Financial Statements

BB Seguridade Participações S.A.

2021

INDEX

MANAGEMENT COMMENTS ON PERFORMANCE

Dear Shareholders, Employees and Business Partners.

We present the Annual Management Report of BB Seguridade Participações S.A. (“BB Seguridade” or “Company”) for the year 2021, in accordance with the requirements of the Brazilian Stock Corporations Act, the Brazilian Securities and Exchange Commission (CVM) and its Bylaws.

The consolidated financial statements were prepared in accordance with the International Financial Reporting Stand (IFRS).

It is noteworthy that this report presents accounting data of the companies invested in by BB Seguridade, which may differ from those disclosed by the affiliates, both due to differences in the financial reporting standards used and to the possible amortization of intangibles, deduction of results among affiliates, or due to other reasons. In this context, the net profit attributed to the invested companies reflects the results determined by the Company for each business segment, as per the Explanatory Note on Investments in Equity Interests.

Throughout this report, we will address the actions taken and results achieved in the year, as well as present the Company's strategic priorities.

1 - BUSINESS DESCRIPTION

BB Seguridade is a *holding company* that concentrates its investments in the insurance, open pension, premium bonds and dental care plans through private partnerships in companies maintained by its wholly-owned subsidiary, BB Seguros Participações S.A. (“BB Seguros”), as well as in the distribution of those products, highlighting its controlled company, BB Corretora de Seguros e Administradora de Bens S.A. (“BB Corretora”).

In the insurance segment, operations are carried out through a *joint venture* that began in 2011 with the Spanish group MAPFRE, in a 20-years term agreement. This partnership is operated through two insurance companies: Brasilseg Companhia de Seguros S.A. and Aliança do Brasil Seguros S.A. (together, “Brasilseg”), focusing on the personal, rural, mortgage life, home, business and other mass segments.

In open pension plans, BB Seguridade operates together with the Principal Financial Group, through Brasilprev Seguros e Previdência S.A. (“Brasilprev”). This partnership will remain valid until 2032, as provided in the agreement in force since 2009. Brasilprev sells private pension solutions, with emphasis on defined contribution plans, in the PGBL (Free Benefit Generator Plan) and VGBL (Life Free Benefit Generator) modalities.

The Company's business in premium bonds is concentrated with Brasilcap Capitalização S.A. (“Brasilcap”), in partnership with Icatu Seguros and Aliança da Bahia.

Also, in the dental care plan segment, the Company operates together with Odontoprev through Brasildental Operadora de Planos Odontológicos S.A. (“Brasildental”). The joint operation began in 2014 and will last for 20 years.

In the distribution side of the business, BB Corretora's main channel is Banco do Brasil. Complementarily, BB Corretora seeks to expand its distribution channels through commercial partnerships with companies from the most diverse business segments, also maintaining strategic investment in a digital brokerage company, the Ciclic Corretora de Seguros S.A. (“Ciclic”), in a partnership with the Principal Financial Group that began in 2018 and will extend until 2032, aiming at developing the sale of insurance products through remote channels.

2 - BUSINESS ENVIRONMENT

The 2021 fiscal year was again marked by challenges imposed by the health crisis generated by the Covid-19 pandemic, which went through its most critical moment in the first half of the year.

During the second half of 2021, substantial progress in the vaccination process of the Brazilian population led to a decrease in the number of hospitalizations and deaths and allowed the resumption of economic sectors that had been shut down. However, the emergence of this more promising scenario was offset by the high inflation and interest rates environment reaching the contractionary field. The rise in prices proved to be more persistent and widespread and required a more restrictive approach from the Central Bank, which raised the Selic rate by 725 basis points throughout the year, from 2.0% in January 2021 to 9.25% in December. This combination put pressure on household disposable income and reduced the space for a more intense growth in the consumption of new goods and services, a fact that was reflected in the loss of vigor of the economic activity throughout the year.

In 2021, there was also a strong volatility of financial assets, especially the depreciation of the BRL against the USD, impacted by internal factors notably linked to fiscal uncertainties. On the other hand, the credit market in the National Financial System presented a positive performance driven by the progress related to the emergency relief measures adopted. In addition, there was a recovery of the employed population, mainly in informal jobs.

In the international market, after the negative impact of Covid on the world economic activity in 2020, the year was marked by a generalized economic recovery, but also by a series of points that weighed negatively on global dynamism. The energy crisis in Europe and the problems related to the construction sector in China set the tone of the global uncertainty, combined with the persistence of the supply chain crisis, the high inflation registered in the main economies and the risk of a new wave of the pandemic in view of the low vaccination status of poor countries, which weighed negatively on the recovery of the global economy. In fact, the rise of the new variant Omicron and doubts regarding its degree of aggressiveness contributed to the increase of global risk aversion and led to new measures of social distancing in some continents at the end of 2021.

In the Brazilian insurance market, the positive point of the year was the return of a double-digit growth in the total volume of insurance premiums, pension contributions and premium bonds, which grew 13.4%[1] YoY, according to data provided by the Superintendency of Private Insurance (SUSEP). Insurance premiums written increased by 13.5%, while pension contributions recovered from the fall recorded in 2020, growing 14.6%.

The negative side of the year was the strong increase in the number of claims reported in life related products, especially in the second quarter, due to the spread of new variants of the coronavirus. In the open private pension segment, the lower level of disposable income of the population and the increase in indebtedness contributed to an increase in redemptions, limiting the growth of reserves for this product.

3 - ECONOMIC AND FINANCIAL PERFORMANCE

As a holding company, BB Seguridade's net income consists basically of the equity income arising from its investees, along with the holding standalone operating and financial income and expenses.

The table below presents BB Seguridade´s income statement for 2021 and 2020, as well as the comments on the main variations of the year.

Table 1 – Financial Performance | Income Statement – Parent View

BRL thousand	Fiscal Year 2021	Fiscal Year 2020	Chg.% on 2020
Equity income	**3,923,593**	**3,833,384**	**2.4**
BB MAPFRE Participações S.A. (Brasilseg)	1,067,020	1,086,543	(1.8)
Brasilprev Seguros e Previdência S,A,	756,544	686,379	10.2
Brasilcap Capitalização S,A,	2,341	105,780	(97.8)
Brasildental Operadora de Planos Odontológicos S,A,	17,083	17,702	(3.5)
BB Corretora de Seguros e Administradora de Bens S,A,	2,162,039	1,969,105	9.8
Other	(81,434)	(32,125)	153.5
Other Income and Expenses	**(8,572)**	**(10,882)**	**(21.2)**
Personnel expenses	(12,167)	(11,602)	4.9
Administrative expenses	(3,152)	(3,096)	1.8
Tax expenses	(2,083)	(3,645)	(42.9)
Other operating income/(expenses)	8,830	7,461	18.3
Net investment income	**22,901**	**37,295**	**(38.6)**
Investment income	26,992	62,764	(57.0)
Investment expenses	(4,091)	(25,469)	(83.9)
Earnings before taxes	**3,937,922**	**3,859,797**	**2.0**
Taxes	(4,705)	(9,026)	(47.9)
Net income	**3,933,217**	**3,850,771**	**2.1**

In 2021, the net income reached R$3,933.2 million, up 2.1% YoY. In 2020, there was an extraordinary event that affected the earnings, as explained below:

BB Corretora – donation against Covid-19: in order to help the society with the responses to the impact of the pandemic, the Board of Directors approved a donation capped at R$40 million by BB Corretora to Banco do Brasil Foundation (FBB), with the exclusive purpose of acquiring food and hygiene, cleaning and personal protection supply necessary for the social aid to the most affected people. It was disbursed R$37.9 million in the 1H20 and R$2.1 million in in July and August of that year. The total impact to the net income was of R$26.4 million.

Table 2 – Extraordinary Events

[1] Total variation in the sum of premiums written, pension contributions and premium bonds collection. Does not include health insurance. Source: Susep (data: November, 2021).

BRL thousand	Controller 2021	2020	Var.%
Adjusted net income	**3,933,217**	**3,877,171**	**1.4**
Extraordinary events	**-**	**(26,400)**	**-**
BB Corretora: donation against Covid-19	-	(26,400)	-
Net income	**3,933,217**	**3,850,771**	**2.1**

Setting apart the extraordinary event mentioned in the table 2, which affected the equity income line in 2020, the adjusted net income grew 1.4% in 2021. The R$56.0 million increase in the net income on a recurring basis is explained by:

BB Corretora (+R$166.5 million): with higher brokerage revenues supported by the good commercial performance of the main business lines;

Brasilprev (+R$70.2 million): supported by the consistent growth in operating result, partially offset by the negative market to market result of prefixed income securities.

On the other hand, the equity income arising from Brasilcap dropped R$103.4 million, explained by the recognition of losses in prefixed income assets available for sale, while Brasilseg equity income was R$19.5 million lower, due to the worsening in the loss ratio and the higher tax rate after the 5 p.p. temporary increase of CSLL in the 2H21.

The performance of each investee company will be better explained below.

The negative balance of other income and expenses line was reduced by 21.2% in 2021. The 42.9% decrease in tax expenses, concentrated in PIS and Cofins charged on financial income, which declined 57.0%, and the 11.0% increase of revenues arising from the ADR Level 1 program, due to a higher volume traded,, are the main reasons that explain the variation.

Investments

Pursuant to the article 243 of Law 6,404/76, the following table presents the equity investments in BB Seguridade's affiliates and subsidiaries, as well as the changes occured throughout the year. The changes are detailed in Explanatory Note 7.b) attached to the Financial Statements.

Table 3 – Financial Performance | Shareholding positions

BRL Thousand	Activity	Shareholding stake (%) Dec/21	Investment Balance Dec/21	Dec/20	Equity Income FY2021
Shareholding positions					
BB Seguros	**Holding**	**100.00%**	**7,074,640**	**5,924,821**	**1,761,554**
BB MAPFRE	Insurance	74.99%	2,337,086	2,245,714	1,067,020
Brasilprev	Pension Plans	74.99%	4,354,377	3,338,239	756,544
Brasilcap	Premium Bonds	66.66%	427,840	470,327	2,341
Brasildental	Dental Care	74.99%	16,088	15,582	17,083
BB Corretora	**Broker**	**100.00%**	**6,009**	**46,908**	**2,162,039**
Ciclic	Broker	74.99%	1,850	14,483	(12,633)

Equity income – Investees performances

BB MAPFRE (Brasilseg)

In 2021, the net income of the insurance business retracted 1.6% YoY, mainly by the increase of the loss ratio (+8.5 p.p.) and by the higher effective tax rate led by the temporary increase of CSLL, which was partially offset by the 1.8% growth of net investment income. The higher CSLL reduced Brasilseg's result in R$60.7 million. Setting apart this effect, the net income would have grown 2.5%.

The deterioration of loss ratio was mainly due to the higher frequency of claims reported in produtcts with death coverage, reflecting the worsening of the pandemic in the 1H21, but with signs of normalization at the end of 2H21, driven by the advanced immunization program. Based on managerial data provided by Brasilseg (dated as of 01/18/2022), claims related to Covid-19 totaled R$864 million and was more than 3 times higher as compared to the R$231 million of 2020.

Premiums written was 16.2% higher, mainly driven by: rural insurance (+35.5%), due to the increase in agricultural inputs costs, with the consequent evolution of the credit to fund the cycle 2021/2022; term life insurance (+17.1%), supported by the growth in new sales and the increase in premiums renewal; and home insurance (+23.4%), led by the growth of both sales and average ticket after the launch of a new portfolio in the 1H21.

Among the operational ratios, commission ratio decreased 2.6 p.p. due to lower expenses with performance bonus in credit life, while the 2.2 p.p. improvement in the G&A ratio is mainly explained by a lower volume of provisions for payments to the Rural Insurance Stability Fund.

Brasilprev

The net income of pension plans operation was 10.6% higher in 2021, boosted by the non-interest operating result improvement, which increased 11.4%. On the other hand, the net investment income was negative in R$333.9 million in 2021, against a negative balance of R$278.6 million in 2020. The movement is largely justified by the steepening in the real yield curve, wich negatively impacted the mark to market results of prefixed income securities for trading, while the inflation indexes mismatch in the accrual of earning assets (current IPCA and IGP-M) and bearing liabilities (IGP-M with a lag of one month) related to traditional plans was lower when compared to 2020, due to the rise in the IPCA at a faster pace than the IGP-M in the second half of 2021. In the year, the temporary increase of CSLL reduced Brasilprev’s result in R$44.9 million.

On the inflow side, the higher volume of redemptions, with the use of pension funds to pay monthly expenses, consequence of the economic impacts generated by the pandemic, and the real state purchases in large cities, in addition to the higher volume of redemptions paid to the second beneficiary due to the death of the holder by Covid-19, more than offset the 11.5% increase in contributions and led to a negative net inflow of R$783 million by the end of 2021.

The revenues with management fee were up 8.2%, with the average management fee improving 0.03 p.p., reflecting the expansion in the assets allocated to multimarket funds and the increase in the participation of theses funds in the mix of assets under management, from 11% to 32% by the end of 2021.

Brasilcap

The net income of premium bonds segment fell 97.8%, explained by the recognition of losses in prefixed income assets avaiable for sale, in a strategy of investment portfolio reconfiguration after the steepening in the yield curve, seeking to raise the level of regulatory solvency and the adequacy to the company’s risk appetite. On the other hand, the reduction of 1.1 p.p. in the G&A and 1.4 p.p. in the commission ratio led to an increase of 97.8% of the operating result, and offset part of the financial loss. In 2021, the CSLL temporary increased reduced Brasilcap’s net income in R$8.9 million

Premium bonds collection retracted by 9.9%, mainly explained by the drop in sales of unique payment bonds, partially offset by a higher average ticket of these bonds and by the increase in sales of monthly payment bonds, products with a higher recurrence for the result.

The revenues with load fee contracted 15.9% as a result of the decrease in total collections and the 0.8 p.p. drop in average load fee. The reduction in average load fee is justified by the higher concentration of collections in the recurring installments of Monthly payment bonds, which have lower quotes compared to the first installments of monthly payment bonds and of unique payment bonds.

Brasildental

In dental care segment, operated by Brasildental, the net income fell 3.5% in 2021. The performance is explained by the 2.2 p.p. increase in EBITDA margin, to 30.9%, mainly driven by the worsening of both, loss and G&A ratios. In 2021, the gross operating revenues amounted to R$119.5 million, 2.9% up YoY, despite the 1.3% drop in the number of insured lives.

BB Corretora

In 2021, BB Corretora’s net income on a recurring basis, which excludes the net impact of the R$40 million donation made in 2020, grew 8.3%, explained by the 7.9% increase in brokerage revenues and the 130.4% growth in the net investment income, the latter due to both the higher average Selic rate and the financial investments average balance expansion.

The improvement in brokerage revenues was supported by revenues arising from insurance, by the good commercial performance in rural, term life and home insurances, and by a higher concentration of pension plans contributions in products with higher brokerage.

4 - SHARES PERFORMANCE AND MARKET RELATIONSHIP

BB Seguridade shares, traded on B3 – Brasil, Bolsa, Balcão (“B3”) under the ticker BBSE3, closed the year quoted at R$20.75. Based on the year-end quotation, the market cap of BB Seguridade reached R$41.5 billion, positioning the Company as the 20th largest company listed on the Brazilian stock exchange according to the market cap.

In 2021, the average daily financial trading volume of the Company's shares was R$125.9 million.

BB Seguridade's shares ended the year integrating the theoretical portfolios of Ibovespa, IBrX 100, IBrA, BM&FBOVESPA Financial *Index (IFNC), Differentiated Corporate Governance Stock Index (IGC),* Trade Corporate Governance Index (IGCT), Stock Index with Corporate Governance – Novo Mercado (IGC-NM), Differentiated Tag Along Stock Index (ITAG), BM&FBovespa Dividends Index (IDIV), MidLarge Cap Index (MLCX), BM&FBovespa Value Index (IVBX), MSCI Brazil Index, Bloomberg Gender-Equality and FTSE4Good Index.

Since March 2014, BB Seguridade has maintained a Level I *American Depositary Receipts* ("ADR") Program. Currently, ADRs are issued by Citibank, backed by the Company's common shares (ON), at a ratio of 1 ADR: 1 ON, and traded on the North American *Over-The-Counter* market At the end of the year, the program had more than 18.5 million ADRs issued, priced at US$3.73 per depositary receipt.

Below, we present the main indicators for the performance of BB Seguridade's shares in the last two years:

Table4 – Shares Performance

	Unit	Fiscal Year/2021	Fiscal Year/2020
Adjusted earnings per share	R$	1.97	1.94
Equity value per share	R$	3.64	3.19
Closing price per share	R$	20.75	29.63
Market cap	R$ billion	41.50	59.26
Number of trades performed[1]	-	5,061,575	5,249,372
Average daily traded volume[1]	R$ million	125.9	135.19
Share in B3's average daily volume	%	0.44	0.52

(1) Refers to the Standard Batch

Shareholders' Compensation

BB Seguridade allocated roughly 73% of the net income of 2021 to pay dividends to shareholders, totaling R$2.9 billion, equivalent to R$1.44 per share. In 2020, the dividend referring to the net profit for the fiscal year was R$1.35 per share.

Shares Buyback

Throughout 2021, there was no opened shares buyback program. As approved by the Extraordinary General Meeting ("AGE"), held on 10.30.2019, treasury shares relating to buybacks carried out in previous years can be used specifically in the employee remuneration and in variable compensation of executive officers, up to the limit of 3,359,550 shares, being the Board of Directors responsible for establishing how to best implement the use of these shares.

In 2021, 38,263 shares were transferred according to the Result-Based Rewards Program (PPR), intended to recognize the individual performance of employees who exceeded their goals in 2020, and 22,460 shares were transferred within the Variable Compensation Program for Executive Officers.

5 - STRATEGY

BB Seguridade's strategy seeks to ensure the company's perpetuity, balancing short, medium and long-term efforts and preparing itself to face different prospective scenarios.

BB Seguridade's long-term strategy model consists of the following elements, which are reviewed on an annual basis or at any time as a result of facts that cause relevant changes in the scenarios, increasing the company's capability to anticipate and strategically adapt to the changes:

- the prospective scenarios, which contemplate the archetypes indicating the vectors of greater uncertainty inherent to the market in which BB Seguridade operates and its business model;
- the signals detection and filtering model and emerging technology themes and applications for the insurance business;
- the SWOT matrix, which consolidates internal and external factors and describes the competitive environment in which the company operates;
- the strategic assessment, that is, the analysis of BB Seguridade's strategic positioning in view of its current strengths and weaknesses;
- the mission: "Protect goods, achievements and projects";
- the vision: "We transform people's lives through the best protection ecosystem. We are a lean company that generates sustainable value";
- the values, set of behaviors and mental attitudes that guide our actions; and
- the strategic goals, which promote the strategic alignment with Banco do Brasil and invested companies and define how and when the challenges will be overcome; optimize the understanding, focus and carrying out the strategy at BB Seguridade; and present metrics, indicators and key results, which measure the results achieved and the performance of BB Seguridade in relation to the objectives.

In 2021, after the review process carried out at the end of the previous year to cover the five-year period 2021-2025, the strategic goals that guided BB Seguridade's actions are presented below:

- to be lightweight and efficient, relying on a lean structure and simple processes, with high value creation;
- to transform customers into fans, generating an appeal towards its products, services, journeys and relationships;
- to combine online and offline do sell more, transforming BB Corretora into an efficient and independent sales machine;
- to connect and accelerate the digital operation, accelerating digital transformation as growth and experience enablers; and
- to experiment, without fear of getting it right, making the future, the new and the uncertain allies of our strategy.

These objectives can be consolidated into three pillars that were the focus of the 2021 initiatives: technological modernization and digital transformation; channel diversification; and improvement of the experience of customers and sales force.

Technological Modernization and Digital Transformation

BB Seguridade understands that the digital transformation process is one of the enabling pillars of the corporate strategy. The company's digital transformation model is based on the balanced application of the archetype of optimization of existing processes, with a focus on creating value, improving customer experience and expanding business generation, and on the impact transformation and innovation, which reflect on the positioning of the Company and its business model, always with customer experience, sustainable growth, efficiency gains, operating as a platform and increase in the operational result as guiding principles of this journey.

At BB Seguridade, the themes of innovation and digital transformation are part of the company's strategy and culture. All pillars of the corporate goals panel, linked to the strategic planning for the year 2021, had indicators related to digital transformation and innovation.

In 2021, the development of platform solutions and ecosystems was accelerated to consolidate the technological structure and integration of the conglomerate with new channels based on a service-oriented and cloud-based architecture, such as home, business, travel and cell phone insurances, in addition to premium bonds. It is expected that by the end of 2022 all the main businesses of the BB Seguridade conglomerate will operate in this more flexible-type technological environment, which enables a more efficient portfolio management and less development time, new and better experiences for the users and the distribution to new channels.

The service automation process, both in sales and after-sales, was also in focus in 2021, with the launch of the insurance center on Banco do Brasil's App and the new BB Seguros internet website (https://www4.bbseguros.com.br/), where a better user experience and new functionalities were implemented, such as consultation of policies and activation of assistance and services. Sales made through digital channels grew 24% compared to 2020 in terms of quantity, exceeding R$1.5 billion in revenue. In the after-sales, more than 50% of assistance and claims were activated via digital channels and 800,000 calls were made via Bot on WhatsApp. We surpassed the mark of more than 5 million digital customers (65% of our base).

More than 2 new features were delivered per month on Banco do Brasil's digital channels in an effort to implement digital journeys for all products in the BB Seguridade's portfolio at the Company's main distribution channel, ensuring a good user experience to make it a business differentiator.

The Beta Testers program for insurance products surpassed the mark of 4,000 active customers who, with over 3,000 assessments, contributed to the construction of 14 product journeys and test of 12 design hypotheses, saving over a thousand hours of field research.

The data strategy is based on the pillars of engineering, science and data governance, in addition to the acculturation of the conglomerate on the subject. The main objective is to make data the main driver of business in the company. In 2021, 72 initiatives were launched aimed at creating value using data intelligence tools and models, highlighting the revenue growth models that, in the year, generated an additional revenue of around R$149 million and the reallocation of more than R$79 billion of customer funds in pension plan investment funds.

In 2021, approximately R$333 million was spent on initiatives aimed at carrying out the technological modernization and digital transformation of BB Seguridade, considering a consolidated view of the holding and its invested companies, and this volume is expected to be expanded in order to accelerate this agenda.

Channel Diversification

The Brazilian insurance market is concentrated with companies that have some type of corporate or commercial relationship with large traditional banks, which gives them access to their physical and digital channels, in a model known as *bancassurance.* This factor is linked to the lack of protection culture of Brazilians, demanding a distribution network with a broad and qualified sales force to push products to customers.

In this context, the great strength of BB Seguridade's business model is being able to rely on Banco do Brasil's distribution network, responsible for most of the conglomerate's insurance products sales.

Relying on this important safe harbor, which ensures high revenue volumes and margins for the invested companies, but also anticipating the signs of possible changes that may occur in the industry in the medium and long term, BB Seguridade has, as one of the pillars of its strategy, the prospection and development of new models and channels to sell its products, in a collective effort between BB Corretora and all the other companies of the group.

In 2021, the most structuring move was the creation, at the end of the year, of an area dedicated to identifying and developing new sources of income and channels, which, despite being recent, has already begun to deliver results that increase the revenue potential in non-Banco do Brasil channels for 2022.

During the year, more than 200 bank correspondents were accredited to offer specialized rural insurance. Additionally, focusing on the agribusiness, one of the Company's main segments, BB Corretora has entered into a partnership with Agrogalaxy, one of the largest retail platforms for agricultural inputs and services aimed at the agribusiness, to offer rural, property and life insurance to producers.

Also at the end of 2021, an agreement was signed with Rede Promotiva to promote the dissemination, customer acquisition, distribution, offer and marketing of insurance products, starting with the loan protection insurance.

Efforts will be intensified in 2022 and the Company expects to end the year with more than 10 initiatives in operation.

Improved Customer and Sales Experience

One of BB Seguridade's strategic goals is to transform customers into fans, generating an appeal towards its products, services, journeys and relationships. For this, it constantly seeks to build a relationship based on dialogue, transparency and complicity, making efforts together with its invested companies so that the client feels assisted in all moments of their lives.

In this sense, the Company has been intensifying the use of digital channels and assistance from specialists to keep a frequent contact that includes everything from information and guidance on products and services purchased to tips and diversified content. The after-sales strategy has been extended to all products using digital channels, with the delivery of information and guidance on products and services, in addition to tips and diversified content that help people making better use of the various solutions acquired. In total, around 2,000 after-sales actions were carried out via digital channels, generating more than 33 million effective contacts that reached 4 million customers throughout the year.

Still respecting social distancing, we continued to hold customer councils to obtain this public's perception of our products, services and journeys. In total, 5 councils were held during the year, with the collection of 63 new insights and the implementation of 13 improvements to enhance our customers' experience. The implementation of tools for monitoring claims in digital channels for Life and Pension Insurance customers materializes an improvement implemented based on the customer's voice.

The holding of monthly forums involving all intervening parties who can contribute to improving the experience with our solutions was also maintained. Direct transfer to specialists at the call centers of each invested company also contributed to the increase in finding solutions and in the quality of information provided to customers.

