 2019, this movement led BRB to diversify its customer base, increase its national presence, and intensify the social impact of its operation.

The Bank closed 1Q23 having surpassed the initial goals of this process, reaching the mark of **7 million customers** (^ 1125%), with a growth of **282%** in its **total assets** and **358%** in the **expanded portfolio**, with emphasis on the **Legal Entity credit lines** (^345%) and **Mortgage** (^495%). At the same time, BRB returns its results to society, with **R\$ 1.2 billion** in **social benefits transferred** to people in vulnerable situations. In all, the Bank has made a difference in the lives of **298,000 people**, making viable **26 programs**, of which 14 remain in force.

This success also marks a new chapter in BRB's history: now **the Bank competes for a place in the group of the largest players in the market**, in a changing world, where the path of business continuity will be found between the requirements of an increasingly diversified customer base and the challenge of stronger competitors, from sectors ranging from retail to technology giants and ERP (*Enterprise Resource Planning*) companies, all adhering to the modern trend of business fintechization with large customer amounts.

To deal with these challenges and opportunities, BRB has implemented a **complete transformation in its organizational culture**. The Bank's strategy was re-imagined and redefined, through collaborative and participatory journeys with employees, expressing the view that being customers' preferred bank means offering a more complete product portfolio, with customized financial solutions, capable of anticipating the needs of each one, efficiently and promptly.

This strategic direction becomes the construction of a network of business partnerships that allows BRB to access new customer bases already loyal throughout the country, which offers more security to these expansion movements. To this end, the Bank continues to invest in its modern ecosystem of banking solutions and in the qualification of its professionals, and **strengthening the ESG trinomial**, whether in environmental credit lines, social benefits or initiatives to improve the relationship with its stakeholders.

It is with this true cultural transformation, attentive to the latest innovations in the market, that the Bank continues to prepare the future. The 1Q23 Management Report presents what was done in the quarter, but also tells the history of the days that are yet to come: the history of a common future between BRB and the people who justify its existence.



The Expansion of a phygital bank

BRB has reached an important point in its growth strategy. This process, which began in 2019, was conducted based on technological development that allowed the Bank to expand its region of influence.

The move was driven by the operational efficiency solutions that the *phygital* strategy can offer to customers and potential customers across the country.

In an integrated way with the **expansion of the Bank's operations to a national scale**, BRB continues to focus on improving the quality of its relationship with customers, as well as its products and services, paving the way for the sustainable and perennial growth of its operations.

The goal now is to refine relationship metrics by anticipating each other's needs and figuring out how to be more present and make a difference in customers' lives.

Customers

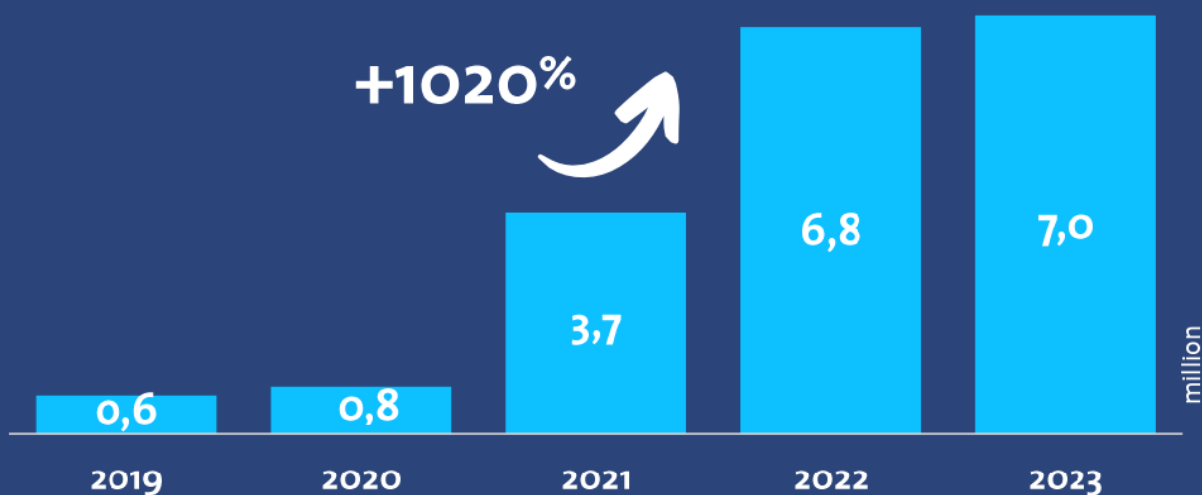


In 1Q23, BRB reached 7 million customers. The strategy of digital expansion through partnerships promoted base diversification.

As measured by the *NPS – Net Promoter Score indicator*, 59.13% of our customers were very satisfied with the service provided by our managers. This percentage is higher than the market’s average (44.9%), according to data from SoluCX, which awards the best companies in the *NPS Awards*.

The Bank continues to constantly evolve its products and services, in order to meet customer expectations and anticipate their needs, focusing on customized solutions.