Not only the customer has a voice at BB Seguridade. The Company's efforts are also focused on improving the journey of its main sales force, the employees of Banco do Brasil's distribution network, seeking to maintain the relevance of the offer of insurance products in the day-to-day relationship with the bank's customers.

In 2021, the “Brand Ambassadors” was launched, with the expansion of benefits to Banco do Brasil employees in the purchase of BB Seguridade's products, seeking to increase the engagement of the sales force.

Additionally, the support to Banco do Brasil's network for problem solving was improved, as evidenced by the 33% reduction in the average service time and 25.7% increase in satisfaction.

6 - COMMERCIAL, MARKETING AND PRODUCTS

In order to keep its relevance with customers and sellers, BB Seguridade made efforts in 2021 to revitalize its product portfolio, with the expansion of digital solutions and improvements in journeys, seeking to offer the best solutions for the protection of assets, achievements and projects.

In the first quarter, a new residential insurance was implemented, with a simplified model for offering plans and with new assistance packages and premium benefits, increasing the average ticket of the product by 221%, improving the NPS and contributing to an increase in sales in digital channels. It is noteworthy that this product has already been implemented in the new service-oriented technology architecture, which, among other benefits, makes sales through other distribution channels more agile to implement.

In the life segment, the sale of the new credit life insurance on the BB app was put into production in May, aimed at simply and effectively bringing a better self-service experience to the customer. As a result, there were about 242,000 hirings up to December in through digital channels. Then, in July, the new personalized group life insurance was launched, with significant improvements in the salesperson's journey to make the quotation and contracting processes simpler and, in October, the pilot life insurance for micro and small companies was launched, allowing greater customization of the offer to meet the particularities of this audience.

In pension plans, the year began with a revitalized portfolio, with the simplification of the offer in all channels, the inclusion of alternatives for higher added value funds and the creation of new investment theses to improve the allocation of customer resources under Brasilprev's management. In June and November, the Brasilprev Multigestores product was reinforced, with the inclusion of three new managers, ending the year with 13 strategies from external managers and new houses under assessment.

Also in pension plans, we highlight the launch, in October, of Brasilprev Flex, a product that combines accumulation and (life) protection components to meet a latent demand from customers and the BB network.

In the rural insurance, in April, there was a national expansion of revenue from the livestock insurance, complementing the insurance portfolio aimed at protecting the productivity and revenue of the agricultural sector. In May, the contracting of the Credit Life for Farmers was released for contracting in credit operations in stock, ensuring the possibility for customers to acquire protection at any time. In the agricultural insurance, contracts for the 2021/2022 Harvest included a 30% increase in the insured amount and an expansion of insurable crops in the product intended for the public of the National Program for Strengthening Family Farming (Pronaf).

In the commercial field, the strategy of stimulating BB's sales force was maintained through awards linked directly to the sale of insurance, pension plans, premium bonds and dental plans, with immediate, monthly and half-yearly incentives, the Seg+ program.

In pension plans, the strategy of improving the allocation of customers with higher added value products was highlighted by the offer of the Brasilprev Carteiras product, whose concept is seeking a target volatility based on the investor's profile and adjust the composition of the portfolio according to the scenario. As a result, the share of multimarket funds in assets under management increased from 11% at the end of 2020 to 32% at the end of 2021.

In 2021, the new positioning of the BB Seguros brand was launched, with the tagline “For everything that matters”. For the launch, it was carried out an advertising campaign on TV and digital media, which presented all the solutions offered by the brand (insurance, pension, premium bonds and dental), reinforcing that each stage of life cycle has a different challenge and concern, and the Company provides solutions to and at all times.

The performance in digital marketing with the use of analytical intelligence used two levels of broadcasting, one of them, with the operation of the paid digital media platform, generating more than 1.8 billion impacts, with engagement 400% higher than in 2020; and the other, using BB's proprietary digital channels, with more than 90 campaigns, around 56 million approaches and generating R$ 1.76 billion in business.

7 - ENVIRONMENTAL, SOCIAL AND GOVERNANCE ASPECTS

Bringing the focus to the environmental, social and governance (ESG) aspects of the business, considering that BB Seguridade is a relatively new company, which originated from the segregation of the insurance, pension and premium bonds businesses previously conducted within the organizational structure of its parent company, Banco do Brasil, the Company's early years were dedicated to maturing and consolidating Governance as a means to ensure the adoption of best corporate management practices in conducting business and managing its investments.

This maturing, combined with the voice of stakeholders, stimulated increased attention to environmental and social aspects, which led, in 2021, to the creation of the Strategic Project Agenda ASG, aiming at unifying, consolidating and accelerating the environmental, social and governance agenda within the BB Seguridade group.

The full report of the ESG practices adopted can be obtained in the Company's Annual Sustainability Report, available at www.bbseguridaderi.com.br/sustentabilidade-e-governanca/sustentabilidade/ and prepared in accordance with the Global Reporting Initiative (GRI) standards.

This Management Report presents some information on topics that are included in the ESG aspects in relation to the 2021 fiscal year. The full report on practices regarding topics deemed essential for the Company for the fiscal year, according to the GRI methodology, will be presented in the 2021 Annual Sustainability Report, to be released in the first half of 2022.

Governance, Risk Management and *Compliance*

Governance

BB Seguridade's commitment to transparency in its relationship with the market and with its minority shareholders, is ratified by its adhesion, since the IPO, to B3's Novo Mercado, segment that brings together the companies that meet the highest corporate governance requirements in the Brazilian market.

In 2021, BB Seguridade again reached IG-SEST Governance Indicator Certification's Level 1, an instrument for the continuous assessment of federal state-owned companies, which verifies compliance with various legal and infra-legal provisions and good corporate governance practices. As a comparative, in a universe of 60 companies assessed, only 16 Companies were classified in Level 1, considered the highest certification index.

Among the improvements in the governance structure, we highlight the company's unprecedented initiative of holding the General Shareholders' Meeting entirely through digital means, which demonstrated, in addition to the company's care with the initiatives to prevent the spread of Covid-19, the agility in adapting to the changes arising from the new reality, combining efficiency with adequate security to ensure the delivery of a better experience to shareholders.

Also within the corporate governance system, it is worth mentioning the process of adapting the BB Seguridade's Bylaws to the standard model published by the Secretariat for Coordination and Governance of State-Owned Companies (SEST), which sought to promote the adoption of best practices, in addition to the alignment with the guidelines from the Organization for Economic Co-operation and Development (OECD). Among the main innovations of the model, we highlight the adequate treatment of the hypotheses of a conflict of interest among directors, improvement in the process for the selection of directors, among others.

Risk Management and Compliance

In addition to statutory governance, inspection and control bodies, such as the Audit Committee and the Supervisory Board, BB Seguridade has, in its organizational structure, a technical area separated from business functions, the Executive Superintendency of Governance, Risks and Compliance, linked directly to the Company's CEO, which ensures the needed independence of action.

The Superintendency is responsible for developing and standardizing risk management methodologies, internal controls and compliance, in addition to guiding the adoption of best practices related to the topic. The guidelines approved by the Board of Directors, which guide risk management, internal controls and compliance, are contained in the Risk Appetite Statement, Risk Management Policy, Internal Controls and Compliance and Policy for Preventing; Combating Money Laundering and Financing of Terrorism and Corruption and the Policy for Preventing and Combating Corruption.

The Risk Management, Internal Controls and Compliance Model, approved by the Collegiate Board of Directors, is in line with the Company's strategy and considers the corporate scenarios in the identification, analysis, evaluation and treatment of events capable of negatively influencing the achievement of the objectives.

The result of the continuous monitoring of the internal control system and the corporate compliance status is reported quarterly to the management, through the Internal Controls and Compliance Panel, which includes relevant information on work carried out not only by the techncial area dedicated to risks and control, but also by the Internal Audit, External Audit and other supervisory bodies.

Moreover, the maintenance and periodic evaluation of an Integrity Program fosters an ethical organizational culture and reinforces everyone's responsibility with the practice of internal management and compliance controls adopted to fulfill the mission and fulfill the company's purpose.

Among the actions carried out throughout 2021, the company revised the risk management, internal controls and compliance structures, promoting the following improvements that will come into operation in 2022: i) creation of a statutory Risk Committee composed of independent members; ii) creation of the Continuity and Crisis Management Committee, an advisory body to the Board of Executive Officers; and iii) expansion of the structure dedicated to risk management and compliance, with the segregation of the Internal Controls and Integrity Management and the Risk, Capital and Safety Management functions into two areas. The implementation of such initiatives will help increasing the company's strategic focus and resilience in the face of the new challenges of the post-pandemic horizon, also contemplating the necessary regulatory adjustments, notably those related to the General Data Protection Law, CNSP Resolution No. 382, CNSP Resolution No. 416 and Susep Circular Letter No. 612.

Human Capital Management

BB Seguridade's staff consists mostly of employees ceded by BB. On 12.31.2021, the Company had 154 CLT (Consolidation of Labor Laws) employees and 4 statutory officers, located in Brasília and São Paulo, 3 interns and 21 contractors.

BB Seguridade believes that its human capital is the company's main asset. In 2021, with the review of the approach to the Company's strategy and human capital pillars, the processes of people management were unified under the Superintendency of People and Management. This change focused on maturing the Company's management model, maintaining the purpose of giving a more strategic and less transactional role to the people management area, with the main goal of attracting, retaining and developing BB Seguridade's talents, disseminating and strengthen the organizational culture and acting as a strategic business partner, seeking a sustainable performance in all areas of the company.

Training and Development

Reinforcing the importance that BB Seguridade attaches to the development of associates, in 2021, approximately R$638,000 were invested in training and subsidies of up to 80% in graduate courses and language scholarships. For graduate courses, associates can also take advantage of authorized absences, in order to complete the course final paper.

During 2021, the main trainings that were part of the Corporate Development Plan (PDC) were: (i) Leader Training Program, whose main objective was preparaing potential successors for the transition from self-leader to team leader ; (ii) Development of Soft Skills for managers, aiming at improving fundamental topics for the leader's conscious performance as a people manager; (iii) Project Leaders Trail, aiming at preparing potential leaders to conduct future BB Seguros projects; (iv) Business Models and (v) Knowledge Academy Program, aimed at strengthening BB Seguridades' key competencies (of a technical or behavioral nature), in line with the main skills of the future.

Talents and Succession

Since 2019, BB Seguridade has made progress in raising the maturity of the identification process of talents and successors.

Talents are identified through the performance management cycle, comprising performance assessment and collegiate assessment through the Development and Career Committee. The aforementioned Committee has, as one of its final objectives, training a list of potential successors of the Company through the identification of employees who presented high performance and high potential, who will be prepared to occupy new positions of a greater complexity.

In this sense, in 2021, BB Seguridade continued with the Program for the Development of Potential Successors for management positions, ending the self-knowledge stage with the application and feedback of the behavioral profile and management style assessment and beginning the Leader Training with online and live classes, conducted by a specialized company.

Benefits and Awards

BB Seguridade provides employees assigned by the parent company to work at the Company with several benefits, with emphasis on supplementary pensions, health plans and variable compensation based on profits and results. In addition to these benefits, in 2019, the Board of Directors approved the “Applause Program”, an award linked to the result and individual performance of eligible participants who stood out in terms of achieving individual goals and making a differentiated contribution to the company's results. The payment of the award is made with Company shares and aims at strengthening the partnership between the employee and BB Seguridade, recognition of participants in building the results and alignment of results with the Company's strategies. Similarly, the Variable Compensation Program for Executive Officers also provides for the payment of 50% of the total amount in Company shares.

In 2021, based on individual performances results for the 2020 fiscal year, 42 employees (out of a total of 142 assessed) were identified as performing above adequate or outstanding and had their performance recognized through the Applause Program.

Below, we show the investments made in the year:

Table 5 – Human Capital – Investment (consolidated view)

BRL thousand	Annual Flow		
	2021	2020[1]	2019
Investment in People	**57,638**	**58,021**	**53,827**
Payroll[2]	51,887	52,130	48,959
Supplementary pension plan	2,985	2,865	2,642
Health plan	2,128	2,192	1,249
Education (Scholarships and Training)	638	834	978

(1) As of 2020, some of the amounts referring to the supplementary pension plan and health plan, previously accounted for in the Payroll line, started to be reported separately. Additionally, the Payroll line started to include amounts related to food and meal allowance.

(2) Expenses with earnings, benefits and social charges, excluding amounts referring to the Health Plan and Supplementary Pension Plan.

Diversity

Based on discussions that took place within the scope of BB Seguridade's ESG Forum, an agenda was proposed on diversity and equal opportunities for the BB Seguridade group, respected the particularities of each company in the group and, at the same time, generate an identity on how the topic is handled in the Company. The proposed agenda, which will be implemented over the next few years, focuses on actions related to four pillars of diversity: (i) Gender; (ii) Ethnicity/Race; (iii) People with Disabilities (PwD); and (iv) LGBTQIA+.

It is important to clarify that, at BB Seguridade, there is no distinction on the compensation for those who occupy the same function, respecting the equity when establishing the salary policy.

In the field of corporate education, the Company makes use of the platform of BB's Corporate University, which has courses dealing with the topic, such as, for example, the Female Leadership course, whose main objective is to disseminate the strategic importance in promoting gender equity in the company. In 2021, there was an increase from 15% to 17% in the number of women in management roles compared to the previous year.

Regarding the promotion of equal rights and fair treatment for the LGBTQIA+ public, the following practices are noteworthy: (i) the possibility of using the social name on the badge, business card, stamps and email for trans people; (ii) use of bathroom according to the employee's gender identity; (iii) simplification of procedures for the inclusion of dependents by same-sex union; and (iv) maternity leave for one of the spouses of parents of children generated by a surrogate.

The inclusion of people with disabilities in BB Seguridade is also part of a set of actions aimed at promoting equal rights and citizenship. In this sense, BB promotes the adequacy of physical work environments and guidance of conduct for the reception of employees with disabilities.

In line with all the aforementioned actions, BB Seguridade, in its policies, practices and culture, values the maintenance of personnel diversity. The table below summarizes the composition of BB Seguridade's associates:

Table6 – Human Capital – Composition

	Annual Information		
	2021	**2020**	**2019**
Number of associates			
Employees	154	154	161
Contractors	21	20	31
Interns	3	9	15
Directors	10	10	14
TOTAL	**188**	**193**	**221**
Sex			
Female	33%	34%	34%
Male	67%	66%	66%
Associates' education level			
Graduate Studies	82%	80%	67%
Undergraduate Studies	15%	13%	29%
High School	2%	5%	3%
Others	1%	2%	0%
Age range			
Below 30 years of age	4%	4%	17%
Between 30 and 50 years of age	76%	75%	75%
Over 50 years of age	20%	21%	8%

(1) CLT and Statutory Associates

(2) The percentages referring to gender, education level and age range were calculated based on the total number of associates (employees, contractors, interns and board members).

Recruitment and Selection

During 2021, eleven (11) employees from Banco do Brasil joined the Company. Internally, there were twelve (12) employee promotions. All these movements took place in accordance with the prerogatives set out in the Internal Regulation on Attraction and Selection.

Organizational Climate

BB Seguridade has carried out, at least once a year, climate and satisfaction surveys, in order to diagnose the points to be improved and address them through actions related to people management practices.

In 2021, on a quarterly basis, the Climate Pulse was made available, which consists of the e-NPS (*Employee Net Promoter Score*) question and an additional question related to various topics, whose main objective is identifying, in the short term, possible factors of satisfaction and/or dissatisfaction of the employees.

Based on the survey of employees' perceptions through these instruments, the Company has been carrying out actions to increase employee engagement and the Company's organizational climate.

In 2021, the company's turnover, considering employees who return to Banco do Brasil or are assigned to one of our affiliates, was 6.58%, which represents a decrease of 1.4 p.p. compared to 2020.

Social and Environmental Responsibility

Below are the main sustainability practices adopted by BB Seguridade's invested companies in 2021.

Brasilseg

- **ISO 14001:2015:** Brasilseg is certified to ISO 14001:2015, which attests to the international standard of the company's Environmental Management System (EMS). This system is based on the analysis of significant environmental aspects and impacts, direct and indirect, associated with the processes at the company's head office. Caring for the environment is a daily practice in the company, which sets goals and challenges in its sustainable management, with an impact on the entire value chain.

- **Global Compact Brazil Network –** Brasilseg became, in 2019, a signatory of the Global Compact, aiming at contributing to building a more inclusive and equitable global market.

- **Brazilian GHG Protocol Program –** the company measures greenhouse gas emissions at its administrative head office and in Franca, through the GHG Protocol Carbon Management Tool, to offset emissions. The process covers all associates and, in the calculation of emissions, takes into account energy consumption, waste generated, the trip of associates to the company and travel on business trips. In 2021, 531 tons of CO2 equivalent were offset through the voluntary cancellation of carbon credits within the scope of the Clean Development Mechanism (CDM).

- **Sustainable Development Goals – SDGs –** Brasilseg operates in line with the SDGs through a set of commitments, programs and goals in areas such as diversity, inclusion, customer relations and compliance. Additionally, it promotes employee engagement with the cause through educational actions within the company itself.
- **Principles for Sustainable Insurance (PSI):** since 2019, the company has formally signed the PSI and has been developing actions, projects and investments to comply with them.

- **Incentive Projects**: in 2021, 20 sociocultural projects were carried out through the Culture Incentive Law, the Sports Incentive Law, the Childhood and Adolescence Fund and the Elderly Fund, with more than 64,857 thousand people assisted.

Committed to the principles of accountability and greater transparency in relation to Environmental, Social and Governance practices, Brasilseg began to publish, as of 2019, its Sustainability Report following the guidelines of the Global Reporting Initiative (GRI), available on the company website https://www.bbseguros.com.br/seguradora/seguros/quem-somos/sustentabilidade.

Brasilprev

- **Principles for Responsible Investment (PRI):** Brasilprev integrates and subscribes to voluntary commitments and agreements with institutions and organizations with which it shares principles and values in order to exercise its role as a transforming agent in society. Among them are the Principles for Responsible Investment (PRI), since 2017. The PRI is recognized for setting global standards related to responsible investing, encouraging investors to incorporate environmental, social and governance (ESG) aspects into their investment processes.

- **Expansion of ESG Investment Strategies:** Brasilprev launched, in February 2019, the Brasilprev TOP ASG fund, with allocation to ETFs (Index Fund) regarding ESG abroad. Up to December 2021, the fund had an equity of R$757.0 million and a cumulative profitability of 8.7% (vs. 4.4% of CDI).

  In December/2020, the ESG strategy gave rise to two new products aimed at private customers, which, in addition to ETFs abroad, also invest in Brazilian stocks that follow good ESG practices. Brasilprev Private ASG FIC Multimercado ended 2021 with an equity of R$125.3 million and profitability of -10.6%, while Brasilprev Top ASG Brasil FI Ações accumulated an equity of R$108.4 million in the year and profitability of -10.6% (vs. Ibovespa's -11.9%).

- **Green Bond Statement:** Brasilprev has been a signatory since 2017, together with other investors representing approximately R$ 1.8 trillion in assets under management. In the statement, the signatories commit to dialogue with entities, government or not, to stimulate the development of a robust Brazilian green bond market that truly contributes to addressing climate change. (Source: https://www.climatebonds.net/market/country/brasil/declaracao-de-investidores)

- ***Carbon Disclosure Project* (CDP):** Brasilprev participates in the CDP as a signatory investor, having access to its global database with information about the commitment of companies, whether potential or already invested, in relation to carbon emissions and sustainability actions.

- **Incentive projects:** in 2021, 9 social projects were supported through Incentive Laws (Elderly and Fumcad Pronas and Pronon), benefiting more than 85,600 Brazilians.

Information related to the topic is available on the company's website (https://www1.brasilprev.com.br/quem-somos.html).

Brasilcap

- **Principles for Sustainable Insurance (PSI):** Brasilcap was the first premium bonds company to become a signatory to the Principles for Sustainable Insurance (PSI), a commitment to which it has been a part since 2015. This adhesion reinforces the Company's commitment to being an important voice in seeking for a more conscious and fair society, in addition to contributing to the continuous evolution of ESG issues, mitigating risks and providing transparency in the rendering of accounts to all stakeholders.

- **Ethos Institute:** Brasilcap is a member of the Ethos Institute, entitled to participate in forums related to ESG issues and using the Ethos Tool – which enables the management of indicators and monitoring of the ESG evolution and the company's overall sustainability index.
- **Actions against Covid-19:** Brasilcap expanded its activities in social responsibility in response to the health crisis triggered by Covid-19, having supported, among others, the actions "Adote um Leito ICU – Na Luta Contra o Coronavirus" (Adopt an ICU Bed – The Fight Against the Coronavirus), with the donation of resources that contributed to the acquisition of respirators, incubators, an electric bed for ICU, cardioverter, heart monitor, hospital supplies such as PPE (masks, aprons and surgical instruments), as well as expenses related to the services of physicians, nurses and assistants. Another point that is worth mentioning was the Brasilcap's Solidarity Program, which completed 10 years of history, reaffirming the solidarity and transformative approach present in the Company's trajectory. In this sense, the partnership between Brasilcap and Instituto da Criança (Children's Institute) made it possible to support the Educação + Digital project, aiming at minimizing the economic and social impact of the pandemic on the lives of young people in situations of social vulnerability, who relied on digital connection to carry out their studies. All of Brasilcap's donations - with the participation of volunteer associates - were intended for funding 2GB of internet for 12 months for students and teachers of the public education network in Rio de Janeiro, for use in tablets previously donated by the Educação + Digital project.

More information related to the topic is available on the company's website (https://www.brasilcap.com.br/brasilcap/brasilcap/responsabilidade-socioambiental/responsabilidade-socioambiental.html).

8 - KEY TAKE-AWAYS

Below are the main awards and recognitions received in 2021 by the companies that are part of the BB Seguridade Group:

Brasilseg

- **Ranking 100 Open Corps 2021**: One of the leading corporations in open innovation with startups by the Ranking 100 Open Corps 2021, ranking TOP 3 among insurance companies. The ranking recognizes the companies leading open innovation with startups in Brazil, in order to promote business and connections. The company was awarded for Impulso Open, a Brasilseg program that seeks innovative partnerships capable of transforming the insurance market, simplifying processes and achieving excellence in customer relationships.
- **Prêmio Clientes S/A**: The Voice of the Customer Program case won in the Customer/CRM/CX/CS/CSM Project Leader category of Prêmio Clientes S/A, occupying the 3rd position of the award, which identifies and makes projections to the best practices in customer relationship, in Brazil.
- **Ranking Inovação Brasil:** Valor Econômico: Brasilseg was one of the four most innovative insurance companies in the country by the Valor Econômico's ranking Inovação Brasil, the most important vehicle for economics, finance and business in Brazil. In the general ranking, the company was among the 100 companies in the country that invest in and support innovation the most.

Brasilprev

- **Guia de Previdência Valor/FGV 2021:** Brasilprev was recognized as the best company in the sector, in 4 categories, in the special edition of Guia de Previdência Valor/FGV 2021. The study is carried out by the Valor Econômico newspaper in partnership with Fundação Getúlio Vargas (FGV). (Nov/2021). Below are all the categories:
    - Best Manager in the 5-year period
    - Best Manager in the 7-year period
    - Best Pension Plan Manager Target Date
    - Pension Plans Balanced from 15-30

- **Empresas Mais do Estadão:** for the second consecutive year, Brasilprev was ranked first in the insurance segment of "Empresas Mais do Estadão", an award that assesses the economic criteria and the performance of each company in the areas of Corporate Governance and Innovation, indicating the companies with the best management and results in the country. The ranking is created by Estadão with partnerships of Fia and Austin Rating. (Nov/2021).

Brasilcap

- **Certificado de Empresa Cidadã (Citizen Company Certificate**): for the eleventh consecutive year, Brasilcap was awarded the Citizen Company Certificate. In its 19th edition, the initiative of the Regional Accounting Council of Rio de Janeiro (CRCRJ) aims at encouraging excellence in the quality of accounting and socio-environmental information, published in the annual reports of companies of all sizes and segments in the country;
- **Modern Consumer Award**: Brasilcap was the winner, for the second consecutive year, of the 22nd edition of the "Modern Consumer Award for Excellence in Customer Service" in the Pension Plan and Premium bonds segment. The Award is an initiative of the Consumidor Moderno magazine, in partnership with the Standard Intelligence Center (CIP) and OnYou. The analysis process involved three phases, with different approaches, which ensured the assessment of different aspects of the service provided by the Company. This award is recognized as the Brazilian "Oscar" for corporate excellence in customer and consumer management.
- **Empresas Mais**: Brasilcap was among the top three in the "Financial Services – Premium bonds" category of the Empresas Mais award, made by the newspaper O Estado de São Paulo. The award goal is to value the best innovation and governance practices. This is the fifth consecutive year that Brasilcap has received this award.

9 - LEGAL INFORMATION

At the end of 2021, BB Seguridade did not record financial indebtedness in its financial statements. The source of funding consisted of shareholder's equity.

The investments of its invested companies will follow their normal flow of execution, according to individual plans structured by each company.

In accordance with CVM Instruction No. 381/03, we inform that, throughout 2021, BB Seguridade used the independent audit services of Deloitte Touche Tohmatsu Auditores Independentes ("Deloitte"), through a contract signed by its parent company, Banco do Brasil S.A.

Also, BB Seguridade and its subsidiaries inform that Deloitte Touche Tohmatsu Auditores Independente did not provide, in 2021, services that could affect its independence in relation to the audit work, proven by means of a Letter of Independence presented to BB Seguridade.

When contracting services not related to external audit, BB Seguridade adopts procedures that are based on the applicable legislation and internationally accepted principles that preserve the auditor's independence. These principles consist of: (i) the auditor must not audit its own work; and (ii) the auditor must not act managerially towards its client, nor promote its interests.

The table below shows the list of service contracts that were in force during 2021 between Deloitte and the invested companies and parent company of BB Seguridade:

Contracting Party	Contract Dates		Nature of the Service	Total amount of fees (R$)
	Start	End		
Banco do Brasil S.A.	03/22/2019	03/22/2022	Accounting audit services on the financial statements of the Banco do Brasil Conglomerate, prepared in accordance with accounting practices adopted in Brazil and with international financial reporting standards (IFRS) and other related services	18,182,758.13
Brasilcap Capitalização S.A.	04/26/2021	04/25/2023	Accounting audit on the financial statements for the 2021 and 2022 fiscal years	814,000.00
Brasilprev Seguros e Previdência S.A.	03/01/2020	04/30/2025	Audit contract covering the Accounting and Actuarial Audit for the semesters ended on 06/30/2020 to 12/31/2024	827,637.23
Brasilseg Companhia de Seguros Aliança do Brasil Seguros S/A	10/15/2021	10/14/2022	Actuarial Audit for the 2021 fiscal year	237,500.00

BB Seguridade, its shareholders, managers and members of the Supervisory Board undertake to resolve any disputes or controversies related to the Novo Mercado Listing Regulations through the B3 – Brasil, Bolsa, Balcão Market Arbitration Chamber, pursuant to the arbitration clause provided for in BB Seguridade's Articles of Incorporation, article 52.

Acknowledgments

We are grateful for the dedication and commitment of our employees and associates and the distribution network of Banco do Brasil and other partners, essential for maintaining a quality customer service and process compliance in a year as challenging as 2021, as well as the trust placed by shareholders, customers and society in general.

Brasília, 2022

The Management

STATEMENT OF INCOME

R$ thousand (except earnings per share)

	Note	Parent 2021	Parent 2020	Consolidated 2021	Consolidated 2020
OPERATING INCOME		**3,923,593**	**3,833,384**	**5,325,941**	**5,131,769**
Equity income	[7.b]	3,923,593	3,833,384	1,830,355	1,880,490
Net commissions income	[8]	--	--	3,495,586	3,251,279
COST OF SERVICES PROVIDED	**[9]**	**--**	**--**	**(193,830)**	**(176,868)**
GROSS PROFIT		**3,923,593**	**3,833,384**	**5,132,111**	**4,954,901**
OTHER INCOME AND EXPENSES		**(8,572)**	**(10,882)**	**(199,911)**	**(173,411)**
Personnel expenses	[10]	(12,167)	(11,602)	(63,114)	(63,893)
Administratives and sales expenses	[11]	(3,152)	(3,096)	(38,266)	(69,424)
Tax expenses	[12.c]	(2,083)	(3,645)	(22,651)	(12,559)
Other	[13]	8,830	7,461	(75,880)	(27,535)
INCOME BEFORE FINANCIAL REVENUE AND EXPENSES		**3,915,021**	**3,822,502**	**4,932,200**	**4,781,490**
FINANCIAL RESULT	**[14]**	**22,901**	**37,295**	**147,224**	**111,150**
Financial revenue		26,992	62,764	151,739	138,657
Financial expenses		(4,091)	(25,469)	(4,515)	(27,507)
INCOME BEFORE TAXES AND EQUITIES		**3,937,922**	**3,859,797**	**5,079,424**	**4,892,640**
INCOME TAX AND SOCIAL CONTRIBUTION	**[12.a]**	**(4,705)**	**(9,026)**	**(1,146,207)**	**(1,041,869)**
NET INCOME		**3,933,217**	**3,850,771**	**3,933,217**	**3,850,771**
Number of shares	[25.a]	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Weighted average number of shares - basic and diluted	[25.c]	1,996,672,230	1,996,626,255	1,996,672,230	1,996,626,255
Basic and diluted earnings per share (R$)	[25.c]	1.97	1.93	1.97	1.93

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

STATEMENT OF COMPREHENSIVE INCOME

R$ thousand

	Note	Parent 2021	Parent 2020	Consolidated 2021	Consolidated 2020
NET INCOME		**3,933,217**	**3,850,771**	**3,933,217**	**3,850,771**
Share of comprehensive income Investments in	**[09.a]**	**(171,346)**	**(15,569)**	**(171,346)**	**(15,569)**
Gains/(losses) on financial assets available for sale		(285,578)	(25,950)	(285,578)	(25,950)
Tax effect		114,232	10,381	114,232	10,381
TOTAL COMPREHENSIVE INCOME		**3,761,871**	**3,835,202**	**3,761,871**	**3,835,202**

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

BALANCE SHEET

R$ thousand

		Parent		Consolidated	
	Note	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
CURRENT ASSETS		**1,956,417**	**1,279,341**	**5,125,631**	**3,618,881**
Cash and cash equivalents	[15]	369,342	208,893	4,090,561	2,195,445
Financial assets measured at amortized cost	[16.b]	--	--	--	245,101
Dividends/interest on equity receivable	[17]	1,572,428	1,060,278	1,648	--
Current tax assets	[12.d]	1,928	--	1,928	--
Commissions receivable	[18]	--	--	1,026,158	1,173,988
Other assets	[20]	12,719	10,170	5,336	4,347
NON-CURRENT ASSETS		**7,168,001**	**6,067,671**	**8,188,590**	**7,281,415**
Financial assets at fair value through profit or loss	[16.a]	14,011	3,948	14,011	4,986
Financial assets measured at amortised cost	[16.b]	--	--	--	204,449
Current tax assets	[12.d]	68,332	85,155	84,337	114,776
Deferred tax assets	[12.e]	10	1,305	35,420	17,634
Commissions receivable	[18]	--	--	698,435	643,090
Investments in associates	[7.b]	7,080,649	5,971,729	7,137,241	6,084,345
Intangible	[19]	4,959	5,481	4,959	5,481
Other assets	[20]	40	53	214,187	206,654
TOTAL ASSETS		**9,124,418**	**7,347,012**	**13,314,221**	**10,900,296**
CURRENT LIABILITIES		**1,842,974**	**957,301**	**3,999,277**	**2,853,303**
Statutory obligation	[21]	1,831,691	948,493	1,831,691	948,493
Contingent liabilities	[22]	--	124	4,996	6,411
Current tax liabilities	[12.g]	444	81	762,519	682,950
Unearned commissions	[23]	--	--	1,172,483	1,127,358
Other liabilities	[24]	10,839	8,603	227,588	88,091
NON-CURRENT LIABILITIES		**28**	**106**	**2,033,528**	**1,657,388**
Contingent liabilities	[22]	28	106	10,419	11,573
Deferred tax liabilities	[12.h]	--	--	228,565	228,565
Unearned commissions	[23]	--	--	1,794,544	1,417,250
TOTAL LIABILITIES		**1,843,002**	**957,407**	**6,032,805**	**4,510,691**
EQUITY		**7,281,416**	**6,389,605**	**7,281,416**	**6,389,605**
Capital	[25.a]	3,396,767	3,396,767	3,396,767	3,396,767
Capital reserves	[25.b]	1,508	1,588	1,508	1,588
Income reserves	[25.b]	4,122,925	3,060,956	4,122,925	3,060,956
Treasury shares	[25.g.4]	(81,320)	(82,588)	(81,320)	(82,588)
Other accumulated comprehensive income	[25.e]	(158,464)	12,882	(158,464)	12,882
TOTAL EQUITY		**7,281,416**	**6,389,605**	**7,281,416**	**6,389,605**
TOTAL LIABILITIES AND EQUITY		**9,124,418**	**7,347,012**	**13,314,221**	**10,900,296**

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

STATEMENT OF CASH FLOWS

R$ thousand

	Note	Parent		Consolidated	
		2021	2020	2021	2020
Cash flow from operating activities					
Net profit		**3,933,217**	**3,850,771**	**3,933,217**	**3,850,771**
Adjustment to net profit:					
Equity income	[7.b]	(3,923,593)	(3,833,384)	(1,830,355)	(1,880,490)
Net increase in dividends and interest on shareholders' equity		(311)	10,882	2,623	24,871
Net increase in financial assets at amortized cost		--	--	(6,309)	(18,377)
Other adjustments		1,796	2,094	(572)	2,158
Adjustment to net profit		**11,109**	**30,363**	**2,098,604**	**1,978,933**
Changes in balance sheet items:					
Financial assets at fair value through profit or loss		(10,063)	(535)	(9,025)	455,161
Current tax assets and deferred tax assets		16,190	(26,954)	10,725	(42,467)
Commissions receivable		--	--	92,485	(476,763)
Other assets		(2,536)	(1,314)	(8,522)	(5,028)
Unearned commissions		--	--	422,419	324,596
Current tax liabilities and deferred tax liabilities		362	(899)	79,569	26,814
Other liabilities		2,236	365	139,500	23,447
Cash provided by operating activities		**17,298**	**1,026**	**2,825,755**	**2,284,693**
Cash flow from investment activities					
Investments in financial assets measured at amortized cost		--	--	--	(200,000)
Redemptions in financial assets measured at amortized cost		--	--	455,859	293,433
Dividends received	[7.b]	2,093,213	4,239,591	963,364	1,573,182
Interest on equity received	[7.b]	--	--	157,732	51,302
received - Capital reduction - BB Corretora de Seguros e Adm. de Bens S.A.	[7.b]	40,899	--	--	--
Acquisition of investments - Ciclic Corretora de Seguros S.A.	[7.b]	--	--	--	(25,599)
Acquisition of investments - Brasilprev Seguros e Previdência S.A.	[7.b]	--	--	(449,969)	(899,939)
Acquisition of investments - Brasilcap Capitalização S.A.	[7.b]	--	--	(66,664)	--
Acquisition Asset		(286)	(357)	(286)	(357)
Cash provided by investment activities		**2,133,826**	**4,239,234**	**1,060,036**	**792,022**
Cash flow from financing activities					
Dividends paid		(1,990,675)	(5,562,658)	(1,990,675)	(5,562,658)
Refund payment - Capital reduction		--	(2,699,904)	--	(2,699,904)
Cash flow provided by financing activities		**(1,990,675)**	**(5,562,658)**	**(1,990,675)**	**(5,562,658)**
Net change in cash and cash equivalents		**160,449**	**(4,022,302)**	**1,895,116**	**(5,185,847)**
Opening balance	[15]	208,893	4,231,195	2,195,445	7,381,292
Closing balance	[15]	369,342	208,893	4,090,561	2,195,445
Increase (decrease) in cash and cash equivalents		**160,449**	**(4,022,302)**	**1,895,116**	**(5,185,847)**
Complementary information on operations					
Income tax paid		(1,254)	(1,175)	(698,971)	(666,364)
Social contribution paid		(845)	(2,725)	(285,155)	(271,344)
Total taxes paid		**(2,099)**	**(3,900)**	**(984,126)**	**(937,708)**

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

STATEMENT OF CHANGES IN EQUITY

R$ thousand

Event	Note	Capital	Capital Reserves	Profit Reserves		Treasury Shares	Retained Earnings/ Accumulated Losses	Other Accumulated Comprehensive Income	Total
				Legal Reserve	Statutory Reserve				
Balances at 12.31.2019		**3,396,767**	**1,117**	**679,354**	**1,226,371**	**(83,306)**	**28,451**	**--**	**5,248,754**
Share-based payment transactions		--	471	--	--	718	--	--	1,189
Other accumulated comprehensive income		--	--	--	--	---	(15,569)	--	(15,569)
Expired dividends	[25.d]	--	--	--	--	--	--	42	42
Net income for the period	**[25.c]**	--	**--**	**--**	**--**	**--**	**--**	**3,850,771**	**3,850,771**
Destinations - Profit Reserves		--	**--**	**--**	1,155,231	**--**	--	(1,155,231)	--
- Intermediary dividends payable	[25.d]	--	**--**	**--**	**--**	**--**	--	(1,747,565)	(1,747,565)
- Proposed dividends	[25.d]	--	**--**	**--**	**--**	**--**	--	(948,017)	(948,017)
Balances at 12.31.2020		**3,396,767**	**1,588**	**679,354**	**2,381,602**	**(82,588)**	**12,882**	**--**	**6,389,605**
Changes in the year		**--**	**471**	**--**	**1.155.231**	**718**	**(15.569)**	**--**	**1.140.851**
Balances at 12.31.2020		**3,396,767**	**1,588**	**679,354**	**2,381,602**	**(82,588)**	**12,882**	**--**	**6,389,605**
Share-based payment transactions		--	(80)	--	--	1,268	--	--	1,188
Other accumulated comprehensive income	[7.b]	--	--	--	--	--	(171,346)	--	(171,346)
Expired dividends	[25.d]	--	--	--	--	--	--	45	45
Net income for the period	**[25.c]**	**--**	**--**	**--**	**--**	**--**	**--**	**3,933,217**	**3,933,217**
Destinations - Profit Reserves		--	--	--	1,061,969	--	--	(1,061,969)	--
- Intermediary dividends payable	[25.d]	--	--	--	--	--	--	(1,040,024)	(1,040,024)
- Proposed dividends	[25.d]	--	--	--	--	--	--	(1,831,269)	(1,831,269)
Balances at 12.31.2021		**3,396,767**	**1,508**	**679,354**	**3,443,571**	**(81,320)**	**(158,464)**	**--**	**7,281,416**
Changes in the year		**--**	**(80)**	**--**	**1,061,969**	**1,268**	**(171,346)**	**--**	**891,811**

The accompanying notes are an integral part of these financial statements

STATEMENT OF VALUE ADDED

R$ thousand

	Note	Parent		Consolidated	
		2021	2020	2021	2020
Income		**9,024**	**7,763**	**3,985,096**	**3,690,845**
Commissions income	[8]	--	--	3,953,457	3,676,972
Other income	[13]	9,024	7,763	31,639	13,873
Input Acquired from Third Parties		**(3,196)**	**(3,224)**	**(338,548)**	**(286,689)**
Administrative expenses diverse	[11]	(3,152)	(3,096)	(38,266)	(69,424)
Cost of services provided	[9]	--	--	(193,830)	(176,868)
Other expenses	[13]	(44)	(128)	(106,452)	(40,397)
Gross Added Value		**5,828**	**4,539**	**3,646,548**	**3,404,156**
Depreciation and amortization	[13]	(150)	(174)	(1,067)	(1,011)
Net Added Value Generated by the Entity		**5,678**	**4,365**	**3,645,481**	**3,403,145**
Added Value Received Through Transfer		**3,950,585**	**3,896,148**	**1,982,094**	**2,019,147**
Equity in the earnings of associates	[7.b]	3,923,593	3,833,384	1,830,355	1,880,490
Financial income	[14]	26,992	62,764	151,739	138,657
Total Added Value to Distribute		**3,956,263**	**3,900,513**	**5,627,575**	**5,422,292**
Distribution of Added Value		**3,956,263**	**3,900,513**	**5,627,575**	**5,422,292**
Personnel	[10]	12,167	11,602	63,114	63,893
Taxes, fees and contributions		6,788	12,671	1,626,729	1,480,121
Financial expenses	[14]	4,091	25,469	4,515	27,507
Equity remuneration		2,871,248	2,695,540	2,871,248	2,695,540
Retained earnings in the year		1,061,969	1,155,231	1,061,969	1,155,231

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

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

1 - OPERATIONAL CONTEXT

BB Seguridade Participações S.A. (“BB Seguridade” or “Company”) is a *holding* company controlled by Banco do Brasil SA, incorporated on December 20th, 2012, which operates in insurance business. It is a publicly-held corporation and its shares are traded on the Novo Mercado segment of B3 SA - Brazil, Stock, Counter, under the code “BBSE3”, and its ADRs (*American Depositary Receipts*) on the *Over-the-Counter* market in the United States of America under the code “BBSEY”.

It is registered with the CNPJ under No. 17.344.597/0001-94 and headquartered in the Northern Local Government Sector, Quadra 05, Lote B, Torre Sul, 3rd Floor, Banco do Brasil Building, Asa Norte, Brasília, Distrito Federal, Brazil.

Its corporate purpose is to participate in insurance companies, capitalization companies, open supplementary pension entities and private health care plans, as well as in other companies whose corporate purpose is the brokerage and feasibility of business involving insurance companies in the elementary, life, health, capitalization, pension and asset management fields.

BB Seguridade has, among its equity stake, two wholly-owned subsidiaries, BB Seguros Participações S.A. ("BB Seguros") and BB Corretora de Seguros e Administradora de Bens S.A. ("BB Corretora"), the corporate structure that makes up the BB Seguridade Group ("Group").

Such stake is currently organized into two segments: risk and accrual businesses, which operate insurance, open pension funds, capitalization and dental care plans products through BB Seguros with private partners; and distribution business, which sells insurance, open pension funds, capitalization bonds and private dental care plans, through BB Corretora, in addition to an investment that operates in the distribution of insurance products through digital channels.

With Banco do Brasil's distribution network as the main channel for the sale of a complete portfolio of products with the intermediation of its own brokerage, BB Seguridade currently occupies a prominent position in the market in all the segments in which it operates.

Since the beginning of the current situation, resulting from the pandemic caused by Covid-19, more than 30 initiatives have been carried out with the involvement of practically the entire Company, through a specific plan to fight Covid-19, supported by the pillars of extreme focus, agile decision-making process and timely communication.

The Company's current organizational structure continues to be improved to give greater emphasis to digital initiatives, seeking to capture opportunities brought about by the acceleration of consumer behavior migration to *online* environments.

Taking the measures that sustain our current business, while keeping an eye on the new normal, complete the Company's role in facing the effects of the pandemic. We prioritize revenue generation with businesses that are more adherent and less impacted by the situation, ensuring that strategic technology deliveries do not lose momentum, in addition to accelerating projects with high potential to capture market opportunities.

In this way, the Company continues to monitor and evaluate scenarios that may affect its operations, with a daily assessment of the situation, updating of preventive measures and actions to minimize risks, and coordination of the execution of action plans in the Continuity Coordinating Group.

In addition, BB Seguridade continues to adopt measures to mitigate the impacts resulting from the pandemic, in order to maintain the safety of its employees, collaborate with society and the authorities in containing the virus and continue its operations, such as maintenance of non-face-to-face corporate training and events and the holding of internal and external meetings via teleconference and videoconference. Since the second quarter of 2020, the Company has also adopted remote work in the *home office* modality, with the regular execution of all processes in the corporate base.

The Company has a Return to Office Plan, prepared during the 2nd quarter of 2020, which was continuously improved and monitored throughout the 4th quarter of 2021, with the objective of guaranteeing a safe and peaceful work environment for employees when they return to activities at BB Seguridade's offices, thus ensuring business continuity.

The Company's Executive Board continues to monitor the moving average indicators of cases, occupation of ICU beds, transmission rate and evolution of the National Immunization Program.

Considering the evolution of this last indicator and the reduction of the others until the end of the 4th quarter of 2021, BB Seguridade concluded the gradual return to the face-to-face work of employees in December 2021. The offices in Brasília and São Paulo were adequate for reoccupation and are marked with guidelines on the rules of social distancing, hygiene and other determinations of the competent authorities.

Even with the resumption of occupation of offices, corporate actions to support mental health and physical activity, offered in the remote mode, continue to be made available and continuously reinforced by the Company.

We continue to understand that BB Seguridade has the adequate workforce and the necessary liquidity to overcome the challenge in the best possible way. The monitoring of possible risks inherent to the pandemic that may affect the company, logistics and employees and clients are covered in Explanatory Note 5- RISK MANAGEMENT.

2 – ACQUISITIONS, DISPOSALS AND CORPORATE RESTRUCTURINGS

a) Ciclic Corretora de Seguros S.A.

On February 27, 2020, Ciclic's Extraordinary Shareholders Meeting (ESM) approved the increase on the company's capital by R$ 17,001,400.00 through the issuance of 8,500,700 common shares and 8,500,700 preferred shares, by the price of R$ 1.00 each.

BB Corretora de Seguros e Administradora de Bens S.A. subscribed 4,249,500 common shares and 8,500,700 preferred shares, equivalent to R$ 12,750,200.00, fully paid in national currency, on the date of the ESM held to decide the increase on the company's capital.

PFG do Brasil 2 Participações Ltda subscribed 4,251,200 common shares, equivalent to R$ 4,251,200.00, fully paid in national currency, on the date of the ESM held to decide the increase on the company's capital.

The company's capital, fully subscribed and paid-in, amounted at the occasion, to R$ 44.0 million, divided into 44 million shares, of which 22 million are common shares and 22 million are preferred shares, distributed between the shareholders in the following proportion:

Shareholders	Common Shares		Preferred Shares		Total	
	Ammount	%	Ammount	%	Ammount	%
BB Corretora	10,997,800	49.990	22,000,000	100.000	32,997,800	74.995
PFG2	11,002,200	50.010	--	--	11,002,200	25.005
Total	**22,000,000**	**100.000**	**22,000,000**	**100.000**	**44,000,000**	**100.000**

On December 4, 2020, Ciclic's Extraordinary Shareholders Meeting (ESM) approved a new increase on the company's capital by R$ 17,132,548.00 through the issuance of 8,566,274 common shares and 8,566,274 preferred shares, by the price of R$ 1.00 each.

BB Corretora de Seguros e Administradora de Bens S.A. subscribed 4,282,280 common shares and 8,566,274 preferred shares, equivalent to R$ 12,848,554.00, fully paid in national currency on December 7, 2020.

PFG do Brasil 2 Participações Ltda subscribed 4,283,994 common shares, equivalent to R$ 4,283,994.00, fully paid in national currency, on December 8, 2020.

The company's capital, fully subscribed and paid-in, is now of R$ 61,132,548.00, divided into 61,132,548 shares, of which 30,566,274 are common shares and 30,566,274 are preferred shares, distributed between the shareholders in the following proportion:

Shareholders	Common Shares		Preferred Shares		Total	
	Ammount	%	Ammount	%	Ammount	%
BB Corretora	15,280,080	49.990	30,566,274	100.000	45,846,354	74.995
PFG2	15,286,194	50.010	--	--	15,286,194	25.005
Total	**30,566,274**	**100.000**	**30,566,274**	**100.000**	**61,132,548**	**100.000**

b) Brasilprev Seguros e Previdência S.A.

On December 30, 2020, Brasilprev's Extraordinary Shareholders Meeting (ESM) approved the increase on the company's capital by R$ 1,199,998,758.74 through the issuance of 422,686 common shares and 422,686 preferred shares, by the price of R$ 1,419.49 each, based on Brasilprev's shareholders' equity as of November 30, 2020. On the same date, BB Seguridade Participações S.A. released to the market a Material Fact communicating the transaction and its motivation.

BB Seguros Participações S.A. subscribed 211,301 common shares and 422,686 preferred shares, equivalent to R$ 899,939,450.39, while PFG do Brasil Ltda. subscribed 211,385 common shares, equivalent to R$ 300,059,308.35, having the shareholders up to January 31, 2021 to fully pay up the capital.

Brasilprev's capital, which is fully subscribed and paid up, amounted to R$ 2,929,257,699.28, divided into 3,135,452 shares, of which 1,567,726 are common shares and 1,567,726 are preferred shares, distributed between the shareholders in the following proportion:

Shareholders	Common Shares		Preferred Shares		Total	
	Ammount	%	Ammount	%	Ammount	%
BB Seguros	783,707	49.990	1,567,726	100.000	2,351,433	74.995
PFG	784,019	50.010	--	--	784,019	25.005
Total	**1,567,726**	**100.000**	**1,567,726**	**100.000**	**3,135,452**	**100.000**

In line with the Notice to the Market released by BB Seguridade Participações SA on June 15, 2021, Brasilprev issued, on June 7, 2021, the issue of 550,000 subordinated debentures, not convertible into shares, with a unit face value of R$ 1,000.00, making the total amount of R$ 550,000,000.00. The issue did not change the interest held by BB Seguros Participações S.A. in the total capital of Brasilprev and the funds raised were used to cover its Minimum Required Capital.

On June 25, 2021, Brasilprev's General Meeting met, extraordinarily, to approve a new increase in Brasilprev's capital stock, in R$ 599,99,556.89, through the issuance of 191,211 new common shares and 191,211 new shares preferred shares, with an issue price of R$ 1,568.95 each, calculated based on Brasilprev's Shareholders' Equity on May 31, 2021. Previously, on June 22, 2021, BB Seguridade Participações SA had already disclosed a Material Fact to the market, informing the approval of this capital increase by its Board of Directors.

BB Seguros Participações S.A. subscribed 95,586 common shares and 191,211 preferred shares, equivalent to R$ 449,969,073.22, while PFG do Brasil Ltda. subscribed 95,625 common shares, equivalent to R$ 150,030,483.67, paid in national currency on June 28, 2021. There was no change in the percentage of BB Seguros participation in Brasilprev's capital stock.

Brasilprev's capital, fully subscribed, is now R$ 3,529,257,256.17, fully paid-in, divided into 3,517,874 shares, of which 1,758,937 are common shares and 1,758,937 are preferred shares, distributed among the shareholders in the following proportion:

Shareholders	Common Shares		Preferred Shares		Total	
	Ammount	%	Ammount	%	Ammount	%
BB Seguros	879,293	49.990	1,758,937	100.000	2,638,230	74.995
PFG	879,644	50.010	--	--	879,644	25.005
Total	**1.758.937**	**100.000**	**1,758,937**	**100.000**	**3,517,874**	**100.000**

c) Brasilcap Capitalização S.A.