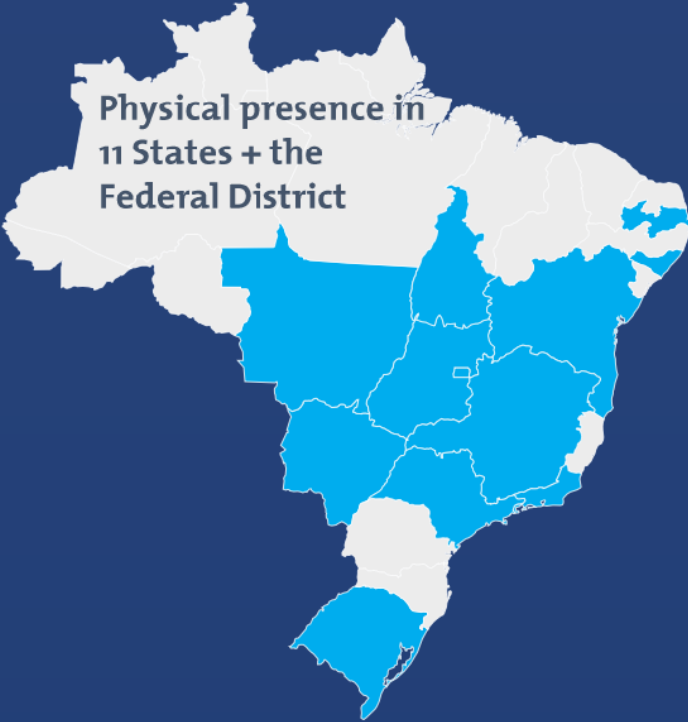
Customer Base



Convinced that the experience defines the choice for the bank, BRB has as one of its pillars **the customer at the center of everything**, offering a superior, complete, innovative and *phygital omnichannel* experience. Increasingly recognized for its positive impact on people’s lives and business development, BRB aims to be the bank of choice for customers and promote economic, social and human development.

Physical Presence

Physical presence in 11 States + the Federal District



In 1Q23, BRB reached the mark of 1091 service points, between 188 brick-and-mortar branches and 903 branchless banking.

In addition to the Federal District, the Bank is physically present in the states of Alagoas, Bahia, Goiás, Mato Grosso, Mato Grosso do Sul, Minas Gerais, Paraíba, Rio de Janeiro, Rio Grande do Sul, São Paulo and Tocantins.

Another office was opened in Goiânia, focused on wholesale business, strengthening the Bank's capillarity and position in the region.

Continuing BRB's growth and consolidation strategy as a national Bank, there have been advances in expansion projects for João Pessoa-PB and Maceió-AL, with new brick-and-mortar branches already in operation.

BRB has increasingly established its characteristic of being an efficient, modern and agile bank. In recent years, it has transformed its entire service operation, making it fast and personalized.

In 1Q23, **88.5 million bank transactions** were carried out, of which 94% in digital channels, which includes those carried out using the Mobile app (63%). In the same period, more than **R\$672 million** of credit was granted through these channels. These figures are a reflection of the Bank's focus on the digitization strategy.

Together, the brick-and-mortar branches network is part of BRB's relationship options, being remodeled based on the idea of concept store. Focused especially on the customer experience, from a customized service, with a pleasant and humane environment, and managers able to deal with the most specific demands, they become increasingly relationship development environments.

The Bank's product commercialization expansion through branchless banking project had the actions related to its first version completed in 1Q23. The expectation is that these brokers will offer credit, insurance, cards and acquisition products during the next quarter. This strategy seeks to promote the expansion of products for customers who are not familiar with the digital environment and usually frequent the physical branches.

Transactions by Channel



94%

Digital Transactions



4%

Branchless Banking



2%

Brick-and-Mortar Branches

Innovation and Technology

BRB continues to unite the good ideas given by society with its own digital innovation strategies, focusing on the customer experience. In 1Q23, the Bank continued to promote the development of new technologies both by investing in *start-ups*, which add good solutions, and investing in the training of its employees.

The BRB Innovation Program operates with three pillars: **People, Entrepreneurship and Open Innovation**. The opportunities offered make up the people development strategy and aim to foster a participation and innovation culture, stimulate critical thinking and creativity, converting the Bank's planning into results.

The Innovation Program also has a *co-working* space at the Brasilia Technological Park — BRB LAB. In 1Q23, the Bank actively participated in events such as the Bossa Summit, which **prospected more than 130** startups from the most diverse areas, to be part of BRB's technology ecosystem.

Continuing the initiative of the **Office in Silicon Valley**, inaugurated in July 2022, BRB sent to the largest innovation hub in the world its second project: the "Super App". The initiative aims to improve the customer experience, increasing loyalty and boosting business generation, integrating banking services with others used in daily life. The selection was made through an internal idea database, in which all employees had the opportunity to participate, adding their own project.

The logo for Banco BRB by Silicon Valley, featuring the word "banco" in a small, blue, sans-serif font above a stylized blue square icon with a white diagonal line, followed by the letters "BRB" in a large, bold, blue, sans-serif font, and the text "by Silicon Valley" in a smaller, blue, cursive font below it. The logo is set within a white circular background.

banco
BRB
by Silicon Valley



Big Data, Analytics and Cybersecurity

In 1Q23, the Bank implemented new *machine learning* solutions that aim to block customer scams through Pix. The predictive model has increased efficiency in detecting threats and improving the monitoring process.

From the ATM Journey, in which customers and employees evaluated the service of the Bank's self-service terminals and suggested the improvements required in the new terminals, the customer experience was enriched. As a result, the online deposit transaction was enabled, whereby the amounts deposited are immediately available in the account.

Regarding IT operations, the installation and configuration steps of the new *Video Wall* solution were completed, expanding the vision of the computing environments in NOC – *Network Operation Center* and improving the monitoring process with an increase in the number of *dashboards* displayed simultaneously.

Another focus in the period was the improvement in performance and fight against obsolescence, in which the actions of installation, configuration and migration of HSM Gateway servers to higher versions of operating systems were completed. In addition, initiatives were conducted to review the file processing parameters in the platform environment, which resulted in a reduction in room time and, consequently, in the period necessary for the completion of routines and optimization of resource use.



Big Data

Services and qualified information



Machine Learning

For blocking scams



On-line Deposit

Money immediately available

Strategic projects and partnerships

Lucky Project

BRB will begin to operate its exclusive right in the **exploitation of the Federal District lottery game**. The *Lucky Project* is part of the Bank's diversification strategy, expanding the portfolio of government products, while **allocating funds to the District Fund for Employment and Income Generation and for projects of recognized social relevance**.