On March 31, 2021, Brasilcap's Extraordinary Shareholders Meeting (ESM) approved a capital increase, from R$ 231,264,117.06 to R$ 254,392,710.76, equivalent to an increase of R$ 23,128,593.70, through the capitalization of profit reserves in excess of the legal limit, without changing the number of shares.

On December 31, 2021, Brasilcap's ESM approved the company's capital increase from R$ 254,392,710.76 to R$ 354,398,110.76, through the issuance of 76,340,000 preferred shares, all nominative with no par value, by the price of R$ 1.31 each, in compliance with Article 170, § 1, of Federal Law Nr. 6,404 of 1976, capitalized by credits resulting from the private instrument "Advances For Future Capital Increases", concluded on December 22, 2021, between Brasilcap and its shareholders BB Seguros Participações S.A., Icatu Seguros S.A. and Companhia de Seguros Aliança da Bahia.

BB Seguros Participações S.A. subscribed in the proportion of its current economic stake, 50,888,244 preferred shares, equivalent to R$ 66,663,599.64, while Icatu Seguros S.A. subscribed 12,725,878 preferred shares, equivalent to R$ 16,670,900.18, and Companhia de Seguros Aliança da Bahia subscribed 12,085,282 preferred shares, equivalent to R$ 15,831,719.42. In addition, through the capitalization of credits arising from the Advances for Future Capital Increases, Icatu Seguros S.A. subscribed 328,568 preferred shares, equivalent to R$ 430,424.08 and Companhia de Seguros Aliança da Bahia subscribed 312,028 preferred shares, equivalent to R$ 408,756.68, on the condition that other Brasilcap's minority shareholders do not exercise their preemptive right. The issuance maintained unchanged the current economic stake held by BB Seguros Participações S.A. in Brasilcap's total capital.

Thus, Brasilcap's paid in capital amounted to R$ 354,398,110.76, divided into 216,010,804 common shares, all nominative with no par value, and 184,329,196 preferred shares, all nominative with no par value.

3 – PRESENTATION OF FINANCIAL STATEMENTS

a) Statement of Compliance

The individual financial statements have been prepared in accordance with the accounting guidelines derived from Brazilian corporation law and are presented in compliance with accounting practices adopted in Brazil, including pronouncements issued by the Comitê de Pronunciamentos Contábeis – CPC (Accounting Pronouncements Committee), approved by Conselho Federal de Contabilidade – CFC (Federal Accounting Council).

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

There are no divergences in accounting practices adopted for these individual and consolidated financial statements, given that the conformity between of the accounting standards adopted in Brazil and those issued by the IASB.

All the relevant information specific to the financial statements are evidenced and correspond to those used by Management in its management.

These financial statements were approved and authorized by BB Seguridade's Board of Directors on Nov 05, 2021.

b) Continuity

Management evaluated the capacity of BB Seguridade to continue normally operating and it is convinced that it has the resources to continue its business in the future. In addition, Management is not aware of any material uncertainties that could generate significant doubts about its ability to continue operating. Accordingly, these consolidated and individual financial statements were prepared based on the assumption of operating continuity.

c) Measurement Basis of Assets and Liabilities

These individual and consolidated financial statements have been prepared using historical cost as the measurement basis, except for financial assets measured at fair value through profit or loss.

d) Functional and Presentation Currency

The financial statements are presented in Brazilian Reais (R$), the functional and presentation currency of BB Seguridade. BB Seguridade and subsidiaries did not carry out operations in foreign currency.

e) Consolidation Basis

The consolidated financial statements of the BB Seguridade and subsidiaries are included the consolidation of assets and liabilities from BB Seguridade and its controlled entities, as follows:

Company	Activity	Country of constitution	% Share	
			Sept 30, 2021	Dec 31, 2020
BB Seguros Participações S.A.	Holding	Brazil	100%	100%
BB Corretora de Seguros e Administradora de Bens S.A.	Brokerage	Brazil	100%	100%

The intra-group balances and transactions, such as any unrealized income or expenses on transactions between companies of the consolidated, are eliminated in preparing the consolidated financial statements.

f) Seasonality of Operations

BB Seguridade and its owned subsidiaries consider the nature of their transactions as non-seasonal and non-cyclical, taking into account the activities carried out by the Group. Consequently, no specific disclosures are provided in these notes.

g) Main Judgments and Accouting Estimates

The preparation of the financial statements in accordance with CPCs and IFRS requires that the Management make judgments and estimates affecting the recognized amounts referring to assets, liabilities, income and expenses. Estimates and assumptions adopted are analyzed on a continuous basis, and revisions are carried out and recognized in the period in which the estimate is reevaluated, with prospective effects. The actual results obtained may be different from estimates used herein.

Taking into consideration that there are certain alternatives to accounting treatments, the results that are disclosed could be different, in the event a different treatment had been chosen. Management considers that the choices made are appropriate and that the financial statements fairly present the consolidated financial position of BB Seguridade and the result of its operations in all material aspects.

Significant assets and liabilities subject to these estimates and assumptions encompass items for which an evaluation at fair value is necessary. The most relevant applications of the exercise on estimates judgments and usage occur in: Fair value of Financial Instruments, Impairment of Financial Assets, Impairment of Non-Financial Assets, Income Taxes, Deferred Taxes and Provisions and Contingent Liabilities.

4 – DESCRIPTION OF KEY ACCOUNTING POLICIES

Accounting policies are the specific principles, bases, conventions, rules and practices applied by BB Seguridade in the preparation and presentation of annual financial statements. BB Seguridade applied accounting policies consistently to all periods presented in these annual financial statements.

The accounting policies used in the preparation of these annual financial statements are equivalent to those applied to the annual financial statements for the fiscal year ended on December 31, 2020.

a) Revenue and Expense Recognition

Revenues and expenses are recognized on an accrual basis and are reported in the financial statements for the periods to which they refer. Revenues are increases in assets, or decreases in liabilities, resulting in increases in the shareholders' equity, except for those referring to contributions from holders of rights on the equity.

This concept is applied to the main revenues arising from the activities of BB Seguridade and its investees, namely:

a.1) Revenue from investments in shareholdings – Revenue from the application of the equity method for assessment of the investments in shareholdings are recognized in proportion to the BB Seguridade's shareholding on the investees' income, according to the CPC 18 (R2) [IAS 28] – Investment in Controlled and Affiliated Companies and Joint Ventures.

a.2) Revenue from commissions – Revenue from commissions are recognized pro rata when its value, its related costs and the conclusion stage of the transaction can be measured in reliable manner and when its related economic benefits are likely to be effective, according to the CPC 47 [IFRS 15] – Contract Revenue with Client.

In order to recognize its revenue, BB Seguridade uses a five-stage model concept to determine when to recognize the revenue: i) identification of the contract; ii) identification of the performance obligations; iii) determination of the price for the transaction; iv) allocation of the price for the transaction and v) recognition of revenue.

Revenues from commissions are recognized when the Company meets (or as the Company meets) its performance obligation when transferring the goods and services (in other words, assets) in agreement with a client. Revenues from commissions arises from the segments of people insurance, casualty insurance, pension plans, capitalization and health insurance. These revenues are recognized over time (products with an established validity), where the performance obligation is diluted linearly over the lifetime of the product/insurance, or at a specific time (monthly products), where the performance obligation is due monthly, according to the characteristics of the products.

In cases of return of the Premium to the insured parties, the broker reimburses, to the insurer, the commission received in proportion to the value refunded or not received by the insurer in relation to the remaining period of the policy.

For insurance whose expiry date is not objectively established (monthly insurance), monthly payment of considerations is decisive for the continuity of the policies, and, in general, there are no refund of the commissions.

For the monitoring and control of brokerage commissions, BB Seguridade uses the ERP (Enterprise Resource Planning) system, which has a specific module for brokerage, called "Motor de Cálculo". The purpose of this module is to receive, in a standardized manner, all the necessary information from the investees and Banco do Brasil, allowing the automation of the quantitative and qualitative analyzes of the sales operations and accounts receivable operations of the security products, allowing greater control and reconciliation of brokerage values, in addition to allowing the automatic accounting. Products from Brasilseg, Brasilcap, Brasilprev, Brasildental and Mapfre Seguros Gerais are already implemented in this tool.

a.3) Financial revenues and expenses – Revenues and expenses from financial instruments arising from assets and liabilities that generate and pay for monetary correction and/or interest, as well as the values related to the correction of the fair value, are recognized in the income for the fiscal year on an accrual basis, using the effective interest rate method, according to the CPC 48 [IFRS 9] – Financial Instruments.

In the case of instruments measured at fair value through income (in accordance with item c.3 below), the fair value is determined as described in item c.4.

b) Cash and cash equivalents

Cash and cash equivalents are represented by available funds in local currency, short-term fund investments, investments in purchase and sale commitments, with high liquidity and an insignificant risk of change in the value, with a maturity of 90 days or less.

c) Financial instruments

The financial instruments are classified in relation to the business model and the contractual characteristics of the cash flows of the instruments according to the CPC 48 [IFRS 9] – Financial Instruments.

Financial instruments are initially measured at fair value plus the transaction cost, except when financial assets and liabilities are recorded at fair value through the income.

Financial assets and liabilities can be classified into one of the categories: i) financial instrument measured at fair value through the income, ii) financial instrument measured at amortized cost and; iii) financial instrument measured at fair value through other comprehensive income.

The main financial instruments of BB Seguridade and its controlled companies are securities mainly held by Banco do Brasil (investment funds and sale commitments). During the reporting period, the use of derivative instruments by BB Seguridade is carried out indirectly, given that investment funds, within their respective investment policies, may make use of these derivative instruments.

BB Seguridade, through BB Seguros, holds interest in insurance companies, for which the CPC 48 [IFRS 9] is not applied. When there is a divergence in the accounting practice of the investees, it is necessary to adjust the accounting practices for standardization. However, the CPC Technical Pronouncements Review No. 12/2017 allowed, in relation to an exemption for insurers, that the Company could apply the CPC without need for standardization in relation to the investees (until January 1, 2023).

c.1) Amortized Cost - This category includes financial assets held (i) for the purpose of receiving its contractual cash flow rather than for sale with realization of profits or losses and (ii) whose contractual terms generates cash flows at specified dates exclusively for principal payments and interest payments on the outstanding principal value.

Financial bills are recognized as financial assets measured at amortized cost. Changes in these assets are recognized in the income for the fiscal year in the financial revenues or expenses, depending on the result obtained.

c.2) Fair value through other comprehensive income - VJORA - This category includes financial assets held (i) both for the receipt of its contractual cash flow and for sale with realization of profits or losses and (ii) whose contractual terms generates cash flows at specified dates exclusively for principal payments and interest payments on the outstanding principal value.

For the reporting period, BB Seguridade did not have any financial assets classified in this category.

c.3) Fair value through profit or loss (VJR) - Financial assets that are not measured at amortized cost or at fair value through other comprehensive income are classified in this category.

The investment funds and purchase and sale commitments are recognized as financial assets measured at fair value through income.

c.4) Determination of fair value - Fair value is the price that would be received for the sale of an asset or would be paid by the transfer of a liability in a non-forced transaction between market participants at the measurement date.

The fair value of financial instruments traded in active markets on the base date of the balance sheet is based on the quoted market price or on the quotation of the over-the-counter price (selling price for purchased positions or purchasing price for sold positions), without any deduction of transaction cost.

In situations where there is no market price for a particular financial instrument, its fair value is estimated on the basis of valuation methods commonly used in the financial markets, which are appropriate to the specific characteristics of the instrument and capture the various risks to which it is exposed. The valuation methods include: the discounted cash flow method, comparison to similar financial instruments for which there is a market with observable prices, option pricing model, credit models and other known valuation models.

The internal pricing models may involve some level of estimation and judgment by the Administration, whose intensity will depend, among other factors, on the complexity of the financial instrument.

c.5) Financial liabilities - An instrument is classified as a financial liability when there is a contractual obligation, of which its settlement is made through the delivery of money or other financial asset, regardless of its legal form. Financial liabilities include short-term and long-term debt that are initially measured at fair value, which is the net value received of costs levied upon the transaction and, subsequently, upon the amortized cost.

d) Write-off of Financial Assets and Financial Liabilities

d.1) Financial assets - A financial asset is written off when: (i) the contractual rights related to the respective cash flows expire; (ii) most of the risks and benefits associated with the asset is transferred to third parties; or (iii) when control over the asset is transferred, even if part of the risks and benefits associated with its holding is retained.

The rights and obligations retained in the transfer are separately recognized as assets and as liabilities, when appropriate. If the control over the asset is retained, the Group continues to recognize it in the extent of its continuing involvement, which is determined by the extent to which it remains exposed to changes in the value of the transferred asset.

d.2) Financial liabilities - A financial liability is written off when its obligation is eliminated, canceled or expired. If an existing financial liability is replaced by another from the same creditor in substantially different terms, or the terms of the existing liability are substantially modified, such modification is treated as a write-off of the original liability and as the recognition of a new liability, and the difference between the book values is recognized in the income.

e) Reduction in the Recoverable Value of Financial Assets – Impairment

For the recoverable value of financial assets (impairment), the CPC 48 [IFRS 9] – Financial Instruments considers the expected credit losses, which are a weighted estimate of the probability of credit losses (that is, the present value of all cash deficits) over the expected life of the financial instrument.

Cash deficit is the difference between the cash flows due to the entity according to the contract and the cash flows that the entity expects to receive. As the expected credit losses consider the value and timing of the payments, the credit loss occurs even if the entity expects to be paid in full, but after the due date stipulated by the contract.

For the impairment of commissions receivable, the simplified approach allowed by the CPC 48 [IFRS 9] for commercial receivables was used, in which the recognition of expected credit losses follows the model for the entire life of the instrument.

Annually or whenever there is an indication that the financial asset may be devalued, an assessment to check if there is any objective evidence of impairment of its financial assets is carried out at BB Seguridade, in accordance with the CPC 48 [IFRS 9] – Financial Instruments.

During the reporting period, there were no losses due to the devaluation of BB Seguridade's financial assets.

f) Share Premium and Other Intangible Assets

The share premium generated on the acquisition of investments on shareholdings is accounted for considering the fair value assessment of the identifiable assets and the assumed liabilities of the acquired company on the acquisition date and, in accordance with the applicable standards, is not amortized. However, it is tested, at least annually, for impairment purposes. After the initial recognition, the share premium is measured at cost minus any accrued impairment losses.

Intangible assets are separately recognized from the share premium when they are separable or arise from contractual rights or other legal rights, their fair value can be measured reliably and it is probable that the expected future economic benefits will be transferred to BB Seguridade. The cost of intangible assets acquired in a business combination is its fair value at the acquisition date. The intangible assets acquired independently are initially measured at cost.

The useful live of intangible assets is considered to be definite or indefinite. Intangible assets with defined useful lives are amortized over the course of their economic life. They are initially registered at cost, minus the accrued amortization and impairment losses. Intangible assets with indefinite useful lives are recorded at cost minus any impairment losses.

The period and method for the amortization of intangible assets with definite useful lives are reviewed, at a minimum, annually. Changes in the expected useful life or proportion of expected use of the future benefits incorporated to the asset are recognized through changes in the period or method for the amortization, when appropriate, and treated as changes in accounting estimates.

The costs incurred related to the acquisition, production and development of software are capitalized and registered as intangible assets. Expenditures from the research phase are registered as expenses.

The expense with the amortization of intangible assets with definite useful life and impairment losses are recognized in the income for the period in the line “Other” of the Income Statement.

g) Reduction in the Recoverable Value of Non-Financial Assets – Impairment

Annually or whenever there is an indication that the asset may be devalued, an assessment, based on internal and external sources of information, to check if there is any indication that a non-financial asset may be with recoverability problems is carried out. If there is such indication, the asset's recoverable value is estimated. The recoverable value of the asset is the highest between its fair value minus the costs to sell it or its value in use.

Whether there was any indication of reduction in the recoverable value, the impairment test of an intangible asset with indefinite useful life is annually carried out, including the share premium acquired in a business combination, or an intangible asset not yet available for use. This test can be carried out at any time during an annual period, provided it is performed at the same time each year.

In the event that the recoverable value of the asset is lower than its book value, the book value of the asset is reduced to its recoverable value through recording an impairment loss, for which the consideration is recognized in the income statement for the period in which it occurs, in other operating expenses/revenues.

Annually, it is further assessed if there is any indication that a loss by impairment recognized in previous fiscal years for an asset other than the share premium for expected future profitability, might no longer exist or may have been reduced. If there is such indication, the recoverable value of this asset is estimated. The reversal of a loss by impairment of an asset will be immediately recognized in the income for the fiscal year, as a rectifier of the balance of other operating expenses/revenues.

During the reporting period, in the year there were no losses due to devaluation of non-financial assets of BB Seguridade.

h) Investments in Shareholdings

Under the equity method, the investment is initially measured at cost and subsequently adjusted by the investor's recognition of changes in the net assets of the investee. In addition, the portion of the investor's income in the profits and losses generated by the investee must be included in the income for the fiscal year of the investor, according to the CPC 18 (R2) [IAS 28] – Investment in Controlled and Affiliated Companies and Joint Ventures.

In situations where the investees use different accounting practices in events and transactions of the same nature in similar circumstances, the necessary adjustments are carried out to make the financial statements of the investees suitable to the accounting practices adopted by the investor.

i) Provisions, Contingent Liabilities and Legal Obligations

The recognition, measurement and disclosure of contingent liabilities and legal obligations are carried out in accordance with the criteria defined in the CPC 25 [IAS 37] – Provisions, Contingent Liabilities and Contingent Assets.

Provisions related to legal and administrative proceedings are recognized in the financial statements when, based on the analysis of legal advisors and the Management, the risk of loss of a legal or administrative action is deemed probable, with a probable outflow of funds for the settlement of obligations and when the amounts involved are measurable with sufficient certainty, being quantified upon the court summons/notification and reviewed monthly on an individual basis, thus considering the processes related to causes considered unusual or whose value is deemed relevant under the analysis of advisors, considering the intended compensation amount.

Contingent liabilities classified as possible losses are not recognized in the accounts, and should only be disclosed in the explanatory notes, and those classified as remote do not require provision and disclosure.

Tax legal obligations are derived from tax obligations provided for by the legislation, irrespective of the probability of success of lawsuits in progress, and their amounts are fully recognized in the financial statements.

j) Taxes

Taxes are calculated based on the rates shown in the table below:

Taxes	Dec 31, 2021	Dec 31, 2020
Individual Income Tax (IRPJ) (1)	25%	25%
Social Contribution on Net Income (CSLL)	9%	9%
Contribution to PIS (Social Integration Program) / Pasep (Investment Program for Civil Servants)	1.65%	1.65%
Contribution to the Financing of the Social Security (COFINS)	7.60%	7.60%
Contribution to PIS / Pasep(2)	0.65%	0.65%
Contribution to the Financing of the Social Security (COFINS)(2)	4%	4%
Service Tax – ISS(3)	Up to 5%	Up to 5%

(1) Includes basic (15%) and additional (10%) rates
(2) Interest rate on financial investments.
(3) Only for BB Corretora.

The deferred tax assets and deferred tax liabilities are constituted by the application of the current tax rates on their respective bases. For constitution, maintenance and write-off of deferred tax assets, the criteria established by the CPC 32 [IAS 12] – Taxes on Profit are observed, and they are supported by a realization capacity study.

k) Segment Disclosure

The CPC 22 [IFRS 8] – Information per Segment requires the disclosure of financial information of the entity's operating segments based on the internal disclosures that are used by the Management to allocate resources and to assess its financial and economic performance.

l) Interest on Net Equity and Dividends

Brazilian companies may assign a nominal interest expense, deductible for tax purposes, on their net equity. The value of the interest on the net equity is considered as a dividend and, when applicable, presented in these consolidated financial statements as a direct reduction in the stockholders' equity.

Under the current dividends policy, BB Seguridade distributes to shareholders, as mandatory dividends, a portion corresponding to at least 25% of the adjusted net profit with the deductions and increases provided for in Art. 202 of Law 6.404/76, which are recognized as a liability and deducted from the shareholders' equity when allocating the income for the period.

In the reported period, there was no recognition and payment of interest on equity.

m) Earning per share

The disclosure of the earnings per share is made in accordance with the criteria defined in the CPC 41 [IAS 33] – Earnings per Share – approved by the CVM Resolution 636/2010. The basic and diluted earnings per share of BB Seguridade was calculated by dividing the net profit attributable to the shareholders by the weighted average number of total common shares, excluding treasury shares. BB Seguridade has no option instruments, subscription bonus or their equivalents that provide for its holder the right to acquire shares. Thus, basic and diluted earnings per share are equivalents.

n) Leases

The recognition, measurement and disclosure of leases are carried out in accordance with the criteria defined in the CPC 06 (R2) [IFRS 16] – Leases. BB Seguridade and its controlled companies do not have significant lease operations.

Lease operations are present in insurance companies and health operators in which BB Seguridade has an interest. For insurance companies, the Superintendência de Seguros Privados (Susep) approved, through Circular No. 615, of September 2020, the adoption of the CPC 06 (R2) [IFRS 16] – Leases, effective from January 1, 2021. For health care providers, the Agência Nacional de Saúde Suplementar (ANS) has not yet approved the adoption of this standard.

When there is a divergence in the accounting practice adopted by the investor in relation to the affiliate companies, adjustment procedures are necessary for purposes of standardization. Considering the current lease operations of the affiliate companies, the necessary adjustments in investments were carried out in order standardize the practices.

As of January 1, 2021, the companies Brasilseg, Aliança do Brasil Seguros, Brasilprev and Brasilcap started to adopt CPC 06 (R2) [IFRS 16] - Leases, with no divergence in accounting practice related to the treatment since then. of leases, leaving only the difference in practice from periods prior to the adoption of the CPC, as shown in Note 07 – Investments in Equity Interests.

o) Improvements to the IFRS and Recently Issued Pronouncements

Improvements to the IFRS are amendments issued by the IASB – International Accounting Standards Board and comprise changes in the recognition, measurement and disclosure rules related to various IFRS. We present herein a summary of some amendments as well as the interpretations and pronouncements recently issued by the IASB and the CPC, which shall come into force after this period:

IFRS 17 – Insurance Contracts – In May 2017, the IASB issued the IFRS 17, replacing the IFRS 4 - Insurance Contracts, which establishes the principles for the recognition, measurement and disclosure of insurance contracts within the scope of the standard. The purpose of the IFRS 17 is to ensure that an entity provides relevant information that faithfully represents these contracts. This information provides a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

In March 2020, by means of an Amendment to the IFRS 17, the IASB decided that the effective date of the standard would be postponed to annual periods beginning on or after January 1, 2023. It also decided to extend the exemption currently in force for some insurers in relation to the application of the IFRS 9's Financial Instruments to allow the implementation of IFRS 9 and IFRS 17 at the same time.

In May 2021, the CPC issued Technical Pronouncement CPC 50 - Insurance Contracts, a standard equivalent to IFRS 17. The validity of this pronouncement will be established by the regulators that approve it, and for full compliance with international accounting standards, the entity shall apply this pronouncement for annual periods beginning on or after January 1, 2023.

In July 2021, CVM received CPC 50 through CVM Resolution 42/2021, effective for annual periods beginning on or after January 1, 2023. Regarding SUSEP, the standard has not yet been accepted.

The insurance companies invested in BB Seguridade are in the process of adapting to the application of the new standard to comply with international accounting standards.

Revisions No. 15/2020 (Phase 1) and No. 17/2020 (Phase 2) of CPC Technical Pronouncements – Establishes changes in the CPC Technical Pronouncements 06 (R2) [IFRS 16] – Leases; CPC 11 [IFRS 4] – Insurance Contracts; CPC 40 (R1) [IFRS 7] Financial Instruments: Disclosure; and CPC 48 [IFRS 9] – Financial Instruments, due to the definition of the term "Reform of the Reference Interest Rate".

The term refers to the reform of the entire reference interest rate market, including the replacement of the reference rate by an alternative rate, as a result of the recommendations set out in the report of the Financial Stability Board (FSB), a coordinating body from various regulators in order to implement regulatory and supervisory policies related to the financial area (with its Secretariat based in Switzerland, it has, as its Brazilian participants, the Brazilian Securities and Exchange Commission (CVM), the Central Bank of Brazil (Bacen) and the Ministry of Finance).

The revisions suggest that risk-free reference rates could be more suitable than reference rates that contain a component of forward credit risk.

We did not identify the need to change the rates currently used and, therefore, we had no practical effects due to the revisions.

Revision No. 16/2020 and No. 18/2021 of CPC Technical Pronouncements – Establishes amendments to the CPC Technical Pronouncement 06 (R2) [IFRS 16] – Lease as a result of Covid-19-Related Benefits, granted to Lessees under Lease Agreements.

The Revision seeks to provide practical relief to lessees in the accounting for lease concessions arising from the pandemic.

There were no impacts for BB Seguridade, including within the scope of its controlled companies and other investees.