To enable this new operation, a partnership is being built with Santa Casa da Misericórdia de Lisboa (SCML). A corporate *joint venture* will be formed, with the constitution of a body managed by BRB. In the market since the 15th century, SCML is one of the most traditional lottery operators in the world. The entity was selected by BRB in a competitive process conducted by Banco BTG Pactual. The launch of the gaming platform is expected to take place later this year.

Corporate Reorganization

In order to improve the governance of the subsidiaries of Conglomerado BRB and enable the expansion of the business, with direct benefit to the Bank and its *stakeholders*, in June 2021, the Shareholders Extraordinary General Meeting of the Bank approved the General Corporate Reorganization Plan of Conglomerado BRB ("Plan"), which consists of 4 Phases.

Phase 1 was carried out in December 2021, with its due approval in the Meeting, corresponding to the exchange of shares of the Bank and BRB Card, between GDF and Associação dos Empregados do BRB (AEBRB).

In **Phase 2**, the Bank acquired the shares of BRB Card, then held by the GDF, through a **Share Purchase and Sale Agreement**, signed this March, with subsequent approval from the Central Bank. Since then, BRB has held all of Card's shares.

Phases 3 and 4 will be conducted in order to make BRB Administradora e Corretora de Seguros S.A. and BRB Serviços S.A. wholly-owned subsidiaries, directly linked to BRB.

Brasília International Racetrack Circuit

In 1Q23, BRB also started the works of revitalization and reactivation of the Autódromo Internacional de Brasília, including the reconstruction of the track. The initiative, which takes place through a Technical Cooperation Agreement with Companhia Imobiliária de Brasília (Terracap), **guarantees to the Bank the equipment management and naming rights, for a period of 30 years**.

The partnership is part of the Bank's business diversification strategy, while reinforcing its social mission as a fundamental body for the promotion, implementation and operationalization of public policies, including actions for the economic, social and environmental development of its regions of influence.





> **1.28 million**
activated cards



Exclusive
Marketplace

Present in **93% of Brazilian municipalities**



+mengão

#NAÇÃOBRBFLA

In its newest phase of operation, [Nação BRBFla](#) is looking for a partner to further monetize the way a Bank, a club and a cheerleader do business.

In January, the Central Bank of Brazil authorized BRB's participation in the share capital of a new company to be incorporated in association with the Clube de Regatas do Flamengo.

This achievement, foreseen in the Bank's business strategy since its formulation, leads Nação to a new movement: with the growth that led more than three million to join the BRB Fla team, the focus becomes the investment in the business maturity of these relationships, boosting the profitability of the complete portfolio of products and services offered on the platform.



Insurance

In 1Q23, BRB Seguros completed the implementation and began the commercialization of the first two products resulting from the Safe II Process: BNP Paribas Cardif's Payment Protection Insurance and MAPFRE's Housing Insurance.

The new broker surpassed the projected results for the period, with the issuance of R\$124.9 million in premiums ¹, which represents an increase of 17.7% compared to 1Q22.

Gross revenue generated was R\$55.4 million, an increase of 34.5% over 1Q22.

There was a growth of 86.5% in housing insurance and 28.0% in car insurance in 1Q23, over 1Q22.



¹ BRB Seguros' premiums, disclosed by Wiz, disregard the commercialization of Capitalization, Consortium and Social Security.

BRB Venture Capital Fund

In 1Q23, BRB Venture Capital Fund was officially launched. The objective is to invest in start-ups that act in business sectors aligned with the Bank's growth strategy, establishing BRB's position as a financial institution present in the innovation hub.

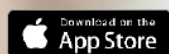
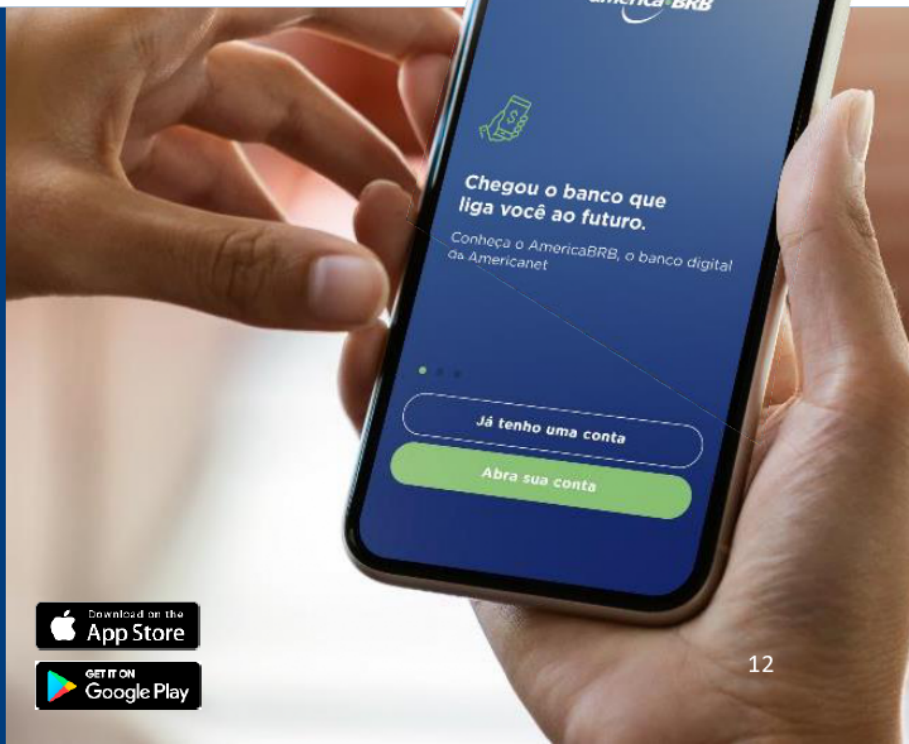
The Fund will be managed by KPTL Investimentos, a recognized company in the venture capital market. The role of Technical Consultant will be exercised by Bossanova, another prominent company, will be the Technical Consultant.