Revision No. 19/2021 of CPC Technical Pronouncements - Establishes amendments to Technical Pronouncements CPC 37 (R1) [IFRS 1], CPC 48 [IFRS 9], CPC 29 [IAS 41], CPC 27 [IAS 16], CPC 25 [IAS 37] and CPC 15 (R1) [IFRS 3] as a result of the annual changes related to the improvement cycle 2018-2020, related to property, plant and equipment - sales before intended use, onerous contract - contract compliance costs and references to the Conceptual Framework.

The purpose of the Review is to improve the quality of the respective standards to clarify guidelines and wording adjustments that may lead to divergent interpretations.

The validity of these changes must be established by Organs regulatory bodies that approve them, and, in order to fully comply with international accounting standards, the entity must apply these changes in annual periods beginning on or after January 1, 2022.

No impacts are expected for BB Seguridade, including within the scope of its subsidiaries and other investees.

5 – RISK MANAGEMENT

The risk management at BB Seguridade follows the guidelines established in its Risk Management, Internal Control and Compliance Policy, approved by the Board of Directors and disclosed to the market through the investors' relations website.

The Company understands that its risk exposure originates from its interests, and therefore the Risk Management, Internal Control and Compliance Policy contemplates two risk management dimensions: risk management (risks arising from the operations of BB Seguridade and its subsidiaries) and risk governance (risks arising from associates/joint ventures).

By means of its Risk Appetite Statement, approved by the Board of Directors, the Company defines the maximum levels of risks that it accepts to incur in the fulfillment of its objectives.

The risk management process at BB Seguridade is based on the steps of setting the context, identifying, analyzing, evaluating, treating, monitoring, communicating and consulting the risks and continuous improvement. This process is internally documented in the Group's Risk Management, Internal Controls and Compliance Model.

At the end of 2021, Superintendence of Risks and Controls was segregated into two: Superintendence of Risk Management and Capital and Superintendence of Internal Controls Management and Integrity. The first is responsible for providing fundamentals and support for the execution of the risk management process; the second is responsible for internal controls, compliance and the Integrity Program. Both also act in the governance of risks and controls, respectively, in the companies in which BB Seguridade holds interests. For this to work properly, the areas are segregated from the business and Internal Audit areas.

a) Risk management at BB Seguridade and its subsidiaries

The risk management framework adopted by BB Seguridade, as defined in its Risk Management, Internal Control and Compliance Policy, is structured based on a three-line model: in the first line, the process managers (risk owners) are responsible for implementing preventive and corrective actions that mitigate the weaknesses identified in the processes and control deficiencies; in the second line, the Superintendence of Risk Management and Capital and the Superintendence of Internal Controls Management and Integrity assist and monitor the risk owner in managing risks and internal controls in order to adjust them to the Group's risk appetite; and in the third line, the Internal Audit works independently, by providing to governance bodies assessments on the risk management and internal control effectiveness.

The risk management mechanisms and tools also include, among others: segregation of duties; joint decisions; Information Security Policy, Preventing and Combating Money Laundering and Terrorist Financing Policy; Preventing and Combating Corruption Policy, Code of Ethics and Conduct and an Integrity Program in line with Law 12,846/2013 (Anti-Corruption Law) and Decree 8,420/2015 (documents disclosed internally and also to the market, available at the investors relations website); internal risk management, internal controls and compliance regulations, in addition to internal communication program on risk management, internal controls and compliance, continuously promoting the adaptation of the entire Group to these subjects.

The Executive Board is supported by the Finance and Investment Committee, which advises on issues concerning the management and control of the risks arising from the investments in the Group's and its subsidiaries' financial asset and with the Continuity and Crisis Management Committee, which advises on the assessment and mitigation of risks of discontinuity, incidents or crises.

The governance structure of BB Seguridade also includes the Audit Committee, a statutory body advising the Board of Directors, which is responsible, among other duties, for evaluating and monitoring the Group's risk exposures.

Information related to risk management are periodically reported to the Executive Board and to the Board of Directors (discussed in the Audit Committee) and are also reported to the Supervisory Council.

a.1) Risks associated with investments in financial assets

In addition to the Risk Management Policy, the Group has a Financial Investment Policy, approved by the Board of Directors and applicable to all companies of the Group, updated in 2021, that sets out the criteria relating to the nature, term and acceptable risks of the financial investments. The current policy allows the investment only in federal government bonds and extra-market investment funds.

The investments in financial assets of BB Seguridade and its subsidiaries, classified as cash equivalents, are concentrated on repurchase agreements backed by Federal Government Bonds (note 15). Other investments in financial assets classified as financial instruments are invested in fixed-income long-term mutual fund and financial bills (note 16).

a.2) Market Risk

Market risk is defined as the possibility of negative impacts resulting from fluctuation in the market values of positions in financial instruments held by the Group. At BB Seguridade and its subsidiaries, the exposure to this risk arises from the investment portfolio in financial assets. According to the latest Relevant Risks Inventory and considering the Financial Investment Policy and current portfolio, the risk is not considered relevant.

The market risk is managed based in the Financial Investment Policy, that defines which assets may comprise the portfolio and the VaR (Value at Risk) limit, calculated for 21 business days, with the portfolio volatility estimated using the exponentially weighted moving average (EWMA) and 95% confidence level. The indicator is monitored by the Finance and Investment Committee and by the Executive Board.

Market risk exposure in investments in financial assets

R$ thousand

	Impact on the portfolio							
	Parent				Consolidated			
	Dec 31, 2021	%	Dec 31, 2020	%	Dec 31, 2021	%	Dec 31, 2020	%
Value at Risk (VaR)	1	0.00	0	0.00	8	0.00	4	0.00

Sensitivity analysis on market risk factors

On December 31, 2021, there were no derivative instruments in the Group's portfolio, which was entirely composed of post-fixed financial instruments linked to Selic rate. Based on the studies carried out, there is no relevant exposure to market risk factors.

a.3) Credit Risk

The credit risk is defined by the Group as the possibility of negative impacts associated to the non-fulfillment, by a borrower or a counterparty, of its corresponding financial obligations according to negotiated terms, and/or to the devaluation of receivables due to a drop in the borrower's or counterparty's risk rating. At BB Seguridade and its subsidiaries, the exposure to this risk arises from the investment portfolio in financial assets, which is composed of Bonds issued by private counterparties. Credit risk was reduced in 2021 due to the change in the Financial Investment Policy. According to the latest Relevant Risks Inventory and considering the Financial Investment Policy and current portfolio, the risk is not considered relevant.

Regarding the credit risk arising from the brokerage payment for products sold by BB Corretora, it is considered to be properly mitigated, due to the nature of the Group's operation and the fact that such amounts are received through Banco do Brasil and transferred directly to BB Corretora.

Credit risk exposure in investments in financial assets

R$ thousand

Financial assets (1)	Parent				Consolidated			
	Dec 31, 2021	%	Dec 31, 2020	%	Dec 31, 2021	%	Dec 31, 2020	%
Federal Government Bonds (2)	368,889	100.00	208,469	100.00	4,086,952	100.00	2,192,597	82.97
Corporate bonds	--	--	--	--	--	--	449,960	17.03
Total	**368,889**	**100.00**	**208,469**	**100.00**	**4,086,952**	**100.00**	**2,642,557**	**100.0**

(1) Does not include the amount invested at Brasil Aceleradora de Startups fund, total amount in the fund is R$ 9,489 thousand on Dec 31, 2021 (R$ 3,948 thousand on Dec 31, 2020) and at Domo Ventures fund, total amount in the fund is R$ 999 thousand on Dec 31, 2021 (not invested on Dec 31, 2020).

(2) Includes repurchase agreements backed by Federal Government Bonds.

R$ thousand

	Consolidated			
Corporate Bonds– Rating (1)	Dec 31, 2020 (2)			
	Debentures	Financial bills	Other (3)	Total
AAA	70	18	5	**93**
AA+ / AA / AA-	51	449,787	5	**449,843**
A+ / A / A-	2	--	1	**3**
BBB+ / BBB / BBB-	--	--	2	**2**
BB+ / BB / BB-	--	--	1	**1**
B+ / B / B-	2	--	--	**2**
No Rating	10	4	2	**16**
Total	**135**	**449,809**	**16**	**449,960**

(1) Standard & Poor's standard of presentation was used as the basis for presentation of ratings from other agencies, all presented as national scale ratings.

(2) On Dec 31, 2021, there is no exposure on private bonds.

(3) Includes Guaranteed Time-Deposit assets (DPGE), mortgage bills, time-deposits (CDB), Commercial Papers and Receivables Investment Funds (FIDC).

a.4) Liquidity Risk and capital management

Liquidity risk is defined by the Group as the possibility of negative impacts due to the lack of resources to honor its obligations due to the mismatch between assets and liabilities

BB Seguridade and its subsidiaries maintain assets with a high degree of conversion in cash to cover liabilities and other expected allocations to short term. The parameters used are defined in the Financial Investment Policy, Capital Management Policy and the Capital Plan.

The Capital Plan, prepared for a minimum three-year horizon, presents the projected financial flows from the operational activity, such as compensation from commissions, equity interests, expenses inherent to the Group's activities and those resulting from strategic movements, such as allocation of funds to equity interests, strategic investments, divestitures and disposals and considers the maintenance of a liquidity margin in order to keep the financial balance in case of unpredictable events.

The Company and its subsidiaries' main liabilities refer to administrative costs, payment of taxes and dividends, as presented below.

R$ thousand

		Parent			
Liquidity Risk		Dec 31, 2021		Dec 31, 2020	
	Note	Up to 1 year	More than 1 year	Up to 1 year	More than 1 year
ASSETS					
Cash and cash equivalents	[15]	369,342	--	208,893	--
Financial assets at fair value through profit or loss	[16]	--	14,011	--	3,948
Dividends/interest on equity receivable	[17]	1,572,428	--	1,060,278	--
LIABILITIES					
Dividends payable	[21]	1,831,691	--	948,493	--
Current tax liabilities	[12]	444	--	81	--
Other liabilities	[24]	10,839	--	8,603	--

R$ thousand

		Consolidated			
Liquidity Risk		Dec 31, 2021		Dec 31, 2020	
	Note	Up to 1 year	More than 1 year	Up to 1 year	More than 1 year
ASSETS					
Cash and cash equivalents	[15]	4,090,561	--	2,195,445	--
Financial assets measured at amortised cost	[16]	--	--	245,101	204,449
Financial assets at fair value through profit or loss	[16]	--	14,011	--	4,986
Commissions receivable	[18]	1,026,158	698,435	1,173,988	643,090
Dividends/interest on equity receivable	[17]	1,648	--	--	--
LIABILITIES					
Dividends payable	[21]	1,831,691	--	948,493	--
Current tax liabilities	[12]	762,519	--	682,950	--
Unearned commissions	[23]	1,172,483	1,794,544	1,127,358	1,417,250
Other liabilities	[24]	227,588	--	88,091	--

b) Risk Governance applied to Affiliated Companies

BB Seguridade's affiliated companies maintain their own risk management structures compatible with the nature and complexity of their businesses, and those regulated by the Superintendence of Private Insurance (Susep) meet the requirements defined by the regulator, established in Susep Circular Letter 521/2015. Based on the results of the work carried out by the subsidiaries, BB Seguridade continuously monitors and evaluates the risk exposure levels, acting, through governance, to ensure the adoption of the best risk management practices in its associates/joint ventures.

b.1) Liquidity, solvency and capital management

In the capital management of affiliated companies supervised by Susep, the main indicator used is the Minimum Required Capital (CMR), which represents the total capital that a company must maintain, at any time, to operate, and aims to guarantee the risks inherent to its operations, as regulated by CNSP Resolution 321/2015 and subsequent changes.

CMR is composed of portions relating to underwriting, credit, operational and market risks and the solvency capital requirement adequacy is measured using the Adjusted Net Equity (PLA) of the entity, which must be equal to or above the calculated CMR.

CNSP Resolution 321/2015 and subsequent changes also establishes technical provisions calculation models and requires additional liquid assets to maintain the company's liquidity.

For companies regulated by the National Agency of Supplementary Health (ANS), there are rules for recognition of technical reserves, PLA criteria and Solvency Margin criteria according to Regulatory Resolution 451/2020.

On December 31, 2021, considering the data provided by each investee, all companies in which BB Seguridade holds interests and that are subject to regulatory capital requirements, had sufficient capital, solvency and liquidity, in accordance with current legislation applicable.

c) Impact of Covid-19 pandemic at BB Seguridade and its subsidiaries

c.1) Impacts on business continuity

At the end of 2021, the Continuity and Crisis Management Committee (CGCC) was created, which aims to advise the Executive Board on matters related to the risk of discontinuity and crises. In addition, BB Seguridade continues to rely on the Continuity Coordinating Group (GCC), which meets periodically to seek alternatives to the most adverse scenarios and impacts arising from these, ensuring the continuity of processes, especially with regard to the availability of systems, tools and connectivity, reporting potential crisis situations to CGCC.

In December 2021, BB Seguridade finalized the plan to return to face-to-face work. The Brasília and São Paulo offices were suitable for this reoccupation and were marked with guidelines on the rules of social distancing, hygiene and other determinations of the competent authorities. Considering the uncertainties associated with the pandemic context, the continuity plans were revisited in order to ensure the effectiveness of contingency actions and rapid activation of remote work in case of need.

In relation to the services contracted by BB Seguridade, according to monitoring, no discontinuity associated with existing contracts that could impact the Company's business was detected.

c.2) Impacts on financial statements

Management's ability to carry out the process of preparing the Financial Statements of BB Seguridade Group (BB Seguridade, BB Seguros and BB Corretora) remain not affected.

It should be noted that the processes of the Accounting Superintendence, are included in Business Continuity and Crisis Management plans, most of which are considered critical, and therefore are tested periodically for facing crises.

Therefore, considering the information presented here and also considering the successful experience of the disclosure of results since the first quarter of 2020, there is no evidence, so far, that there will be problems with the financial statements, or any other accounting practice, until the end of the crisis promoted by the pandemic.

c.3) Impacts in regulatory capital

For BB Seguridade, BB Seguros and BB Corretora there is no current impact or evidence of potential impact on their financial investments, which are limited to repurchase agreements backed by federal government bonds with daily liquidity. There is no minimum capital requirement defined by specific regulatory bodies for these companies and they do not have debts, operating only with their own capital. The scenario experienced did not compromise the capacity of these companies to honor their current and future obligations. As indicated further on, market risk affected BB Seguros investees, whose impact may come in the form of a reduction in the volume of dividends received. In this regard, the Group has been updating its cash flow projections on a monthly basis in order to anticipate adverse situations.

The investees, where minimum capital is required, seek to maintain additional capital to the regulatory requirement, in order to minimize the chances of non-compliance and in line with the risk appetite defined by their Boards of Directors.

CNSP Resolution 321/2015 and subsequent changes establishes criteria for solvency and liquidity regularization plans in cases of regulatory non-compliance, establishing deadlines for readjustment. It is important to highlight that the investees, according to guidelines defined by the Group, have no appetite for the risk of non-compliance with regulatory capital.

The volatility of future interest curves also causes volatility in the regulatory capital of companies, since the market values of the assets influence PLA, regardless of the accounting classification of the assets in the portfolio, as well as influence the values of the liabilities linked to specific market indexes.

Brasilprev structured mechanisms for market projections and their impacts on the need for regulatory capital and PLA projection. In the fourth quarter, the Capital Contingency Plan kept active, with specific instruments to anticipate critical situations and quickly get around them. Scenarios used in the projection calculations indicate a reduction in the probability of strengthening shareholders' equity in the future to cover the regulatory capital requirement.

In relation to Brasilcap, CNSP Resolution 432/2021 had negative impacts on the investee, as, among other changes, it will limit one of the economic adjustments of PLA to the effect on CMR of the underwriting risk portion (previously limited to the effect of market risk), among other aspects that penalized PLA in December 2021.

The opening of the interest curve over the course of the third and fourth quarters also had relevant impacts and spurred the adoption of actions to reconfigure the composition of the asset portfolio by shortening its duration, reducing the payout for 2021, taking credit in the amount of R$ 200 million to guarantee the sufficiency of regulatory liquidity and capital contribution by the shareholders in the total amount of R$ 100 million, to maintain the sufficiency of regulatory capital.

Brasilseg, which among the investee companies has the greatest need for capital for underwriting risk, will be positively impacted by CNSP Resolutions 412/2021 and 432/2021. Regarding the impacts of Covid-19, the fourth quarter, like the third, maintained the reversal of the upward trend in the loss ratio recorded over the first half of 2021. There was a reduction of 14.1 p.p. in the loss ratio compared to 3Q21. In the year, according to managerial data from Brasilseg on January 18, 2022, 11.4 thousand claims related to Covid-19 were recorded, totaling R$ 864 million in indemnities.

Considering the uncertainties that persist in a pandemic context, the affiliated companies are constantly revising their models of capital projection and stress tests, in order to carry out the best management in search of maintaining adequate levels of coverage of the regulatory capital requirement.

c.4) Projections of future impacts

Despite all the uncertainties, the characteristic of BB Seguridade's results composition, based mainly on deferred income and income over reserves, contributes to reduction in the volatility of the company's net income. As verified during 2021, despite not being immune to the effects of the crisis, revenues from important lines, such as: Life, Rural and Pensions grew compared to 2020.

Positive factors such as: the low sensitivity of rural insurance to the effects caused by the pandemic, the stability of the balance of the pension and capitalization reserves and the conservatism in allocation of financial assets of companies in the conglomerate contribute to generate a less severe impact of the pandemic on business compared to other industries.

It is possible to see in the fourth quarter of 2021 a reduction in the adverse effects of the pandemic compared to the first nine months of the year, for the insurance and pension segments, such as lower levels of claims related to life coverage and inflation measured by the IGP-M. No signs of new factors that compromise the capital structure were identified in the period, nor the need to interrupt the payment of dividends by BB Seguridade.

BB Seguridade and the other investee companies maintain their commitment to efficiency in the management of their capital, which means that, in the absence of strategic or financial investments with a return above the cost of capital, the retention of results will fall victim only at the rate necessary to maintain adequate levels of liquidity that support its operations and guarantee adequate solvency levels under the regulatory aspect and risk appetite of each company. There is no need to review the dividend policy, and there is no expectation of a material change in the currently adopted dividends distribution practices.

Considering the atypical nature of the 2020 and 2021 pandemic scenario, capital retention may occur at levels higher than historical levels, which does not imply a change in dividend policies and results distribution practices in the medium and long term, with a tendency to return to historical levels after the normalization of the situation.

6 – SEGMENT INFORMATION

The information by segment has been prepared considering the criteria used by Management to evaluate the performance, in decisions made regarding the allocation of funds for investment and other purposes, considering the regulatory environment and the similarities between goods and services,

BB Seguridade Group's operations are basically divided into two segments: i) insurance (risk and accumulation businesses), which includes insurance operations, pension plans, capitalization and health; and ii) brokerage (distribution business).

a) Insurance

In this segment, products and services offered are related to life, property and vehicle insurance, property insurance, rural, special risks and financial, transport, hulls, and housing people, supplementary pension plans, dental plans and capitalization plans.

The profit or loss from this segment derives mainly from revenues from insurance premiums, contributions to private pension plans, contributions to dental plans, capitalization bonds and investments in securities, less sales expenses, technical reserves and expenses related to claims,

The accounting record of these results is made through the equity method of investments in equity interests. Explanatory note 7 - Investments in Associates contains the description of Investments in Shareholdings, by Segment / Business Area.

b) Brokerage

In this segment, products and services offered are related to brokerage and management, fulfillment, promotion and facilitation of casualty, life and capitalization insurance, pension plans, dental plans and health insurance, It includes the balances of BB Corretora and its investee Ciclic.

c) Financial Information by Reportable Segment

R$ thousand

	2021			
	Insurance	Brokerage	Intersegment transactions	Total
Operating Income	**5,766,581**	**3,482,953**	**(3,923,593)**	**5,325,941**
Equity income	5,766,581	(12,633)	(3,923,593)	1,830,355
Commissions income	--	3,495,586	--	3,495,586
Cost of Services Provided	**--**	**(193,830)**	**--**	**(193,830)**
Gross Profit	**5,766,581**	**3,289,123**	**(3,923,593)**	**5,132,111**
Other Income and Expenses	**(61,507)**	**(138,404)**	**--**	**(199,911)**
Personnel expenses	(20,068)	(43,046)	--	(63,114)
Adminstrative expenses	(5,416)	(32,850)	--	(38,266)
Tax expenses	(17,156)	(5,495)	--	(22,651)
Other	(18,867)	(57,013)	--	(75,880)
Income Before Financial Revenue and Expenses	**5,705,074**	**3,150,719**	**(3,923,593)**	**4,932,200**
Financial Result	**33,772**	**113,452**	**--**	**147,224**
Financial revenue	37,872	116,801	(2,934)	151,739
Financial expenses	(4,100)	(3,349)	2,934	(4,515)
Income Before Taxes and Equities	**5,738,846**	**3,264,171**	**(3,923,593)**	**5,079,424**
Income Tax and Social Contribution	(44,075)	(1,102,132)	--	(1,146,207)
Net Income for the Period	**5,694,771**	**2,162,039**	**(3,923,593)**	**3,933,217**

R$ thousand

	2020			
	Insurance	Brokerage	Intersegment transactions	Total
Operating Income	**5,729,788**	**3,235,365**	**(3,833,384)**	**5,131,769**
Equity income	5,729,788	(15,914)	(3,833,384)	1,880,490
Commissions income	--	3,251,279	--	3,251,279
Cost of Services Provided	--	(176,868)	--	(176,868)
Gross Profit	**5,729,788**	**3,058,497**	**(3,833,384)**	**4,954,901**
Other Income and Expenses	**(57,667)**	**(115,742)**	**--**	**(173,411)**
Personnel expenses	(21,319)	(42,574)	--	(63,893)
Adminstrative expenses	(6,441)	(62,983)	--	(69,424)
Tax expenses	(9,796)	(2,762)	--	(12,559)
Other	(20,111)	(7,423)	--	(27,535)
Income Before Financial Revenue and Expenses	**5,672,121**	**2,942,755**	**(3,833,384)**	**4,781,490**
Financial Result	**61,897**	**49,252**	**--**	**111,150**
Financial revenue	94,622	58,024	(13,990)	138,657
Financial expenses	(32,725)	(8,772)	13,990	(27,507)
Income Before Taxes and Equities	**5,734,018**	**2,992,007**	**(3,833,384)**	**4,892,640**
Income Tax and Social Contribution	(18,968)	(1,022,900)	--	(1,041,869)
Net Income for the Period	**5,715,050**	**1,969,107**	**(3,833,384)**	**3,850,771**

d) Balance sheet by segment

R$ thousand

	Dec 31, 2021			
	Insurance	Brokerage	Intersegment transactions	Total
Current assets	2,609,182	4,096,447	(1,579,998)	5,125,631
Non-current assets	14,306,772	962,467	(7,080,649)	8,188,590
Total assets	**16,915,954**	**5,058,914**	**(8,660,647)**	**13,314,221**
Current liabilities	2,330,716	3,248,559	(1,579,998)	3,960,413
Non-current liabilities	229,182	1,804,346	--	2,072,392
Equity	14,356,056	6,009	(7,080,649)	7,281,416
Total liabilities and equity	**16,915,954**	**5,058,914**	**(8,660,647)**	**13,314,221**

R$ thousand

	Dec 31, 2020			
	Insurance	Brokerage	Intersegment transactions	Total
Current assets	1,378,679	3,307,742	(1,067,540)	3,618,881
Non-current assets	12,154,206	1,098,937	(5,971,728)	7,281,415
Total assets	**13,532,885**	**4,406,679**	**(7,039,268)**	**10,900,296**
Current liabilities	989,082	2,931,761	(1,067,540)	2,853,303
Non-current liabilities	229,378	1,428,010	--	1,657,388
Equity	**12,314,425**	**46,908**	**(5,971,728)**	**6,389,605**
Total liabilities and equity	**13,532,885**	**4,406,679**	**(7,039,268)**	**10,900,296**

7 - INVESTMENTS IN ASSOCIATES

a) Description of Investments in Equity Holdings, by business segment

Segment	Line of business	Company	Description	Original Acconting Practice	% of total share 12.31.2021 and 12.31.2020 ON	Total
Security		BB Seguros Participações S.A. (BB Seguros)	Holding company of insurance, capitalization companies, open private pension entities and companies that operate health care plans.	BRGAAP	100.00	100.00
	Insurance - Life, housing, rural and property	BB Mapfre Participações S.A. (BB Mapfre)	Acting as a holding company for the other companies which deal with life. real state and agricultural insurance.	BRGAAP	49.99	74.99
		Brasilseg Companhia de Seguros S.A. (Brasilseg)	Acting in the personal risk segment. rural and housing insurance.	SUSEPGAAP	49.99	74.99
		Aliança do Brasil Seguros S.A. (Aliança do Brasil)	Acting in the life insurance segment in general.	SUSEPGAAP	49.99	74.99
	Capitalization	Brasilcap Capitalização S.A. (Brasilcap)	Deals with capitalization plans and other products and services that capitalization companies are allowed to provide.	SUSEPGAAP	49.99	66.66
	Private Pension	Brasilprev Seguros e Previdência S.A. (Brasilprev)	Deals with life insurance with survivor coverage and with private retirement and benefit plans.	SUSEPGAAP	49.99	74.99
	Health	Brasildental Operadora de Planos Odontológicos S.A. (Brasildental)	Selling plans of odontological assistance.	ANSGAAP	49.99	74.99
Brokerage		BB Corretora de Seguros e Adm. de Bens S.A. (BB Corretora)	Brokerage of health. life and non-life insurance. capitalization plans. private retirement plans and asset management.	BRGAAP	100.00	100.00
		Ciclic Corretora de Seguros S.A. (Ciclic)	Brokerage of private pension products, travel insurance and residential assistance in the digital channel.	BRGAAP	49.99	74.99

The investees are valued using the equity method and there is no indication of operating discontinuity.

Investments in shareholdings in the companies BB Seguros Participações S.A. and BB Corretora de Seguros e Gestão de Bens S.A are evaluated as investments in subsidiaries.

The investments in equity interests in the companies BB Mapfre Participações S.A., Brasilprev Seguros e Previdência S.A., Brasilcap Capitalização S.A., Brasildental Operadora de Planos Odontológicos S.A. and Ciclic Corretora de Seguros S.A. are evaluated as investments associates and joint ventures.

Investments in equity interests, valued using the equity method, do not have shares regularly traded on stock exchanges.

b) Equity interests valued using the equity method

R$ thousand

	Parent		
	BB Seguros	BB Corretora	Total
Balance on 12.31.2021			
Capital	4,210,872	1,000	--
Stockholders' equity	7,074,640	6,009	--
Balance on 12.31.2020			
Capital	4,210,872	36,211	--
Stockholders' equity	5,924,821	46,908	--

	Moviments in 2021		
Book Balance on 12.31.2020	**5,924,821**	**46,908**	**5,971,729**
Dividends	(440,389)	(2,162,039)	**(2,602,428)**
Equity valuation adjustments	(171,346)	--	**(171,346)**
Other events	--	(40,899)	**(40,899)**
Share of profit	1,761,554	2,162,039	**3,923,593**

Book Balance on 12.31.2021	**7,074,640**	**6,009**	**7,080,649**
		Share of Profit	
2021	**1,761,554**	**2,162,039**	**3,923,593**
2020	**1,864,279**	**1,969,105**	**3,833,384**

R$ Thousand

	Consolidated					
	BB Mapfre	**Brasilprev**	**Brasilcap**	**Brasildental**	**Ciclic**	**Total**
Balance on 12.31.2021						
Capital	1,469,848	2,929,258	254,393	9,500	61,133	--
Stockholders' equity	2,436,424	5,833,438	474,965	21,451	2,466	--
Balance on 12.31.2020						
Capital	1,469,848	1,418,669	231,264	9,500	61,133	--
Stockholders' equity	2,294,376	4,328,467	539,537	20,775	19,311	--
			Moviments in 2021			
Book Balance on 12.31.2020	**2,245,714**	**3,338,239**	**470,327**	**15,582**	**14,483**	**6,084,345**
Dividends	(897,034)	(189,137)	(19,998)	(16,577)	--	**(1,122,746)**
Equity valuation adjustments	(78,614)	(1,238)	(91,494)	--	--	**(171,346)**
Other events	--	449,969	66,664	--	--	**516,633**
Share of profit	1,067,020	756,544	2,341	17,083	(12,633)	**1,830,355**
Book Balance on 12.31.2021	**2,337,086**	**4,354,377**	**427,840**	**16,088**	**1,850**	**7,137,241**
		Share of Profit				
2021	**1,067,020**	**756,544**	**2,341**	**17,083**	**(12,633)**	**1,830,355**
2020	**1,086,543**	**686,379**	**105,780**	**17,702**	**(15,914)**	**1,880,490**

The shareholders' equity, on 12.31.2021 and 12.31.2020, presented above, were not adjusted by the percentage of equity interest held by BB Seguridade.

The book balance, on 12.31.2021, of the investment in BB Mapfre of R$ 2,337,086 thousand, includes intangible assets defined in the net amortization amount of R$ 171,008 thousand (R$ 186,157 thousand on 12.31.2020), with the amortization amount of R$ 15,149 thousand in 2021 (R$ 13,738 thousand in 2020) and intangible assets with an indefinite useful life in the amount of R$ 339,004 thousand resulting from the partnership agreement with Grupo Mapfre.

The book balance, on 12.31.2021, of the investment in Brasilprev of R$ 4,354,377 thousand, includes R$ 2,421 thousand of adjustments for the purpose of standardizing divergence in accounting practice adopted by the investee from previous years.

The book balance, on 12.31.2021, of the investment in Brasilcap of R$ 427,840 thousand, includes the goodwill of R$ 110,749 thousand, in the acquisition of equity interest in the company Sulacap by BB Seguros, which occurred on 07.22.2011, R$ 556 thousand of dividends receivable not recognized by BB Seguros, due to the approval within the scope of Brasilcap having occurred by the Board of Directors on 01.25.2022; and R$ 75 thousand of adjustments for the purpose of standardizing divergence in accounting practices adopted by the investee from previous years.

As of January 1, 2021, investees Brasilprev and Brasilcap started to adopt CPC 06 (R2) [IFRS 16] - Leases, with no new differences in accounting practices related to the treatment of leases, leaving only the amounts recognized in previous periods, of R$ 2,421 thousand in Brasilprev and R $75 thousand in Brasilcap, in the respective investment balances in BB Seguros.

There was,no need for adjustments for the purpose of standardizing the accounting practices adopted by the investee Brasilprev, Brasilcap Brasildental and Ciclic, considering that there was no effect caused by any difference in practice during the year.

BB Mapfre adopts BRGAAP in its accounting information. Therefore, it makes the necessary adjustments to standardize the practices adopted by its subsidiaries, Brasilseg and Aliança do Brasil, which adopt the accounting standards defined by SUSEP (SUSEPGAAP).

In Other Events, the balance of R$ 40,899 thousand refers to the repayment of capital from BB Corretora to BB Seguridade, R$ 449,969 thousand refers to the capital contribution of BB Seguros for the participation in Brasilprev and R$ 66,664 thousand refers to thanks to the contribution of BB Seguros' share capital for the participation in Brasilcap.

Dividends/Interest on equity capital receivable and

interest on equity received from investments in Parent were R$ 2,093,213 thousand (R$ 4,239,591 thousand in 2020) and in consolidated R$ 1,121,096 thousand (R$ 1,624,484 thousand as in 2020).

Capital refund from BB Corretora to BB Seguridade

After deliberation of the general meeting and with the favorable opinion of the fiscal council, BB Corretora de Seguros e Administradora de Bens SA refunded, on December 29, 2021, R$ 40,899 thousand of its capital stock to its shareholder, based on the excess of capital. After the refund, the company remains with R$ 1,000 thousand in its capital stock, divided into 1,000,000 (one million) registered common shares, with no par value.

It is worth mentioning that there is no regulatory requirement for minimum levels of liquidity and/or capital at BB Corretora and that it has sufficient financial resources to maintain its operating activities.

Issue of Debentures by Brasilprev

On June 7, 2021, Brasilprev issued subordinated debentures, not convertible into shares, in a single series, in the amount of R$ 550,000 thousand, pursuant to CVM Instruction 476/09. The funding consisted of 550,000 (five hundred and fifty thousand) debentures, with a unit face value of R$1,000.00, term of 5 (five) years and interest rate corresponding to 100% of the accumulated variation of the average daily rates of the DI - Financial Deposit of one day, exponentially increased by a 2% surcharge per year.

The funds raised through the issuance will be used by Brasilprev as necessary to cover the minimum capital required by SUSEP rules.

Capital contribution to Brasilprev

In addition to the funds raised by subordinated debentures, on June 22, 2021, the Board of Directors of BB Seguridade approved a capital increase of up to R$ 600,000 thousand in Brasilprev. The capital increase was fully subscribed by the partners in June 2021, maintaining the shareholding structure among the shareholders (shareholding in BB Seguros of 74.995%). On June 28, 2021, the capital was paid in by BB Seguros and PFG do Brasil, in the amounts of R$ 449,969 thousand and R$ 150,031 thousand, respectively.

Capital contribution at Brasilcap

On December 31, 2021, a capital contribution was made to Brasilcap, in the amount of R$ 100,005 thousand, via credits arising from a Private Instrument of Advance for Future Capital Increase (AFAC), entered into on December 22, 2021, between the Brasilcap and the shareholders BB Seguros Participações SA, Icatu Seguros SA and Companhia de Seguros Aliança da Bahia, through the issuance of 76,340,000 (seventy-six million, three hundred and forty thousand) preferred, nominative shares with no par value. The capital contribution was fully subscribed and paid in by the partners on December 31, 2021, and BB Seguros subscribed and paid in R$ 66,664 thousand, in proportion to its current shareholding, keeping its interest in Brasilcap's total capital unchanged.

c) Summary financial information on Investments in Equity Holdings

The amounts presented below refer to the financial statements of the investees, already considering the harmonization of accounting practices for the current period, when applicable, and in accordance with the respective accounting practices, as described in item "a" above, with the adjustments of the highlighted harmonies.

c.1) BB Mapfre Participações

Result Information

R$ thousand

Segment	Insurance					
Line of business	Insurance – Life, Mortgage Life, Rural and Propety					
	2021			2020		
	Aliança do Brasil	Brasilseg	BB Mapfre	Aliança do Brasil	Brasilseg	BB Mapfre
Net income from operations / premiums	**142,666**	**2,334,700**	**--**	**130,761**	**2,361,065**	**--**
Insurance	781,468	9,778,619	--	615,153	8,325,642	--
Reinsurance	55,799	(40,375)	--	44,552	7,976	--
Costs / Expenses	(694,601)	(7,403,544)	--	(528,944)	(5,972,553)	--
Financial result	**41,891**	**221,222**	**3,318**	**10,715**	**248,659**	**2,274**
Interest income	5,863	21,719	--	9,604	152,463	--
Other financial income	23,088	308,321	3,318	17,159	190,487	2,288
Interest expense	14,708	(42,161)	--	(4,349)	(17,052)	--
Other financial expenses	(1,768)	(66,657)	--	(11,699)	(77,239)	(14)
Equity result	**(4,933)**	**(35,160)**	**1,441,444**	**--**	**2,040**	**1,468,583**
Depreciation and amortization	(4,933)	(36,826)	--	--	--	--
Other equity income / expenses	--	1,666	1,441,444	--	2,040	1,468,583
Other income and expenses	**(66,074)**	**(676,094)**	**(335)**	**(63,448)**	**(684,071)**	**(4,045)**
Other expenses	(66,074)	(676,094)	(335)	(63,448)	(684,071)	(4,045)
Operational result	**113,550**	**1,844,668**	**1,444,427**	**78,028**	**1,927,693**	**1,466,812**
Gains / losses on non-current assets	(13)	189	--	(242)	14	--
Income before taxes	**113,537**	**1,844,857**	**1,444,427**	**77,786**	**1,927,707**	**1,466,812**
Taxes	(43,281)	(455,915)	(789)	(29,891)	(485,653)	425
Profit sharing	(783)	(16,969)	(554)	(1,094)	(20,274)	--
Net income for the year	**69,473**	**1,371,973**	**1,443,084**	**46,801**	**1,421,780**	**1,467,237**
Other comprehensive results	116	(104,948)	(104,832)	--	--	--
Total comprehensive result	**69,589**	**1,267,025**	**1,338,252**	**46,801**	**1,421,780**	**1,467,237**
Attributable to BB Seguridade	**52,098**	**1,028,843**	**1,082,169**	**35,096**	**1,066,193**	**1,100,281**
Other adjustments (1)	--	--	(15,149)	--	--	(13,738)
Equivalence result	**52,098**	**1,028,843**	**1,067,020**	**35,096**	**1,066,193**	**1,086,543**

(1) Amortization of intangible assets arising from the partnership agreement with Mapfre,

Equity Information

R$ thousand

Segment	Insurance					
Line of business	Insurance – Life, Mortgage Life, Rural and Propety					
	Dec 31,2021			Dec 31,2020		
	Aliança do Brasil	Brasilseg	BB Mapfre	Aliança do Brasil	Brasilseg	BB Mapfre
Current assets	**833,966**	**10,835,734**	**190,475**	**696,068**	**7,014,657**	**91,167**
Cash and cash equivalents	1,000	1,975	--	3,500	6,040	--
Financial investments	352,736	5,740,818	3,267	344,980	2,960,674	89,872
Other current assets	480,230	5,092,941	187,208	347,588	4,047,943	1,295
Non-current assets	**236,956**	**7,315,139**	**2,247,035**	**155,666**	**8,906,115**	**2,203,448**
Financial investments	101,847	1,838,943	--	70,370	3,784,285	--
Other non-current assets	135,109	5,476,196	2,247,035	85,296	5,121,830	2,203,448
Current liabilities	**680,086**	**10,003,179**	**1,086**	**523,812**	**8,549,722**	**239**
Financial liabilities	33,055	293,541	1,086	24,407	250,282	239
Technical provisions	489,932	6,999,381	--	402,270	5,464,185	--
Dividends payable	17,383	167,544	--	--	--	--
Other current liabilities	139,716	2,542,713	--	97,135	2,835,255	--
Non-current liabilities	**182,644**	**6,474,298**	**--**	**149,379**	**5,642,957**	**--**
Financial liabilities	55	--	--	--	522	--
Technical provisions	143,747	5,519,572	--	133,739	4,983,788	--
Other non-current liabilities	38,842	954,726	--	15,640	658,647	--
Net worth	**208,192**	**1,673,396**	**2,436,424**	**178,543**	**1,728,093**	**2,294,376**
Attributable to BB Seguridade	**156,123**	**1,254,880**	**1,827,074**	**133,889**	**1,295,897**	**1,720,553**
Intangible assets (1)	--	--	510,012	--	--	525,161
Investment balance	**156,123**	**1,254,880**	**2,337,086**	**133,889**	**1,295,897**	**2,245,714**

(1) Includes in the book value of the investment of BB Mapfre, intangible assets with defined useful life, in the net amortization amount of R$ 171,008 thousand on Dec 31,2021 (R$ 186,157 thousand on Dec 31,2020) and intangible assets with indefinite useful life amount of R$ 339,004 thousand from the partnership agreement with Mapfre,

c,2) Brasilprev, Brasilcap, Brasildental, BB Corretora e Ciclic

Result Information

R$ thousand

Segment	Insurance			Brokerage	
Line of business	Private Pension Plans	Capitalization Plans	Health	Brokerage	Brokerage
2021	Brasilprev	Brasilcap	Brasildental	BB Corretora	Ciclic
Net income from operations / premiums	**2,592,744**	**8,521**	**71,224**	**3,301,756**	**6,578**
Social Security	48,987,349	--	--	--	--
Capitalization	--	582,268	--	--	--
Health care	--	--	119,517	--	--
Brokerage	--	--	--	3,495,586	9,037
Costs / expenses	(46,394,605)	(573,747)	(48,293)	(193,830)	(2,459)
Financial result	**(333,910)**	**(37,828)**	**(8)**	**113,452**	**(320)**
Interest income	5,381,791	620,178	--	116,801	0
Other financial income	542,196	461,001	1,498	--	270
Interest expense	(2,231,100)	(408,323)	--	(2,935)	(5)
Other financial expenses	(4,026,797)	(710,684)	(1,506)	(414)	(585)
Equity result	**(45,453)**	**(576)**	**(60)**	**(586)**	**(23,154)**
Depreciation and amortization	(45,453)	(576)	(60)	(586)	(758)
Other equity income / expenses	--	--	--	--	(22,396)
Other income and expenses	**(612,636)**	**44,442**	**(35,695)**	**(150,451)**	**40**
Other revenue	17,073	46,280	167	--	40
Other expenses	(629,709)	(1,838)	(35,862)	(150,451)	--
Operational result	**1,600,745**	**14,559**	**35,461**	**3,264,171**	**(16,856)**
Gains / losses on non-current assets	(191)	(2)	--	--	10
Income before taxes	**1,600,554**	**14,557**	**35,461**	**3,264,171**	**(16,846)**
Taxes	(578,677)	(5,124)	(12,142)	(1,102,132)	--
Profit sharing	(13,084)	(5,921)	(541)	--	--
Net profit (loss) for the year	**1,008,793**	**3,512**	**22,778**	**2,162,039**	**(16,846)**
Other comprehensive results	(447)	(90,927)	--	--	--
Total comprehensive result	**1,008,346**	**(87,415)**	**22,778**	**2,162,039**	**(16,846)**
Attributable to BB Seguridade	**756,544**	**2,341**	**17,083**	**2,162,039**	**(12,633)**
Equivalence result	**756,544**	**2,341**	**17,083**	**2,162,039**	**(12,633)**

R$ thousand

Segment	Insurance			Brokerage	
Line of business	Private Pension Plans	Capitalization Plans	Health	Brokerage	Brokerage
2020	Brasilprev	Brasilcap	Brasildental	BB Corretora	Ciclic
Net income from operations / premiums	**2,357,279**	**(897)**	**70,813**	**3,074,411**	**4,382**
Social Security	2,357,279	--	--	--	--
Capitalization	--	690,264	--	--	--
Health care	--	--	116,099	--	--
Brokerage	--	--	--	3,251,279	5,166
Costs / expenses	--	(691,161)	(45,286)	(176,868)	(784)
Financial result	**(278,561)**	**239,061**	**(536)**	**49,252**	**(345)**
Interest income	4,517,529	630,578	--	58,024	--
Other financial income	4,973,066	124,894	765	--	216
Interest expense	(1,695,581)	(423,051)	--	(8,456)	(9)
Other financial expenses	(8,073,575)	(93,360)	(1,301)	(316)	(552)
Equity result	**(42,495)**	**(862)**	**(39)**	**(646)**	**(480)**
Depreciation and amortization	(42,495)	(862)	(39)	(646)	(480)
Other income and expenses	**(577,432)**	**28,226**	**(33,944)**	**(131,012)**	**(24,766)**
Other revenue	16,367	29,079	23	--	--
Other expenses	(593,799)	(853)	(33,967)	(131,012)	(24,766)
Operational result	**1,458,791**	**265,528**	**36,294**	**2,992,005**	**(21,209)**
Gains / losses on non-current assets	(1,501)	12	--	--	--
Income before taxes	**1,457,290**	**265,539**	**36,294**	**2,992,005**	**(21,209)**
Taxes	(537,168)	(101,144)	(12,326)	(1,022,900)	--
Profit sharing	(8,118)	(5,595)	(366)	--	--
Net profit (loss) for the year	**912,004**	**158,801**	**23,602**	**1,969,105**	**(21,209)**
Other comprehensive results	(566)	46,327	--	--	--
Total comprehensive result	**911,438**	**205,128**	**23,602**	**1,969,105**	**(21,209)**
Attributable to BB Seguridade	**683,958**	**105,855**	**17,702**	**1,969,105**	**(15,905)**
Difference in accounting practice (1)	2,421	(75)	--	--	--
Other adjustments (2)	--	--	--	--	(9)
Equivalence result	**686,379**	**105,780**	**17,702**	**1,969,105**	**(15,914)**

(1) Adjustments for purposes of standardizing accounting practices pursuant to CPC 06 (R2) [IFRS 16] – Leases,
(2) Results from previous years.

Equity Information

R$ thousand

Segment	Insurance			Brokerage	
Line of business	Private Pension Plans	Capitalization Plans	Line of business	Private Pension Plans	Capitalization Plans
Dec 31, 2021	Brasilprev	Brasilcap	Brasildental	BB Corretora	Ciclic
Current assets	**302,399,384**	**6,130,957**	**44,433**	**4,096,447**	**13,182**
Cash and cash equivalents	601,280	37	2,262	3,070,107	929
Financial investments	300,462,391	6,092,191	36,402	--	1,832
Commissions receivable	--	--	--	1,026,158	6,169
Other current assets	1,335,713	38,729	5,769	182	4,252
Non-current assets	**18,186,069**	**3,540,508**	**2,401**	**962,467**	**3,671**
Financial investments	17,094,808	2,182,944	--	--	--
Commissions receivable	--	--	--	698,435	--
Other non-current assets	1,091,261	1,357,564	2,401	264,032	3,671
Current liabilities	**35,631,094**	**8,107,689**	**21,302**	**3,248,559**	**14,387**
Financial liabilities	397,864	205,599	--	--	1,110
Technical provisions	34,700,950	7,872,886	12,662	--	2,945
Dividends payable	2,198	2,681	--	1,132,039	--
Commissions to be appropriated	--	--	--	1,172,483	--
Other current liabilities	530,082	26,523	8,640	944,037	10,332
Non-current liabilities	**279,120,921**	**1,088,809**	**4,080**	**1,804,346**	**--**
Technical provisions	581,677	10,780	--	--	--
Financial liability	278,516,180	--	--	--	--
Commissions to be appropriated	--	--	--	1,794,544	--
Other non-current liabilities	23,064	1,078,029	4,080	9,802	--
Net worth	**5,833,438**	**474,965**	**21,452**	**6,009**	**2,466**
Attributable to BB Seguridade	4,374,787	316,610	16,088	6,009	1,850
Difference in accounting practice (1)	2,421	(75)	--	--	--
Adjustments (2)	(22,831)	111,305	--	--	--
Investment balance	**4,354,377**	**427,840**	**16,088**	**6,009**	**1,850**

(1) Adjustments for the purpose of standardizing accounting practices under CPC 06 (R2) [IFRS 16] - Leases from previous periods, Brasilprev and Brasilcap adopted CPC 06 (R2) [IFRS 16] as of January 1, 2021,

(2) Includes in Brasilprev an unrealized result from the sale of the equity interest in Mapfre Nossa Caixa Vida e Previdência (MNCVP) in July 2012, In Brasilcap, includes goodwill on the acquisition of equity interest in the company Sulacap by BB Seguros, which took place in 07/22/2011 and R$ 556 thousand of dividends receivable not recognized by BB Seguros, due to the approval within the scope of Brasilcap having taken place by the Executive Board on 01.25.2022.

R$ thousand

Segment	Insurance			Brokerage	
Line of business	Private Pension Plans	Capitalization Plans	Health	Brokerage	Brokerage
Dec 31,2020	Brasilprev	Brasilcap	Brasildental	BB Corretora	Ciclic
Current assets	**299,893,358**	**5,952,543**	**45,380**	**3,307,742**	**26,125**
Cash and cash equivalents	14,201	413	2,108	1,887,215	158
Financial investments	298,891,327	5,929,382	37,126	245,101	17,602
Commissions receivable	--	--	--	1,173,988	2,919
Other current assets	987,830	22,748	6,146	1,438	5,446
Non-current assets	**13,261,289**	**3,958,004**	**1,775**	**1,098,937**	**1,676**
Financial investments	12,246,283	2,800,346	--	205,487	--
Commissions receivable	--	--	--	643,090	--
Other non-current assets	1,015,006	**1,157,658**	1,775	250,360	1,676
Current liabilities	**35,083,159**	**8,351,929**	**23,083**	**2,931,761**	**8,489**
Financial liabilities	266,586	526	--	--	964
Technical provisions	34,486,024	8,261,132	14,295	--	3,839
Dividends payable	--	1,814	--	1,060,278	--
Commissions to be appropriated	--	--	--	1,127,358	
Other current liabilities	330,549	88,457	8,788	744,125	3,686
Non-current liabilities	**273,743,021**	**1,019,084**	**3,296**	**1,428,010**	**--**
Technical provisions	273,724,242	--	--	--	--
Commissions to be appropriated	--	--	--	1,417,250	--
Other non-current liabilities	18,779	1,019,084	3,296	10,760	--
Net worth	**4,328,467**	**539,536**	**20,776**	**46,908**	**19,311**
Attributable to BB Seguridade	3,246,134	359,653	15,582	46,908	14,483
Difference in accounting practice (1)	2,421	(75)	--	--	--
Adjustments (2)	89,684	110,749	--	--	--
Investment balance	**3,338,239**	**470,327**	**15,582**	**46,908**	**14,483**

(1) Adjustments for the purpose of standardizing the accounting practice adopted by the investee under CPC 06 (R2) [IFRS 16] - Leases,

(2) Including in Brasilprev the amount of R$ 112,515 thousand referring to the capital increase to maintain the adequacy of the Adjusted Shareholders 'Equity in relation to the minimum required capital (regulatory requirement), It is an amount proportional to BB Seguros' participation in the capital paid up by Principal Financial Group in January 2021 and a reduction of R$ 22,831 thousand in unrealized result from the sale of the equity interest in Mapfre Nossa Caixa Vida e Previdência (MNCVP) in July 2012, At Brasilcap, includes goodwill on the acquisition of interest ownership of the company Sulacap by BB Seguros, occurred on 07/22/2011,

8 – COMMISSIONS INCOME

R$ thousand

	Consolidated	
	2021	2020
Gross commission income	**3,953,457**	**3,676,972**
BB Mapfre	2,909,260	2,659,958
Brasilprev	558,296	489,694
Brasilcap	340,749	374,304
Mapfre Seguros Gerais (1)	136,430	144,349
Others	8,722	8,667
Deductions from commission income	**(457,871)**	**(425,693)**
Cofins	(300,281)	(279,280)
ISS	(92,397)	(85,780)
PIS	(65,193)	(60,633)
Net commission income	**3,495,586**	**3,251,279**

(1) Despite the sale of the stake, Mapfre Seguros Gerais products continue to be sold by BB Corretora under the operating agreement for Auto and Major Risks products.

There are no amount of commissions income in parent.