Over the next 10 years, **R\$50 million will be invested in up to 30 start-ups**. The initiative increases the Bank's ability to compete, enhancing the strategic objectives achievement through the use of new technologies, products and services that will be developed by the selected start-ups.

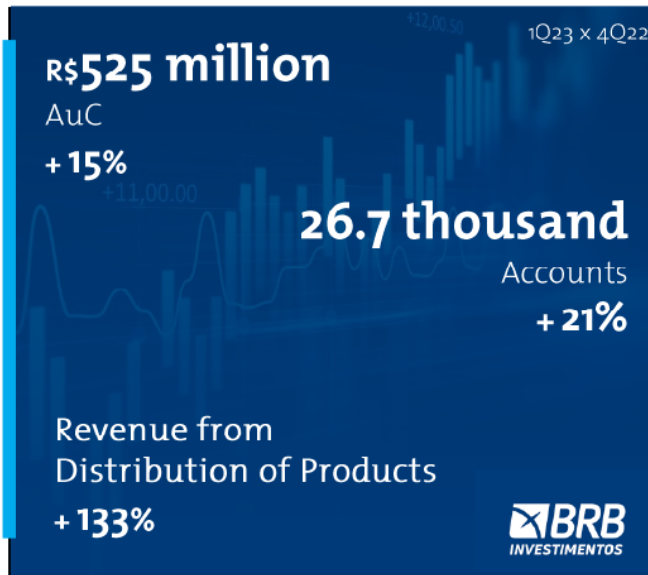


AmericaBRB

BRB has advanced its digital expansion strategy through AmericaBRB in partnership with Americanet, a telecom company. Throughout 1Q23, there was an expansion of the portfolio offered in the trading platform and the availability of new functionalities in the App, such as the virtual debit card, and solutions for customizing the user experience. The initiative continues to expand the presence of the BRB brand in the state of São Paulo, backed by an already loyal customer base of this business partner.



BRB Investment Platform



The partnership between the Bank, BRB DTVM, and Genial Investimentos, besides strengthening the brand, enabled the expansion of the portfolio of investment products offered by the Conglomerado BRB, through a 100% digital and interactive platform.

In the quarter, the channel already accumulates R\$525 million in AuC – Assets under Custody, representing an increase of 15% over 4Q22. In 1Q23 alone, more than R\$50 million were raised.

Through a robust and competitive technological solution, more than 600 investment products are made available to the Bank's customers, besides the *home broker*, which allows them to operate directly in the stock market.



BRB DTVM

R\$ 700 thousand
Adjusted Net Profit
 $\Delta 160\%$

+ 67%
Revenue from Financial Intermediation

R\$3.9 million
Revenue from administration fees
 $\Delta 15.4\%$

19.200
Shareholders in Funds
 $\Delta 70\%$

1Q23 x
1Q22

In 1Q23, managed equity reached R\$2.96 billion, an increase of 29% over the same period of 2022.

With the launch of BRB IMA-S, the first fund managed by BRB DTVM in the Investment Platform, we spread and enhanced the fundraising in the portfolio.

In addition, BRB DTVM now manages FIP Venture BRB, launched with the objective of investing in *startups and fintechs* related to core banking.

In 1Q23, intermediary revenue reached R\$ 1.5 million, an increase of 67% over 1Q22.

BRB Card

In 1Q23, BRB Card achieved revenues of R\$ 1.86 billion, corresponding to an increase of 11% over 4Q22 and 27% over 1Q22.

The card base reached 1.3 million active units, representing a growth of 11% over the previous quarter.

There was an increase of 196% in card sales and 42% in activation, comparing 1Q23 x 1Q22.



R\$12.9 million
Net profit



+ 196%
Card Sales

(1Q23 x 1Q22)

BRB Pay – Merchant acquiring business

TPV¹: R\$ 97 mm in 2023



> **700 k**
transactions in
2023

2,726 sales
outlets

¹ Total Payment Volume

Relationship with passion

BRB continues to develop an innovative business model, aimed at identifying passions in its customer base and offering unique experiences related to the most specific tastes of each one. This axis of the BRB style of creating businesses goes from passions such as gastronomy and sports inserted in the advantages of thematic cards, to the exclusive spaces that take the BRB brand and offer facilities in the daily lives of those related to us.



Launch of Infinite and Platinum Eurobike cards, two new products in the Eurobike family



Launch of Connect Visa, aimed at the young public, with permanent exemption on the annuity and direct automatic *cashback* on the invoice



Exclusive BRB parking at Brasilia Airport



Credit cards manufacturing with recyclable plastic



• BRB *coworking* spaces at Congonhas and Santos Dummont airports



GPTW Certification: BRB Card has been certified for the 8th consecutive year as GPTW - Great Place To Work



Awards



BRB won, for the third consecutive year, the *International Banking Awards*, in the category “Best Innovation In Retail Banking”. The award is presented by the prestigious publication *International Banker*, whose focus is the finance sector. In the last 4 years, BRB has been guided by innovation in its various business fronts and promoted actions to incorporate creativity and technology into its processes, enhance its physical and digital expansion, and also create new customer experiences.

BRB Dux Visa has been voted the best credit card in the country for the third time in a row. The award is from the website *Melhores Destinos*, one of the main and most respected travel pages in Brazil. Aimed at the high-income segment, the card offers a unique consumer experience to users.



BRB won the Top Real Estate Credit Wildemir Demartini award, in the newly created “production financing” category. Sponsored by Quadralmob, the awards event recognized the largest companies in the real estate sector. The Bank also exceeded the amount of R\$1 billion in the granting of credit destined to companies in the field of construction of enterprises.