In the partnership model signed between BB Seguros and the Mapfre Group, the payment of additional remuneration by Brasilseg Companhia de Seguros SA to BB Corretora is foreseen to exceed the sales growth target in some specific products, following the rules of the 2nd Amendment to the Operating Agreement for Operation in the Insurance Segment and its annexes ("Operating Agreement" or "Agreement") which Brasilseg and BB Corretora have been signatory since November 30th, 2018.

9 – COSTS OF SERVICES PROVIDED

R$ thousand

	Consolidated	
	2021	2020
Administrative cost products	(117,985)	(88,852)
Operational support cost	(60,556)	(68,764)
Cost of data processing	(15,289)	(19,252)
Total	**(193,830)**	**(176,868)**

There are no service costs provided in Parent.

10 – PERSONNEL EXPENSES

R$ thousand

	Parent		Consolidated	
	2021	2020	2021	2020
Salaries	(6,436)	(6,128)	(36,138)	(36,328)
Social security costs	(3,236)	(3,109)	(17,133)	(17,325)
Fees	(1,439)	(1,300)	(3,665)	(3,853)
Benefits	(929)	(930)	(5,497)	(5,517)
Training	(127)	(135)	(681)	(870)
Total	(12,167)	(11,602)	(63,114)	(63,893)

11 – ADMINISTRATIVE EXPENSES AND SALES

R$ thousand

	Parent		Consolidated	
	2021	2020	2021	2020
Donation and sponsorship expenses [1]	--	--	(18,756)	(40,400)
Data processing	(1,006)	(1,061)	(7,115)	(6,700)
Rent expenses and condominium fee	(932)	(925)	(4,288)	(4,459)
Specialized technical services	(413)	(311)	(2,921)	(2,665)
Promotions and public relations	(41)	(29)	(733)	(148)
Costs communicating	(325)	(127)	(727)	(778)
Publications	(150)	(51)	(645)	(415)
Service travel	(83)	(273)	(410)	(1,521)
Selling expenses	--	--	(236)	(9,324)
Services contracted from third parties	(23)	(25)	(152)	(164)
Other	(179)	(294)	(2,283)	(2,850)
Total	**(3,152)**	**(3,096)**	**(38,266)**	**(69,424)**

(1) In 2021 (Consolidated) refers to incentivized donations and sponsorships. In 2020 (Consolidated) includes R$ 40,000 donations made to Banco do Brasil Foundation, in order to contain the effects of the coronavirus pandemic.

12 – TAXES

a) Breakdown of income tax (IR) and social contribution expenses (CSLL)

R$ thousand

	Parent		Consolidated	
	2021	2020	2021	2020
Current values	**(4,636)**	**(9,071)**	**(1,165,219)**	**(1,044,162)**
Domestic income tax and social contribution	(4,636)	(9,071)	(1,165,219)	(1,044,162)
Deferred values	**(69)**	**45**	**19,012**	**2,293**
Deferred tax assets	**(69)**	**45**	**19,012**	**2,293**
Temporary differences	(69)	45	19,012	2,293
Total	**(4,705)**	**(9,026)**	**(1,146,207)**	**(1,041,869)**

b) Reconciliation of Income Tax and Social Contribution Expenses

R$ thousand

	Parent		Consolidated	
	2021	2020	2021	2020
Profit before income tax and social contribution	**3,937,922**	**3,859,797**	**5,079,424**	**4,892,640**
a) Total income tax (25%) and CSLL (9%) chages	(1,338,893)	(1,312,331)	(1,727,004)	(1,663,498)
Effect on the tax calculation:				
b) Nontaxable income - share of profit (loss) of subsidiaries associates and joint ventures (34%)	1,334,022	1,303,351	622,321	639,367
c) Non-deductible expenses, net of nontaxable income (34%)	166	(46)	(41,524)	(17,738)
Income tax and social contribution (a+b+c)	**(4,705)**	**(9,026)**	**(1,146,207)**	**(1,041,869)**

c) Tax Expenses

R$ thousand

	Parent		Consolidated	
	2021	2020	2021	2020
On financial income and other				
Cofins	(1,681)	(3,039)	(18,728)	(10,467)
PIS/Pasep	(306)	(523)	(3,728)	(1,939)
IOF	(24)	(24)	(57)	(24)
Other	(72)	(59)	(138)	(129)
Total	**(2,083)**	**(3,645)**	**(22,651)**	**(12,559)**

d) Current tax assets

R$ thousand

	Parent		Consolidated	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Current Assets	**1,928**	**--**	**1,928**	**--**
IRRF	1,953	--	42,586	--
(-) Current taxes deducted/offset	(25)	--	(40,658)	--
Non-Current Assets	**68,332**	**85,155**	**84,337**	**114,776**
Taxes to compensate	68,479	85,173	98,354	141,133
(-) Current taxes deducted/offset	(147)	(18)	(14,017)	(26,357)
Total [(1)]	**70,260**	**85,155**	**86,265**	**114,776**

(1) The balances at December 31, 2021 and December 31, 2020 (parent company and consolidated) refer mainly to the IRRF of previous years uncompensated/deducted.

e) Deferred Tax Assets

R$ thousand

	Parent			
	Dec 31, 2020	Addition	Derecognition	Dec 31, 2021
Temporary differences				
Tax losses/negative bases	1,227	--	(1,227)	--
Liabilities provision	78	20	(88)	10
Total deferred tax assets	**1,305**	**20**	**(1,315)**	**10**
Incone tax	961	15	(969)	7
Social contribution	344	5	(346)	3

R$ thousand

	Consolidated			
	Dec 31, 2020	Addition	Derecognition	Dec 31, 2021
Temporary differences				
Tax losses/negative bases	1,227	--	(1,227)	--
Liabilities provision	13,354	36,016	(17,003)	32,367
Amortization of goodwill	3,053	--	--	3,053
Total deferred tax assets	**17,634**	**36,016**	**(18,230)**	**35,420**
Incone tax	13,775	26,482	(13,406)	26,851
Social contribution	3,859	9,534	(4,824)	8,569

f) Expected Realization

R$ thousand

	Parent		Consolidated	
	Non Value	Present Value	Valor Nominal	Valor Presente
In 2022	10	8	10	8
In 2023	--	--	32,058	24,741
In 2024	--	--	--	--
In 2025	--	--	--	--
In 2026	--	--	--	--
Afther 2026	--	--	3,352	1,541
Total	**10**	**8**	**35,420**	**26,290**

The expected realization of deferred tax assets (tax credits) is supported by a technical study prepared for de base date of Dec 31, 2021, and is calculated based on the discounted present value of the average Selic rate (TMS) projected for each reporting period

During the year of 2021, tax credits were realized in the amount of R$ 1,315 thousand in the parent company and R$ 18,230 thousand in the consolidated.

g) Current tax liabilities

R$ thousand

	Parent		Consolidated	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Icome tax	346	--	554,013	491,329
Social contribution	104	--	198,361	170,504
Cofins	126	16	41,428	25,225
ISS	--	--	14,436	16,671
Pasep	21	2	8,928	5,463
Other	19	81	28	115
(-) Current taxes deducted/offset	(172)	(18)	(54,675)	(26,357)
Total	**444**	**81**	**762,519**	**682,950**

h) Deferred Tax Liabilities

R$ thousand

	Consolidated	
	Dec 31, 2021	Dec 31, 2020
Arising from partnership with Mapfre [(1)]	223,387	223,387
Arising from amortization of Brasilcap's goodwill	4,647	4,647
Other temporay differences	531	531
Total	**228,565**	**228,565**

(1) Refers to the provision for deferred taxes arising from intangibles in the investment in BB Mapfre.

There is no balance of deferred tax liabilities in the Controller.

13 – OTHER INCOME AND EXPENSE

R$ thousand

	Parent		Consolidated	
	2021	**2020**	**2021**	**2020**
Income of ADR (1)	8,599	7,746	8,599	7,746
(Addition)/Reversal of provisions for labor, tax and civil lawsuits	202	(127)	2,571	(190)
Depreciation/amortization expense	(150)	(174)	(1,067)	(1,011)
Income/(expense) earn in earn out (2)	--	--	(27,677)	(27,534)
Other (3)	179	16	(58,306)	(6,546)
Total	**8,830**	**7,461**	**(75,880)**	**(27,535)**

(2) Refers to the sharing, by the depositary bank of the ADR Level I program, of the income from issuance fees, cancellation and processing of dividends charged to investors holding ADRs (American Depositary Receipts) of BB Seguridade, with the purpose of defray Program expenses.

(3) Refers to the price adjustment mechanism of the assets of the Brasilveiculos (current Mapfre Seguros Gerais) asset sold to Mapfre Brasil on 11.30.2018, with calculation, monthly provisions and annual payment, made based on the fulfilment of goals in the sales of auto insurance. The mechanism provides for the possibility of earn in or earn out, that is, payment from MAPFRE Brasil to BB Seguros or from BB Seguros to MAPFRE Brasil and will be calculated for each financial year until 2031.

(4) In 2021 (Consolidated) includes the amount of R$ 73.145 thousand (R$ 6.552 thousand in 2020) referring to the provision for brokerage to returned to Brasilprev.

14 – FINANCIAL RESULT

R$ thousand

	Parent		Consolidated	
	2021	**2020**	**2021**	**2020**
Financial Income	**26,992**	**62,764**	**151,739**	**138,657**
Yield from financial investments	21,270	47,305	139,142	134,123
Monetary adjustment of judicial deposits	--	--	8,830	3,064
Monetary adjustment of taxes	2,787	1,468	3,766	1,468
Monetary adjustment of dividends and interest on equity capital	2,934	13,989	--	--
Other	1	2	1	2
Financial Expenses	**(4,091)**	**(25,469)**	**(4,515)**	**(27,507)**
Monetary adjustment of dividends and interest on equity capital	(2,623)	(24,871)	(2,623)	(24,871)
Financial system services	(617)	(480)	(1,041)	(828)
Loss on financial investments	(851)	(117)	(851)	(1,803)
Other	--	(1)	--	(5)
Financial Result	**22,901**	**37,295**	**147,224**	**111,150**

15 – CASH AND CASH EQUIVALENTS

R$ thousand

	Parent		Consolidated	
	Dec 31, 2021	**Dec 31, 2020**	**Dec 31, 2021**	**Dec 31, 2020**
Cash	453	424	3,609	3,475
Short-term fund	--	--	--	10
Repurchase agreements (1)	368,889	208,469	4,086,952	2,191,960
Total	**369,342**	**208,893**	**4,090,561**	**2,195,445**

(1) Refers to investments in repurchase agréments with Banco do Brasil S.A., backed by federal govermment securities with daily liquidity and insignificante risk of change in fair value.

Financial investments in short-term funds and cash equivalents are classified as financial assets at fair value through profit or loss.

16 – FINANCIAL INSTRUMENTS

a) Financial Assests at Fair Value through Profit or Loss

R$ thousand

	Parent						
	Dec 31, 2020					Dec 31, 2021	
	Cost Value	Market Value	Applications	Redemptions	Yield	Cost Value	Market Value
Long-term fund (1)	4,157	3,948	5,190	(2,019)	6,892	7,328	14,011
Total	**4,157**	**3,948**	**5,190**	**(2,019)**	**6,892**	**7,328**	**14,011**

R$ thousand

	Consolidated						
	Dec 31, 2020					Dec 31, 2021	
	Cost Value	Market Value	Applications	Redemptions	Yield	Cost Value	Market Value
Long-term fund (2)	4,953	4,986	5,190	(3,097)	6,932	7,328	14,011
Total	**4,953**	**4,986**	**5,190**	**(3,097)**	**6,932**	**7,328**	**14,011**

(1) Of the total of R$14,011 thousand, R$9,489 thousand, refers to the Brasil Aceleradora de Startups Fund, whose policy provides for investments of at least 90% of its net worth in the acquisition of shares and debentures issued by startup companies (Target Companies) convertible into shares, and R$ 999 thousand refers to the Domo Ventures Fund, whose objective is to obtain long-term returns by investing at least 90% of its assets in securities convertible into or exchangeable for shares in limited liability companies (Target Assets) and R$3,523 thousand refers to the Agventure II fund, whose goal is to obtain long-term returns by investing at least 95% of the assets in the AGVENTURES II INVESTMENT FUND.

b) Financial Assets Available Held to Amortized Costs

R$ thousand

	Counterparty rating	Consolidated					
		Dec 31, 2021			Dec 31, 2020		
		Cost Value	Book Value	Updated cost	Cost Value	Book Value	Updated cost
Short-Term Financial bills	AA-	--	--	--	220,400	245,101	245,033
Long-Term Financial bills	AA-	--	--	--	200,000	204,449	203,374
Total		**--**	**--**	**--**	**420,400**	**449,550**	**448,407**

There is no balance of financial assets available held to maturity securities in the Parent.

c) Fair Value Hierarchy

The Company classifies financial instruments into three levels of subjectivity in determining fair value. The different levels are defined as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices);
- Level 3: Assumptions for the asset or liability that are not based on observable market data (unobservable inputs). There are no financial instruments classified in level 3 of the investment portfolio.

R$ thousand

	Parent					
	Dec 31, 2021			Dec 31, 2020		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Long-term fund	14,011	--	14,011	3,948	--	3,948
Cash and cash Equivalents	369,342	--	369,342	208,893	--	208,893
Total	**383,353**	**--**	**383,353**	**212,841**	**--**	**212,841**

R$ thousand

	Consolidated					
	Dec 31, 2021			Dec 31, 2020		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Long-term fund	14,011	--	14,011	4,986	--	4,986
Cash and cash Equivalents	4,090,560	--	4,090,560	2,195,445	--	2,195,445
Short-Term Financial bills	--	--	--	--	448,407	448,407
Total	**4,104,571**	**--**	**4,104,571**	**2,200,431**	**448,407**	**2,648,838**

17 – DIVIDENDS / INTEREST ON EQUITY CAPITAL RECEIVABLE

R$ thousand

	Parent		Consolidated	
	Dec 31, 2021	Dec 31, 2020 (1)	Dec 31, 2021	Dec 31, 2020
Dividends receivable	1,572,428	1,060,278	1,648	--

(1) On Dec 31, 2020, refers to dividends receivable from BB Corretora de Seguros e Administradora de Bens S.A. paid on Feb 25.2021

18 – COMMISSIONS RECEIVABLE

R$ thousand

	Consolidated	
	Dec 31, 2021	Dec 31, 2020
Current Assets	**1,026,158**	**1,173,988**
BB Mapfre (1)	962,465	1,120,275
Mapfre Seguros Gerais	53,396	43,169
Brasilprev	9,737	9,388
Brasilcap	481	1,094
Others	79	62
Non-Current Assets	**698,435**	**643,090**
BB Mapfre	698,435	643,090
Total	**1,724,593**	**1,817,078**

(1) On 12.31.2021, R$ 291 million refers to the additional commission according to the restructuring agreement between BB Seguros and the Mapfre Group. The provision for the additional commission is made monthly and is expected to be received within 60 days after the end of the year. On 12.31.2020, R$ 464 million refers to the additional commission, received on 02.25.2021.

There are no amount of comissions receivable in parent.

Comissions Receivables are classified as financial assets valued at amortized cost, as described in Note 4.

19 – INTANGIBLE ASSET

a) ERP - Enterprise Resource Planning

R$ thousand

	Parent and Consolidated					
	Dec 31, 2020	2021		Dec 31, 2021		
	Book value	Acquisitions	Amortization	Cost value	Accumulated amortization	Book value
Software – ERP (1)	5,481	286	(808)	7,774	(2,815)	4,959

(1) In January 2018, the amortization of Enterprise Resource Planning (ERP) began, according to CPC 04 [IAS 38] - Intangible Assets in which the amortization period of intangible assets with a defined useful life is 10 years and amortization is calculated at the annual rate of 10% and recognized to the income statement on a straight-line method.

a.1) Estimate for amortization

							R$ thousand
	2022	**2023**	**2024**	**2025**	**2026**	**2027**	**Total**
Amounts to be amortized	826	826	826	827	827	827	**4,959**

20 – OTHER ASSETS

R$ thousand

	Parent		Consolidated	
	Dec 31, 2021	**Dec 31, 2020**	**Dec 31, 2021**	**Dec 31, 2020**
Current Assets	**12,719**	**10,170**	**5,336**	**4,347**
Receivables from related companies	7,571	7,261	--	--
Receivables from ADR	5,072	2,899	5,072	2,899
Other	76	10	264	1,448
Non-Current Assets	**40**	**53**	**214,187**	**206,654**
Judicial deposits (1)	--	--	214,147	206,601
Fixed asset (2)	40	53	40	53
Total	**12,759**	**10,223**	**219,523**	**211,001**

(1) It refers, mainly, to a lawsuit of a fiscal nature, with the purpose of annulling an administrative decision that did not ratify declarations of compensation of negative balances of IRPJ with several taxes of its own. The updated value of the referred judicial deposit is R$ 155,058 thousand (R$ 151,968 thousand on December 31, 2020), being its update by the SELIC rate.

(2) Acquisition of computers and furniture in the amount of R$ 74 thousand (depreciation R$ 34 thousand) in Dec 31, 2021.

21 – CORPORATE AND STATUTORY OBLIGATIONS

R$ thousand

	Parent		Consolidated	
	Dec 31, 2021	**Dec 31, 2020**	**Dec 31, 2021**	**Dec 31, 2020**
Dividends payable (1)	1,831,596	948,398	1,831,596	948,398
Capital reduction payable (2)	95	95	95	95
Total	**1,831,691**	**948,493**	**1,831,691**	**948,493**

(2) The dividends distributed on Dec 31.2020 were paid to the shareholders on Feb 25.2021.

(3) Capital reduction approved by the Board of Directors, effective payment of which occurred on April 30, 2020, as detailed in Explanatory Note 25.

22 – PROVISIONS AND CONTINGENT LIABILITIES

CONTINGENT ASSETS

In accordance with CPC 25 [IAS 37] - Provisions, Contingent Liabilities and Contingent Assets, no contingent assets were recognized in the individual and consolidated financial statements.

CONTINGENT LIABILITIES – PROBABLE

a) Tax Lawsuits

The Company's tax lawsuits related to BB Corretora arise, mainly, from municipal/district tax assessments (discussing the "collection" of the Tax on Services of Any Nature - ISSQN); and lawsuits of the Federal Government filed in the administrative or judicial spheres discussing federal taxes, notably the non-validation of offsets of own taxes with other taxes.

On December 31, 2021, BB Corretora had a total of 34 (thirty-four) active tax lawsuits discussing tax matters, classified as remote, possible or probable, depending on the stage of the lawsuit and/or the specific situation affecting each case. These lawsuits are distributed as follows: (i) 20 (twenty) of them in the administrative sphere, exclusively, with the Federal Revenue of Brazil (RFB); and, (ii) 14 (fourteen) of them filed in the Brazilian judiciary, being 10 (ten) in the State court and 04 (four) in the Federal court.

Among the totality of tax lawsuits, 4 (four) of them are classified as probable loss. Below is a brief summary of the main lawsuit classified as probable:

- BB Corretora is a party in a lawsuit whose cause of action is related to the collection of ISSQN, in progress with the TJ/MG, to which the initial cause value of R$ 8.3 million was attributed and, filed on June 29, 1998. This action was judged by the competent court, which recognized the right of the Municipality to receive the ISSQN required. During the course of the lawsuit, a judicial deposit (for court guarantee on Dec 15, 2011, in the amount of R$ 345,086.67) was made with Banco do Brasil, whose residual value updated as of Dec 31, 2021 is approximately R$ 77.4 thousand (since there was a favorable decision to the plaintiff in the liquidation of the sentence, in which the court determined the withdrawal of R$ 527,842.98, on Aug 16, 2021 - related to the uncontroversial amount), furthermore, in the referred to decision, the court determined that after the procedural sanitation measures are taken, a court order should be issued in favor of BB Corretora for the withdrawal of any residual balance available to the court - if applicable. Due to the situation of the process on Dec 31, 2021, BB Corretora still has a provision of approximately R$ 156.2 thousand, since the process has a probability of loss as "probable" - given the procedural stage verified on the base date Dec 31, 2021.

As for BB Seguridade and BB Seguros, they do not have tax lawsuits with significant amounts.

b) Civil Lawsuits

In civil lawsuits involving BB Seguridade, BB Seguros and BB Corretora, we highlignt the claims for various indemnities (material damages, moral damages, etc.), notably resulting from consumer relations involving security products and the like (personal insurance) and equity, open private pension, capitalization and dental plans).

c) Labor Lawsuits

Labor claims involving BB Seguros and BB Corretora mainly arise from labor claims, with a civil nature (arising from corporate group life insurance, whose original employers did not bear the severance pay); and, third party claims against the investees evaluated by the equity method and BB Seguros (as a shareholder) notably, requiring eventual subsidiary condemnation. On the other hand, BB Seguridade's labor claims involve former employees, discussing rights arising from the 7th and 8th bank overtime hours and the respective effects on other amounts of a salary / severance nature.

Provisions for civil, tax and labor lawsuits classified as probable

In accordance with CPC 25 [IAS 37], BB Seguridade constitutes a provision for tax, civil and labor claims with a “probable” risk of loss.

These provisions refer, mainly, to the contingencies recorded in BB Corretora.

R$ thousand

	Consolidated	
	2021	**2020**
Tax Lawsuits		
Initial balance	**1,440**	**999**
Addition/Update (1)	48	441
Reversal of the provision	(358)	--
Derecognition of provisions	--	--
Closing balance	**1,130**	**1,440**
Civil Lawsuits		
Initial balance	**16,314**	**16,692**
Addition/Update (2)	5,580	5,713
Reversal of the provision	(7,384)	(4,413)
Derecognition of provisions	(253)	(1,678)
Closing balance	**14,257**	**16,314**
Labor Lawsuits		
Initial balance	**230**	**103**
Addition/Update	--	127
Reversal of the provision	--	--
Derecognition of provisions	(202)	--
Closing balance	**28**	**230**
Total	**15,415**	**17,984**

(1) On Dec 31, 2021 incluides the amount of R$ 48 thousand related to monetary restatement.
(2) On Dec 31, 2021 incluides the amount of R$ 802 thousand related to monetary restatement.

On December 31, 2021, the amounts of R$ 28 thousand related to labor claims, respectively, were provisioned in the controller. For the other claims there are no provision balances in the parent company.

Expected outflows of economic benefits

R$ thousand

	Labor lawsuits	Tax lawsuits	Civil lawsuits	Total
Up to 5 years	28	656	12,414	**13,098**
More than 5 years and up to 10 years	--	274	1,604	**1,878**
Over 10 years	--	200	239	**439**
Total	**28**	**1,130**	**14,257**	**15,415**

Given the scenario of uncertainties in the duration of the proceedings, as well as the possibility of changes in the jurisprudence of the courts, the outflow of economic benefits has been estimated based on the best available information.

CONTINGENT LIABILITIES – POSSIBLE

a) Tax Lawsuits

In the tax lawsuits, classified as possible, we have those referring to BB Corretora, which contests the non-recognition of IRPJ, CSLL, PIS and Cofins compensation requests made between 1999 and 2003, due to the non-recognition of negative balances from 1995 and 1997 and the deduction of CSLL amounts from the IRPJ calculation basis granted in a Writ of Mandamus decision. The possibility of loss of demand is classified as possible, therefore, no provision has been made.

In accordance with applicable legislation, notably CPC 25 [IAS 37] - Provisions, Contingent Liabilities and Contingent Assets; actions with remote or possible risk classification are exempt from the constitution of a provision. However, the following is a brief summary of the main lawsuits filed against BB Corretora:

> BB Corretora has a legal dispute related to "DCOMP - IRPJ Negative Balance", with TRF1 / Court of Brasília/DF, whose initial value of the cause was R$ 82.3 million, filed on Apr 18, 2011. The process is in the initial knowledge phase (no judgment has been issued yet). It should also be mentioned that this process has a judicial deposit (coming from the administrative phase of the discussion) in the amount of approximately R$ 158.6 million (base date: Dec 31, 2021) deposited in a judicial account at Caixa Econômica Federal.

Balances of contingent liabilities classified as possible

Tax and civil demands classified as "possible" risk are exempt from provisioning, in accordance with CPC 25 [IAS 37].

R$ thousand

	Parent		Consolidated	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Tax lawsuits (1)	--	--	240,209	230,189
Civil lawsuits	--	--	1,580	2,647
Total	**--**	**--**	**241,789**	**232,836**

(1) Refers mainly to a tax lawsuit by BB Corretora with the objective of annulling an administrative decision that did not ratify declarations of offsetting negative IRPJ balances with different taxes. There is a guarantee deposit for the mentioned action as shown in item DEPOSITS IN GUARANTEE OF FUNDS below.

BB Seguridade does not have contingent liabilities of its affiliates shared with other investors of the affiliates nor is it jointly and severally liable for all or part of the liabilities of its affiliates.

DEPOSITS IN GUARANTEE OF FUNDS

Guarantee deposits are cash deposits and are made with Banco do Brasil or another official financial institution, as a means of payment or as a means of guaranteeing the payment of convictions, indemnities, agreements and other expenses resulting from legal proceedings. The amounts are presented in the balance sheet under Other Assets.