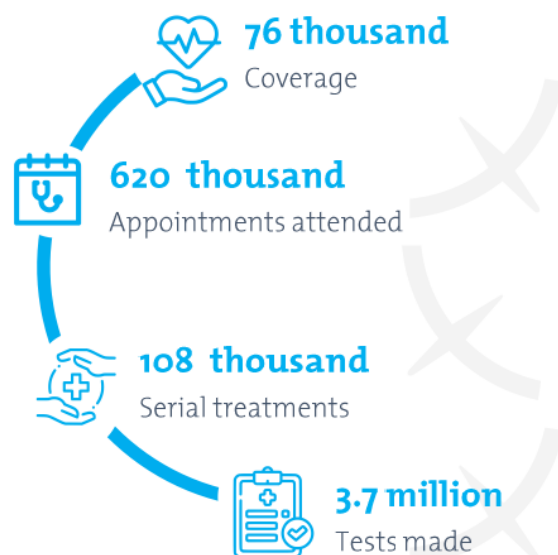
Governmental Solutions

BRB has built its own portfolio of government products, with which it adds value to public authorities in the Federal District and beyond. The **Bank's technologies are available to public management**, increasing levels of efficiency and transparency, within the three power branches and at the municipal, state and federal levels.

Federal District Government Health Insurance

BRB manages the Federal District Government civil servants' Health Insurance, monetizing its relationship with its most traditional public, increasing its government products portfolio, and generates value for society.

There are 2.500 accredited health units, operating throughout the Federal District making a difference in more than 76.000 lives, reaching in 1Q23, 108.000 serial treatments performed, 620.000 appointments, 24.000 hospitalizations and a total of 3.7 million lab tests.



Cumulative numbers until 1Q23

Food security, job creation, and productivity

BRB is the financial agent of the District Fund for Rural Development (FDR), which promotes the development of agribusiness in the Federal District, making possible for people to stay in the countryside and increase families' production, income and food security. The Bank operationalizes the credits of the financing of investment projects and costing of agricultural production.

The project manages a **balance of R\$15.2 million**. The financing is granted upon presentation of projects prepared by the Technical Assistance and Rural Extension Company of the Federal District - Emater-DF or by an institution accredited by the Administrative and Managing FDR Council.

Entrepreneurship in the countryside and in the city

As a financial agent of the Fund for Employment and Income Generation - Fungir, BRB promotes entrepreneurship both in urban centers and in the countryside, throughout the Integrated Economic Development Region (RIDE).

This initiative closed 1Q23 with **2,767 active operations** and **assets of R\$29.4 million**.

Mobility Moves Forward

In 1Q23, BRB enabled a total of **80.8 million accesses by the SBA**, with **R\$ 144 million** in credit sales, an increase of 11.4% over 1Q22.

The Bank is also deploying, throughout the Federal District, new means of payment in public transport, such as Pix and digital wallets.

There are 133 service and recharge outlets, in addition to the BRB Mobilidade charging stations, BRB Conveniência stores, Metro-DF counters, service counters at Na Hora, in addition to digital channels such as the credit sales web system and the *smartphone* application.

Payroll-deductible loans agreements

Payroll-deductible loans are one of the Bank's most representative products, with a balance of R\$ 14.8 billion, which corresponds to 55% of the Individual Commercial Credit Portfolio.

In 1Q23, the Bank signed 15 new payroll-deductible loans agreements, closing the term with 497 active agreements.



Judicial services

Banking technologies have been taken, by the BRB, to the judicial services of the country. The specialty in court deposits has made the Bank promote speed and efficiency to the judiciary, being, in many municipalities, the only access of the population to banking services.

In the beginning specially for the partnership with the Court of Justice of the Federal District and Territories (TJDFT), BRB developed the banking service of Judicial Pix. The strategy was expanded to all municipalities in Bahia, by the partnership with the Court of Justice of the state (TJBA), becoming a national reference in the service.

In 1Q23, the Bank entered into a contract with the TJCE for the management of accounts under a special regime of warrants, closing the quarter with R\$10 billion in the portfolio of court deposits.



New Unit

Gama

Unit Planned for 2023

Taguatinga

In 1Q23, the Bank provided a **daily average of 6,800 services to citizens**, managing the service network *Na Hora*, which guarantees access to agencies that provide services essential to citizenship, all in one place.

With the units having been revitalized since the beginning of the BRB management, the Bank delivered, in 1Q23, another service outlet: the Gama unit, foreseen in the planning to expand these options of access to the population.

Revitalized Na Hora units are still in full operation with more modern equipment, offering faster service.

The prospect is that efficiency levels and the number of services will increase even more in 2023, as the Bank prepares to inaugurate at least one more outlet, the Taguatinga unit, and is developing the Na Hora Digital application, which will provide convenience and ease to the citizen, centralizing services and information in the palm of the hand, besides offering banking products and services.

People

Training and qualification

The Bank offers employees benefits such as covering the cost of undergraduate, graduate and language courses. In 1Q23, the LIT-Saint Paul platform was launched at the Universidade Corporativa BRB, with more than 300 new trainings, with content about ESG, Compliance, Business, Market Intelligence, Data Science, among other topics.



20 thousand hours

In training

1Q23



1,903

People affected by training actions

The 2023 Women's Leadership Program will promote the training of women using innovative methodologies that include practical experience, in an unique and immersive environment. The program is yet another initiative to increase diversity in leadership positions.

The course "ESG in the Financial Market" was made available to all our personnel through a partnership signed with Anbima. In addition, a personalized course for BRB with the theme "Business continuity management" was released at the Corporate University, produced by internal areas together.

Expanding our Team

BRB remains committed to the admission of new professionals to strengthen the team and increase the number of skills of the Institution's employees. To this end, **74 IT analysts and 6 lawyers were summoned** in 1Q23.

Still in the pillar of valuing our people, the Bank published the final result of public tender No. 33 with 300 vacancies for immediate provision and 200 vacancies for reserve registration. The calls will begin in the first half of 2023 and will last throughout 2023 and 2024.

Talent development and retention

BRB is moving to strengthen its expansion strategy in different business lines and geographic regions. As a result, several opportunities were created and to give vent to all new challenges, 9 internal selections were launched. The selections seek to recognize those employees who generate results and are committed to self-development, offering opportunities for career advancement. These opportunities cater to different career paths and performance profiles.





Governance for the future

BRB remains committed to going beyond financial results, generating shared value, supporting the development of people and their regions of influence. The goal of being the best Bank for *stakeholders* and for society in general is what drives BRB's performance of excellence in social, environmental and corporate aspects.

Offering a differentiated value proposition, the Bank does differently and better to achieve the objectives in a sustainable way, as it believes that every action in the present can have a great impact on the future of the Institution.

Sustainability and business continuity

After [relevant developments](#) carried out in 4Q22, BRB began 2023 well equipped to raise new levels of corporate governance and environmental responsibility.

Reaffirming its commitment to sustainability in a broad sense (which includes the notion of business continuity), the Bank is dedicating efforts to strengthen its products and services aimed at an inclusive and low-carbon economy, and to develop its own environmental management program, focusing on efficiency in the consumption and use of natural resources.

Among the financing lines available is BRB Development – Company (BRB Desenvolvimento – Empresa), for institutions that wish to invest in projects for renewable energy generation. The product has associated working capital limited to 30% of the total amount financed, with special fees.

The Bank also offers special fees for the acquisition of **solar and wind** power-generation systems, solar heaters, buses and trucks (electric, hybrid and powered exclusively by biofuel) and other machines and equipment with higher energy efficiency rates.

Social business

BRB believes in social action not only as an axis of communication and return to society, but also as an aspect of increasing importance in the business model developed by the company. In this sense, the Bank inserts the mechanisms and issues of social action in its own portfolio of banking products and services, offering the Government tools to manage means of payment of benefits, and thereby helping society while increasing its own results in a fair and equitable manner.

Together, the 14 social programs operated by BRB impacted more than 210,000 people in 1Q23, distributing more than R\$153.6 million, which represents an increase of 21.7% compared to 4Q22.



Cartão Gás: The product was created through a partnership with the Gas Dealers Union of the Federal District. Granted bimonthly, in the amount of R\$100, the benefit ensures that families in a condition of social vulnerability access the resources, through a specific card, enabled only for the purchase of cooking gas.

Cartão Material Escolar: Benefit aimed at the purchase of school materials for students in state schools in the Federal District. Granted annually to families enrolled in the Auxílio Brasil program, the card guarantees annually R\$320 per elementary school student, and R\$240 for high school student.



Cartão Prato Cheio: The program was created during the pandemic, offering a monthly credit of R\$250 for people in a situation of vulnerability brought by the then necessary restrictive measures. Subsequently, it underwent studies and improvements, being maintained as a form of aid to families in a condition of food insecurity. In 1Q23, 15,000 new beneficiaries were added to the program, now totaling more than 100,000.

Renova-DF Program: This initiative enables the professional qualification of unemployed citizens, who receive professional training in the area of civil construction and, while they qualify, recover the public spaces of the city, receiving a scholarship in the amount of a minimum wage, in addition to transport assistance and insurance against personal accidents. In 1Q23, the 8th cycle of the project began, with 1,625 beneficiaries.



Instituto BRB

In 1Q23, the social action of Instituto BRB was contemplated for the fifth time with the Selo Social DF, which monitors the impacts of social action of organizations on the transformation of territories. In this edition, the Institute was recognized by the Mão na Massa project, an initiative developed in partnership with BRB Card and the Women's Department, which has the support of Senai and Senac to **promote the insertion of women in the labor market**, with training in gastronomy, fashion and beauty.

In 2023, Instituto BRB signed a partnership with the Institute of Childhood Cancer and Specialized Pediatrics (Icipe) – responsible for the management of the Hospital da Criança de Brasília (HCB) – to make investments in the technological structure of the Hospital, creating a playful and humanized environment in the waiting room of the surgical center, modernizing equipment and structuring the realistic simulation space, maintaining furniture and carrying out the music therapy project and the communication channel with patients.

In March, the 1st class of the First Employment project was graduated, which was created by Instituto BRB and BRB Serviços. Youth, between 18 and 25 years old, received training aimed at insertion in the labor market. Now graduated, they will conduct interviews and may be part of the talent bank of BRB Serviços and other companies of the BRB group, according to profile analysis.



Sponsorships

The BRB brand's dissemination strategy continues to prioritize support for sports and culture, promoting and valuing projects that have social well-being as a guide.

1Q23 was focused on supporting initiatives such as Basketball Brasilia, Rally dos Sertões, Brasília Volleyball, Street Race, Candangão, Supreme Court Museum, Flamengo Museum, Brazilian Tennis Confederation, Supercopa, among others.

The Bank has increasingly sponsored events aiming to offer the opportunity to access unique experiences and moments that positively mark the lives of customers. Besides special benefits, customers have special conditions for ticket purchases.

The initiative also reinforces the BRB brand and enables the entry into new business niches, boosting national expansion.



Expanded Credit Portfolio

	1Q22	4Q22	1Q23	3M	12M
Individuals	14,040	17,714	18,440	4.1%	31.3%
Legal Entity	2,171	3,604	3,879	7.6%	78.6%
Private	1,816	2,355	2,321	-1.5%	27.8%
Public	355	1,249	1,558	24.8%	339.3%
Mortgage	4,869	6,750	7,230	7.1%	48.5%
Credit Card	1,535	1,617	1,829	13.2%	19.2%
Rural and Agribusiness Financing	564	752	797	5.9%	41.3%
Total	23,179	30,436	32,174	5.7%	38.8%

R\$ million

Legal entity

Credit to companies continues to expand, closing 4Q22 with a total of **R\$ 3.6 billion**, representing an increase of 9.3% over the previous quarter, and **69.7% in the annual comparison**. It's worth of notice the growth of products aimed at financing public works, which showed an increase of 339.3% in relation to 1Q22, with a balance of R\$ 1,203 million in 1Q23, over the same period last year.

Public Legal Entity Credit

R\$ 1.56 billion balance

+ 339%
Portfolio growth
(1Q23 x 1Q22)

Mortgage

In 1Q23, the Bank reached the mark of **R\$7.2 billion in the balance of the mortgage portfolio**, an increase of 48.5% in the annual comparison. In order to be a development agent, the Bank promotes the constant review of its processes and systems, implementing measures that add efficiency in the contracting process and in the monitoring of wholesale portfolio operations.

Leader in mortgage in the Federal District since 2019, BRB continues to adapt the products and rates, — in order to add competitive differentials in the market —, expanding the network of Real Estate Correspondents and expanding the regions of operation of the Mortgage Portfolio in the commercialization of products intended for purchase, sale and support production.



1st Place
Mortgage granting in
the Federal District

55.2%
Market Share
Federal District
Abecip



Rural and Agribusiness Financing

The Bank remained the main financier of family farmers and medium producers in the Federal District in 1Q23. The BRB Agribusiness is a leader in the granting of credit in the Federal District of the programs Pronamp (National Program of Support to the Medium Producer) and Pronaf (National Program of Family Agriculture) with more than R\$ 1.8 million granted in the region. In family farming, BRB benefited about 280 families in this first quarter through the granting of credit for maintenance, modernization and improvement of agricultural activity.

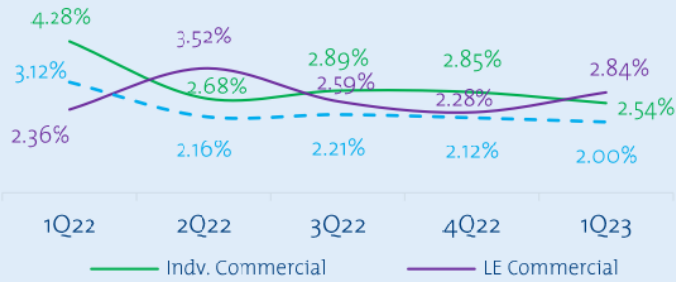
R\$ 78 million
originated in 1Q23

+ 41%
Portfolio growth
(1Q23 x 1Q22)

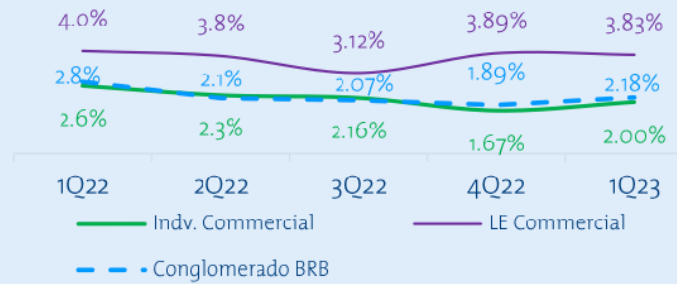
In 1Q23, BRB reached a **balance of R\$797 million in its agribusiness portfolio**, an increase of 41% year-over-year. This amount was distributed among operations of financing production, agricultural costing, industrialization of processes and improvement of post-harvest activities, helping producers to market under the best market conditions.

Credit Portfolio Quality

Default by Portfolio



Pre-Default by Portfolio



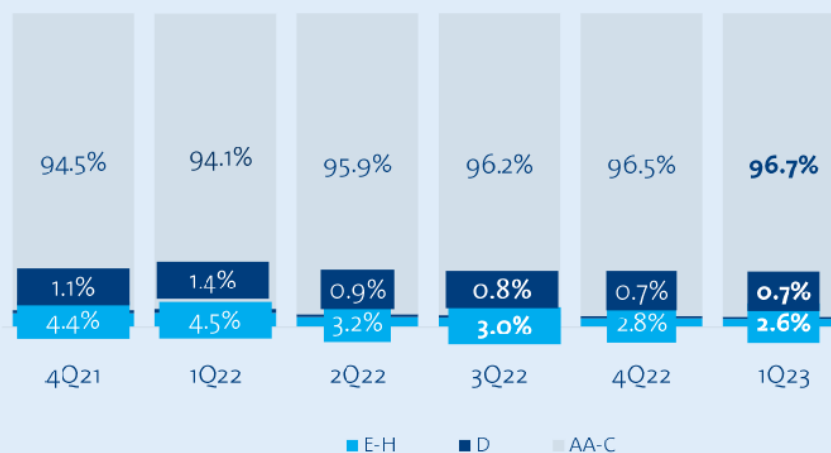
Since the end of 2021, financial institutions faced impacts on the demand for credit and increased defaults, caused by the challenging economic scenario, with high inflation and Selic rate, reduced disposable income and high level of household indebtedness.

Despite the continuity of this circumstance, the conservative profile of the Bank's credit portfolio is reflected in **default levels below the market average (3.3%)**².

Similarly, the credit *rating* concentration demonstrates the quality of the portfolio. The indicator follows an evolution trajectory, closing the quarter with **96.7%** of operations classified between **AA and C**.

² FEBRABAN, Total Default, **Credit Overview** - March 2023

Concentration by Rating



Funding

1Q23



R\$ 36.8 billion

Total funding

^13.3% (12m)



R\$ 6.1 billion

Real Estate and
Agribusiness Letters of
Credit (LCI/ LCA)

^38.5% (12m)



R\$ 22.8 billion

Term deposit

^11.8% (12m)



87.4%

Loan to Deposit

The current economic cycle, with a high real interest rate, enhances the impact on funding expenses of retail financial institutions, whose funding structure is basically post-fixed, as opposed to the portfolio of assets, which is mostly prefixed.

In the midst of this scenario, the Bank follows a diversified and structured funding strategy, in order to support the strong growth of its assets.

The growth in operations with Real Estate and Agribusiness Letters of Credit (LCI/ LCA), in the last 12 months, was made possible by BRB signing partnerships with partner institutions, thus offering its products in several distribution platforms in the market. Thus, the Bank reaches diversified investors, including non-account holders.

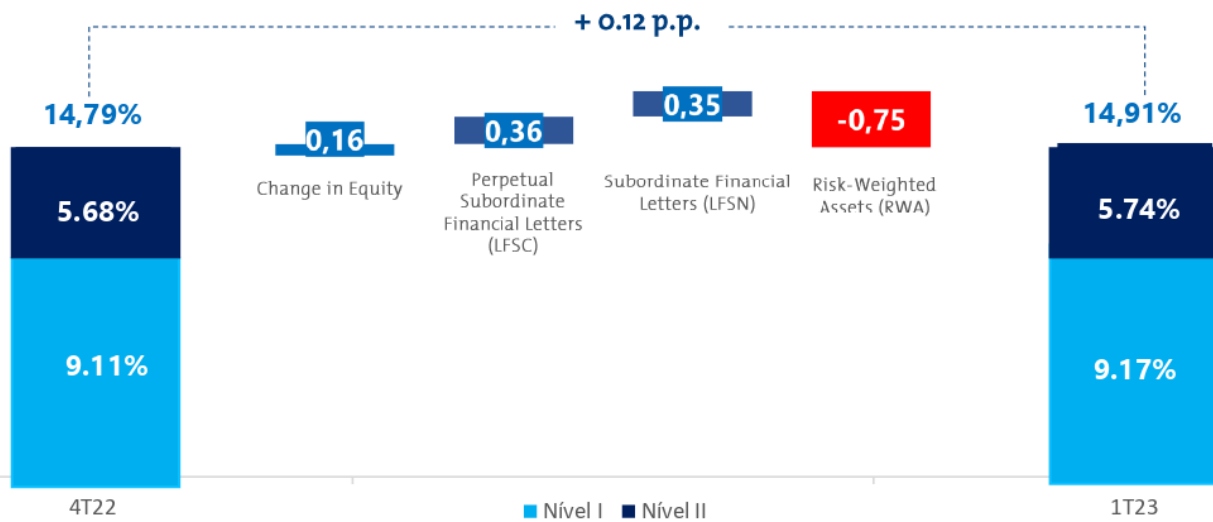
Regarding term deposits, the resources of Court Deposits remain as an important vector in the growth of the portfolio, constituting stable and low-cost funding.

In 1Q23, in addition to continuing its operation as administrator of court deposits of the TJDFT and TJBA, the Bank also began its work in the administration of the TJCE's precatory funds.

BRB ends the quarter with the maintenance of its *loan to deposit* ratio at a level defined as ideal in its strategy, ensuring an adequate relationship between liquidity and the use of available resources.

Resource Management

CAR Evolution



In March 2023, CAR for the Conglomerado Prudencial was 14.91%, representing an increase of 0.12 p.p. over December, 2022. The variation is explained by the **increase of 5.87% in Regulatory Capital**, compared to the growth of 4.99% in risk-weighted assets (RWA), mainly in the portion of credit risk.

While the Regulatory Capital reached R\$3,729 million in March 2023, against R\$3,522 million in December 2022, the total RWA was R\$25,007 million, against R\$23,819 in the previous quarter.

The calculated CAR ratio exceeds by 4.41 p.p. the sum of the minimum requirements of the Regulatory Capital and Additional Principal Capital.

In addition, capital reinforcement measures have been implemented according to Material Facts already published to the market, available on the Bank's IR website, such as the Corporate Reorganization of Conglomerado BRB authorized by the Central Bank of Brazil, and the Lucky Project, in addition to the Institution's own organic growth, with actions to increase revenue and reduce expenses, against the projected scenario of a fall in the basic interest rate.

14.91%
CAR

▲ 0.12 p.p.
1Q23 x 4Q22



R\$ 3.729 billion
Regulatory Capital

▲ 5.88%
1Q23 x 4Q22



R\$ 25.00 billion
Risk-Weighted Assets (RWA)

▲ 4.99%
1Q23 x 4Q22

Legal information.

Complying with article 8 of Brazilian Central Bank's circular letter No 3.068/2001, BRB declares to have the economic capacity and the intent of keeping, until maturity, the securities under the Held-to-Maturity Securities.

Complying to Instruction No. 162/22of the Exchange Commission of Brazil - CVM, in the 1st quarter of 2023, *Ernst & Young Auditores Independentes* was not hired or provided services unrelated to external audit at a level higher than 5% of the total fees related to external audit services.

In compliance with internationally accepted criteria, the adopted policy complies with the principles that preserve the auditor's independence, meaning: the auditor should not audit his work or perform managerial functions for his client or promote the client's interests. In compliance with article 243 of Law No. 6404/1976 and its amendments, BRB informs the total value of its investments in Subsidiaries and Affiliates is R\$ 905 million, as detailed in the explanatory statement No. 15.

Acknowledgments

We thank the trust and loyalty of our customers, the support of the Federal District's population, the work and dedication of our collaborators — employees, investors, service providers, and suppliers — and the trust of all our shareholders.

Paulo Henrique Bezerra Rodrigues Costa

President BRB

answering for the Control and Risks Office and the Digital Businesses Office

Cristiane Maria Lima Bukowitz

Chief Human Resources Officer, answering for the Executive Operations Office and Information Office

Cynthia Judite Perciano Borges

Chief Financial Officer and Chief Investor Relations Officer

Dario Oswaldo Garcia Júnior

Retail Banking Operations Officer

Eugênia Regina de Melo

Wholesale and Government Officer

Hellen Falcão de Carvalho

Chief Legal Officer