Balances of escrow deposits formed for provisions and contingent liabilities

R$ thousand

	Parent		Consolidated	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Labor lawsuits	--	--	52	50
Tax lawsuits (1)	--	--	211,621	204,133
Civil lawsuits	--	--	2,474	2,418
Total	**--**	**--**	**214,147**	**206,601**

(1) Refers mainly to a tax lawsuit aimed at annulling an administrative decision that did not ratify declarations of offsetting negative IRPJ balances with various taxes. The updated amount of the aforementioned judicial deposit is R$ 154,570 thousand (R$ 151,967 thousand on Dec 31. 2020), referring to the investee BB Corretora, being updated using the SELIC rate

23 – UNEARDED COMMISSIONS

R$ thousand

	Consolidated	
	Dec 31, 2021	**Dec 31, 2020**
Current Liabilities	**1,172,483**	**1,127,358**
BB Mapfre	1,120,148	1,049,015
Mapfre Seguros Gerais (1)	51,939	78,037
Others	396	306
Non-Current Liabilities	**1,794,544**	**1,417,250**
BB Mapfre	1,735,439	1,389,918
Mapfre Seguros Gerais (1)	59,103	27,331
Others	2	1
Total	**2,967,027**	**2,544,608**

(1) Despite the sale of the stake, Mapfre Seguros Gerais products continue to be sold by BB Corretora.

There are no amount of unearned commissions in parent.

24 – OTHER LIABILITIES

R$ thousand

	Parent		Consolidated	
	Dec 31, 2021	**Dec 31, 2020**	**Dec 31, 2021**	**Dec 31, 2020**
Current Liabilities				
Amounts payable to related companies (1)	6,709	5,145	222,879	84,514
Annual variable remuneration program of the Executive Board	3,433	2,576	3,433	2,576
Annual program for results	580	392	580	392
Other	117	490	696	609
Total	**10,839**	**8,603**	**227,588**	**88,091**

(1) Refers to the apportionment of expenses calculated in accordance with the contract for sharing client data, use of staff, distribution network and technological and administrative material resources, entered into between Banco do Brasil, BB Seguridade, BB Corretora and BB Seguros. In Consolidated, it also includes amounts payable, in the amount of R$ 30,969 thousand referring to the price adjustment mechanism of Brasilveículos (current Mapfre Seguros Gerais) assets sold to MAPFRE Brasil on November 30, 2018. In the year 2021 it includes the amount of R$ 79,782 thousand (R$21,294 thousand in the year 2020) referring to the provision for brokerage to be returned to Brasilprev.

25 – EQUITY

a) Capital

The capital, fully subscribed and paid in,amounted to R$ 3,396,767 thousand as of 12.31.2021 and 12.31.2020, it is divided into 2,000,000,000 (two billion) shares, represented in book-entry form and without par value.

The shareholders' equity amounted R$ 7,281,416 thousand in 12.31.2021 (R$ 6,389,605 thousand as of 12.31.2020), corresponding a book value per share of R$ 3.64 per share in 12.31.2021 (R$ 3.19 per share as of 12.31.2020).

b) Capital and Profit Reserves

R$ thousand

	Parent and Consolidated	
	12.31.2021	**12.31.2020**
Capital Reserves	**1,508**	**1,588**
Profit Reserves (1)	**4,122,925**	**3,060,956**
Legal Reserve	679,354	679,354
Statutory Reserve	3,443,571	2.,381,602

(1) The balance of Profit Reserves, on 12.31.2021, exceeded the capital stock, therefore, the meeting will resolve on the application of the excess in the payment or increase of the capital stock or in the distribution of dividends, according to article 199 of the Law 6,404/76.

The Capital Reserve is made up of the amounts relating to transactions with payment based on shares, as well as the gain or loss on the sale of treasury shares.

The purpose of the Legal Reserve is to ensure the integrity of the capital stock and may only be used to offset losses or increase the capital stock. Of the net income for the period, 5% is invested, before any other allocation, in the constitution of the legal reserve, which will not exceed 20% of the share capital and the balance of the legal reserve plus the amounts of capital reserves that will not exceed 30% of the capital stock.

The Statutory Reserve for Equalization of Capital Remuneration has the purpose of guaranteeing resources for the payment of dividends, including in the form of interest on own capital or its prepayments, limited to 80% of the capital stock value, being formed with resources: equivalent to up to 50% of the net income for the year and arising from the anticipation of dividends.

The Statutory Reserve for Capital Reinforcement aims to guarantee financial means for the operation of the company, including for capital increase in the companies in which it participates as a shareholder and the acquisition of companies covered by Art. 3 of these Bylaws, limited to 80% of the value capital and being formed with resources equivalent to up to 50% of the net profit for the year.

c) Earnings per Share

	Parent and Consolidated	
	2021	**2020**
Net income attributable to shareholders of the Bank (R$ thousand)	3,933,217	3,850,771
Weighted average of ordinary and dilutive potencial ordinary shares outstanding	1,996,672,230	1,996,626,255
Earnings per share – basic and diluted (R$)	1.97	1.93

The basic earnings per share is calculated by dividing net income attributable to shareholders of the BB Seguridade by the weighted average number of common shares outstanding (not considered treasury shares) in each of the periods presented.

The diluted earnings per share is calculated by dividing net income attributable to shareholders of the BB Seguridade by the weighted average number of common shares outstanding (not considered treasury shares), including the effect of all dilutive potential ordinary shares.

The BB Seguridade has no option, bonus of subscription or its equivalents which provide their holder the right to acquire shares. Thus, the basic and diluted earnings per share are equal and was calculated by dividing the profit attributable to the holders of common shares of the company by the weighted average number of common shares held by shareholders during the period.

d) Dividends

		R$ thousand
	2021	**2020**
(1) - Net income	3,933,217	3,850,771
(2) - Legal reserve in the period [1]	--	--
(=) Calculation basis (1 - 2)	**3,933,217**	**3,850,771**
(3) - Minimum mandatory dividend	983,304	962,693
(4) - Additional dividend	1,887,944	1,732,847
(5) - Statutory reserve	1,061,969	1,155,231
(=) Balance of net income after allocation (1-2-3-4-5)	**--**	**--**
(6) - Proposed dividends (3+4)	2,871,248	2,695,540
(7) - Prescribed dividends	45	42
(8) - Dividends paid	1,040,024	1,747,565
(=) Dividends payable (6+7-8)	**1,831,269**	**948,017**

(1) The legal reserve was not constituted due to its amount having reached the limit of 20% of the capital, as provided for in article 193 of Law 6,404/76 and BB Seguridade's Bylaws.

BB Seguridade follows the Dividend Policy available on the Investor Relations website of BB Seguridade.

The Policy is reviewed annually or, extraordinarily, at any time, and submitted to the Board of Directors of Group for approval.

Dividends related to the second half of 2020 profit, in the amount of R$ 947,975 thousand, plus the prescribed dividend balance of R$ 42 thousand related to past years, were paid in February 2021, with a monetary restatement of R$ 2,623 thousand at the Selic rate, adding up to a distributed amount of R$ 950,640 thousand.

BB Seguridade paid in August 2021 the amount of R$ 1,040,024 thousand in interim dividends approved by the Board of Directors of BB Seguridade on 06.18.2021, of which R$ 1,040,000 thousand refers to the profit for the 1st Half 2021 and R$ 24 thousand of dividends prescribed in the period.

d.1) Dividends per Share

	2nd Half 2021		1st Half 2021		2nd Half 2020		1st Half 2020	
	Amount (R$ thousand)	Amount per share (R$)	Amount (R$ thousand)	Amount per share (R$)	Amount (R$ thousand)	Amount per share (R$)	Amount (R$ thousand)	Amount per share (R$)
Dividends	1,831,269	0.9172	1,040,024	0.5209	948,017	0.474	1,747,565	0.875

e) Other Accumulated Comprehensive Income

The negative balance recorded in Other Comprehensive Accumulated Results in the amount of R$ 158,464 thousand (R$ 12,882 thousand positive on 12.31.2020) is mainly composed of:

i. R$ 137,474 thousand negative (R$ 33,872 thousand positive on 12.31.2020) resulting mainly from the appreciation or devaluation resulting from the adjustment to market value, at the net value of tax effects, of securities classified as fair value through other comprehensive results of Brasilprev Seguros e Previdência SA., BB Mapfre Participações SA and Brasilcap Capitalização SA.; and

ii. Negative R$ 20,824 thousand (R$ 20,824 thousand negative on 12.31.2020) of adjustments for the purpose of standardizing accounting practices of previous lease operations periods, CPC 06 (R2), at BB Mapfre Participações S.A.

Bearing in mind that BB Seguridade does not have securities classified as fair value through other comprehensive income, the amounts in its statements reflect the values existing in the companies in which BB Seguros holds interest.

f) Shareholdings (number of shares)

Stockholders	12.31.2021		12.31.2020	
	Shares	% Total	Shares	% Total
Banco do Brasil	1,325,000,000	66.25	1,325,000,000	66.25
Other stockholders	671,686,529	33.58	671,634,681	33.58
Treasury shares	3,313,471	0.17	3,365,319	0.17
Total	**2,000,000,000**	**100**	**2,000,000,000**	**100**
Locals	1,572,986,959	78.65	1,464,036,514	73.20
Foreign	427,013,041	21.35	535,963,486	26.80

g) Treasury shares

g.1) Share-Based Payment – Variable Wage Program

The Variable Wage Program Board of BB Seguridade determined that, of the total amount allocated to the payment of variable compensation, 50% will be made in shares of BB Seguridade (BBSE3). From the total paid in shares, 20% will be immediately transferred to the beneficiary ownership and 80% will be deferred for a period of four years.

On November 13, 2014, the Brazilian Securities and Exchange Commission (CVM) authorized BB Seguridade to make annually the private trading of its own shares, in order to fund, through these shares, part of the payment of the variable remuneration compensation of its Executive Board members, without the need to submit, every year, that commission new requests, in the case therefore of permanent authorization.

We present the statement of acquired shares, its distribution and its transfer schedule:

	2017 Program	2018 Program	2019 Program	2020 Program	Total
Shares Distributed	15,489	9,841	11,338	4,512	**41,180**
Shares to Distribute	3,870	6,552	16,995	17,948	**45,365**
Total Program Shares	**19,359**	**16,393**	**28,333**	**22,460**	**86,545**
Minimum cost	28.92	27.78	31.93	24.37	--
Averege cost	29.02	27.78	31.93	24.37	--
Maximum cost	29.15	27.78	31.93	24.37	--

Estimated Schedule Transfers						
	Period	2017 Program	2018 Program	2019 Program	2020 Program	Total
Shares to Distribute	March 2022	3,870	3,276	5,665	4,487	**17,298**
Shares to Distribute	March 2023	--	3,276	5,665	4,487	**13,428**
Shares to Distribute	March 2024	--	--	5,665	4,487	**10,152**
Shares to Distribute	March 2025	--	--	--	4,487	**4,487**
Total shares to be distributed		**3,870**	**6,552**	**16,995**	**17,948**	**45,365**

g.2) Repurcharse Program

On October 15, 2015, the Board of Directors approved the Repurchase Program of up to 10,000,000 shares the company itself issued for staying in treasury and subsequent disposal of or cancellation. The period of valid for up to 365 days from that date in accordance with the limit set forth by CVM Instruction 567. This program was in effect until October 14, 2016, and 3,360,000 shares were acquired, amounting to R$ 82,201 thousand, minimum, average and maximum cost per share are respectively R$ 21.09, R$ 24.46 e R$ 27.76.

On October 27, 2016, the Board of Directors approved the second Repurchase Program of up to 10,000,000 shares the company itself issued for staying in treasury and subsequent disposal of or cancellation. The period of valid for up to 365 days from that date of approval. This program was concluded on October 26, 2017 and there was no acquisition of shares by said Program.

On October 26, 2017, the Board of Directors approved the third Repurchase Program of up to 10,000,000 shares the company itself issued for staying in treasury and subsequent disposal of or cancellation. The period of valid for up to 365 days from that date of approval. This program was concluded on October 25, 2018 and there was no acquisition of shares by said Program.

On November 1, 2018, the Board of Directors approved the fourth Buyback Program of up to 10,000,000 shares issued by the company to be held in treasury and subsequently sold or canceled. The term of validity is up to 365 days from the date of approval, and there was no acquisition of shares on behalf of the fourth Program until its closure on October 31, 2019. The Company, to date, has not approved a new Repurchase Program.

On December 21, 2018, 450 treasury shares from the 2015 Repurchase Program, were distributed to all active employees of BB Seguridade (disregarding statutory), the awarding title, regardless of the hierarchical level, being that each employee received three common shares.The securities are held in the Banco do Brasil and may only be marketed by the employee after the termination of the relationship maintained with BB Seguridade (end of the assignment resulting from the Availability Agreement signed between Banco do Brasil and BB Seguridade).The transferred shares totaled R$ 12 thousand. For the attribution of its price, it was adopted the criterion of the average price of the week prior to the payment.

On October 30, 2019, the General Shareholders' Meeting authorized the trading of shares issued by BB Seguridade held in treasury, specifically for the award of employees and the variable remuneration of the Company's officers, up to the limit of 3,359,550 shares, and authorized the Board of Directors to define and implement the best way and the moment to carry out the referred negotiation.

g.3) Employee Reward Program

On December 18, 2019, the Board of Directors approved the Employee Reward Program, which aims to recognize BB Seguros employees from non-statutory positions, with outstanding performance in the Development and Career Committee. Considering the new wording of § 4 of art. 457 of the CLT, as amended by Law No. 13,467 / 2017, the program is classified as an award and there is no incidence of labor and social security charges.

The program is activated annually and is subject to exceeding the Company's budgeted Net Income. The target audience is limited to a maximum of 30% of employees by position, in the case of managerial or equivalent functions, and by position and by directorship, in the case of technical functions. The criterion for choosing employees involves assessment of technical and behavioral skills, achievement of goals and management style.

The premium credit is made 100% (one hundred percent) in shares of BB Seguridade SA (BBSE3), after due payment of Income Tax, in two equal installments, the first within 10 days after the result is disclosed and the second one year after payment of the first. The shares used will be those already existing in Treasury, arising from the Share Buyback Program, whose average acquisition cost was R$ 24.46.

Trading with BBSE3 shares received under the Employee Reward Program is subject to the rules of BB Seguridade's Securities Trading Policy.

	Total Program Shares	Minimum cost	Averege cost	Maximum cost	Shares Distributed	Shares to Distribute	Estimated Schedule Transfers
2020 Program	38,263	24.46	24.46	24.46	19,140	19,123	04.2022
Total shares to be distributed						**19,123**	

g.4) Number of Treasury Shares

Description	Parent and Consolidated	
	12.31.2021	**12.31.2020**
Variable Wage Program	45,365	45,366
Repurcharse Program (1)	3,247,991	3,308,714
Employee Reward Program	20,115	11,239
Total	**3,313,471**	**3,365,319**

(1) The variation in the balance in the interval results from the transfers of 38,263 shares from the Repurchase Program to the 2020 Result Reward Program and 22,460 shares referring to the 2020 Directors' Variable Remuneration Program.

The cost value of treasury shares is R$ 81,063 thousand and the exchange price on 12.31.2021 is R$ 68,755 thousand.

26 – RELATED PARTY TRANSACTIONS

BB Seguridade and its subsidiaries have an agreement with Banco do Brasil S.A., signed on 01/09/2013, for a period of 20 years, for apportionment and/or reimbursement of expenses and direct and indirect costs resulting from the use of the staff, material, technological and administrative resources necessary to maintain the Companies' activities and, especially the sale of products in the banking channel.

The agreement aims to capture synergies resulting from the sharing of resources and its terms provide that the reimbursement follows apportionment criteria based on calculation methodologies foreseen in the referred agreement, observing the effective use of the resources. The apportionment amounts are calculated and paid monthly.

The costs of salaries and other benefits granted to key management personnel of the BB Seguridade (Executive Board, Audit Committee, Board of Directors and Fiscal Council):

		R$ thousand
	2021	**2020**
Short-term benefits	**6,350**	**6,406**
Fees and social charges	**5,019**	**4,777**
Executive Board	3,594	3,388
Audit Committee	725	719
Board of Directors	300	306
Fiscal Council	255	256
Party Transactions Committee	145	108
Variable Remuneration (1)	**811**	**1,168**
Other (2)	**520**	**461**
Variable Wage Program (3)	**741**	**934**
Total	**7,091**	**7,340**

(1) Refers to the amount payment cash Variable Compensation Program for Directors, of the 2020.
(2) Benefits considered: medical care, health assessment (promotion and prevention actions in occupational health), life insurance, removal advantage (partial cost of expenses in case of removal to other locations) and supplementary pension plan of the administrators.
(3) Refers to the cost of shares relating to the installments of the share-based payment programs for 2016, 2017, 2018, 2019 and 2020.

According to the variable remuneration policy of BB Seguridade, established in accordance with Law 6,404/1976, Article 152 and Accounting Pronouncements Committee 10 (CPC 10 - Share-based Payment), the part of variable remuneration of the Executive Board is paid in shares.

BB Seguridade does not provide post-employment benefits to its key management personnel or to its employees.

Current personnel costs are reimbursed to the controller Banco do Brasil S.A., under the employee assignment agreement, in the period in which they are allocated to the Company's activities.

The Group trades banking transactions with its Controller, Banco do Brasil S.A. such as current account deposits (unpaid), corporate cards, financial applications, service deliveries and warranty in conditions equivalent to those available to other customers.

The Group does not grant loans to its Directors, Fiscal Council members, Board of Directors and Audit Committee.

BB Seguros has commercialization contracts for insurance products in the banking channel with all its investees, the main ones being listed below:

- Brasilseg Companhia de Seguros S.A. and Aliança do Brasil Seguros S.A., subsidiaries of BB Mapfre Participações S.A., for the sale of insurance, signed on 06/30/2011, valid until 06/30/2031, renewable for subsequent periods of 5 years.
- Brasilprev Seguros e Previdência S.A., for the sale of private pension plans, signed on 10/06/1999, for a period of 5 years, automatically renewable for equal periods.
- Brasilcap Capitalização S.A., for the sale of capitalization bonds, signed on 07/14/1999, for a period of 5 years, automatically renewable for equal periods.

The schedules below introduce the main transactions involving the companies within the effective utilization of resources:

a) Summary of related party transactions

BB Seguridade – Controller

R$ thousand

	Dec 31, 2021		Dec 31, 2020	
	Controller [1]	Subsidiaries [2]	Controller [1]	Subsidiaries [2]
Assets				
Cash and cash equivalents	369,342	--	208,893	--
Dividends/interest on equity receivable	--	1,572,427	--	1,060,278
Receive with related parties	--	7,571	--	7,261
Liabilities				
Social and statutory obligations	1,213,496	--	628,377	--
Obligations with related parties	6,709	--	5,145	--

R$ thousand

	2021		2020	
	Controller [1]	Subsidiaries [2]	Controller [1]	Subsidiaries [2]
Income				
Interest earnings of financial instruments	13,527	--	47,118	--
Personnel expenses	(12,167)	--	(11,602)	--
Administrative expenses [3]	(1,273)	--	(1,223)	--
Monetary assets changes	--	(2,934)	--	13,989
Monetary liabilities changes	(1,738)	--	(16,477)	--

(1) Banco do Brasil S.A.
(2) BB Seguros and BB Corretora.
(3) Refers to expenses as sharing contract customer data, use of staff, distribution network and resource materials technological and administrative, between the Banco do Brasil, BB Seguridade, BB Corretora and BB Seguros.

BB Seguridade – Consolidated

R$ thousand

	Dec 31, 2021			Dec 31, 2020		
	Controller [1]	Associates and joint ventures [2]	Other related parties	Controller [1]	Associates and joint ventures [2]	Other related parties
Assets						
Cash and cash equivalents	4,090,561	--	--	2,195,445	--	--
Financial assets at fair value through profit or loss	--	--	--	1,038	--	--
Financial assets measured at amortised cost	--	--	--	--	--	204,449
Dividends/interest on equity receivable	--	1,648	--	--	--	--
Commissions to be received	--	1,724,593	--	--	1,817,078	--
Liabilities						
Social and statutory obligations	1,213,496	--	--	628,377	--	--
Obligations with related parties	22,355	200,524	--	20,746	63,769	--
Unearned Commissions	--	2,967,027	--	--	2,544,608	--

	2021			2020		R$ thousand
	Controller (1)	Associates and joint ventures (2)	Other related parties	Controller (1)	Associates and joint ventures (2)	Other related parties
Income						
Interest earnings of financial instruments	125,090	--	--	115,558	--	4,449
Income from Commission	--	3,813,331	--	--	3,532,176	--
Personnel expenses	(63,114)	--	--	(63,893)	--	--
Administrative expenses/costs of services provided (3)	(203,959)	--	--	(186,105)	--	--
Monetary liabilities changes	(1,738)	--	--	(16,477)	--	--

(1) Banco do Brasil S.A.

(2) Related companies BB MAPFRE Participações S.A. and its subsidiaries, Brasilprev Seguros e Previdência S.A. Brasilcap Capitalização S.A. and Brasildental S.A.

(3) Refers to expenses as sharing contract customer data, use of staff, distribution network and resource materials technological and administrative, between the Banco do Brasil, BB Seguridade, BB Corretora and BB Seguros.

b) Compensation Paid to Employees and Directors

On April 15, 2021 and May 27, 2021, an agreement of assignment new version of employees of Banco do Brasil S,A, to BB Seguridade, for the office of Director levels, Management and other positions of trust was signed, The assignment of employees are given in the form of availability, without charge, The Banco do Brasil S,A, continues to process the payroll of the transferred employees, receiving a monthly repayment of all current costs from BB Seguridade.

c) Remuneration of employees and managers

Monthly wages paid to employees and Directors of the BB Seguridade S.A.

	Dec 31, 2021	Dec 31, 2020 (In Reais)
Lowest salary	7,149,77	7,378,28
Highest salary	42,722,42	38,499,07
Average salary	17,104,87	15,252,91
Management		
Director-President	61,564,83	61,564,83
Director	52,177,45	52,177,45
Council members		
Board of Directors	5,906,80	5,906,80
Fiscal Council	5,906,80	5,906,80
Audit Committee - Member	9,870,26	9,868,90

27 - OTHER INFORMATION

Impairment Test

During 2021, still heavily influenced by Covid-19 and its health, social and economic implications, special attention was given to events that could affect the measurement of fair value of assets. In this sense, considering the movement observed in price indices and interest rates, evaluations were carried out on two occasions in 2021 and in none of them were assets identified with signs of devaluation. Likewise, for the assets subject to the impairment test, it was observed that the recoverable amount is higher than the book balance of investments and goodwill, if any, without the need to recognize impairment losses.

The methodology used consisted of a two-step assessment, the first being the survey of signs of loss for the assets, with the exception of investments in equity. Of these assets, of which the most representative are cash and cash equivalents followed by receivables from BB Corretora, the result of the assessment pointed to the absence of evidence of losses. The second stage consisted of preparing the impairment test of assets linked to investments in equity interests, which represent more than 50% of the group's assets.

To perform the impairment test, the Discounted Dividend Flow method was used, therefore, an evaluation by the value in use, which estimated the amount to be received with the investee's dividends. Cash flow was estimated over a period of five years plus the residual value in perpetuity. It is worth mentioning that the test considers three scenarios, base, optimistic and adverse, with weights of 60%, 10% and 30%, respectively. The discount rate used was equivalent to a Minimum Attractiveness Rate adopted by the BB Seguros group.

For the 2021 impairment test, the goodwill related to R$ 110,749 thousand from the acquisition of all the shares held by Sulacap in Brasilcap and R$ 528,595 related to the gain of the partnership and intangible assets of the contract was considered in the book value of the partnership with Mapfre in SH1.

The main assumptions used in the base scenario of the impairment test:

- Revenues and Costs: a historical basis was used, reflecting past experience, and expectations of market growth, the segment in which they operate and the performance of each business;
- Financial Result: forecast of the average return consistent with current financial markets' return rate;
- Minimum Capital Requirement: legal capital requirement as of the time the evaluation was conducted, according to Conselho Nacional Seguros Privados e Agência Nacional de Saúde Suplementar;
- Income Tax and Social Contribution: considered the rates provided by law.
- Perpetuity: the nominal growth rate corresponding to the expected future long-term investment rate;
- Discount Rate: in order to define the discount rate, a method to calculate cost of equity was used. The rate was calcutaled through the CAPM model (*Capital Asset Pricing Model*), which takes into account the cost of capital relative to the return rate required by the stockholders as compensation for the market risk they are exposed to.

(Convenience Translation into English from the
Original Previously Issued in Portuguese)

BB Seguridade Participações S.A.

Individual and Consolidated
Financial Statements
for the Year Ended
December 31, 2021 and
Independent Auditor's Report

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

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INDEPENDENT AUDITOR'S REPORT ON THE INDIVIDUAL
AND CONSOLIDATED FINANCIAL STATEMENTS

To the Management, Members of the Board and Shareholders of
BB Seguridade Participações S.A.

Opinion

We have audited the accompanying individual and consolidated financial statements of BB Seguridade Participações S.A. ("Company"), identified as Parent and Consolidated, respectively, which comprise the balance sheet as at December 31, 2021, and the related statements of income, of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements referred to above present fairly, in all material respects, the individual and consolidated financial position of BB Seguridade Participações S.A. as at December 31, 2021, and its individual and consolidated financial performance and its individual and consolidated cash flows for the year then ended in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards - IFRS, issued by the International Accounting Standards Board - IASB.

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 Company and its subsidiaries 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 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.

Commissions income

As disclosed in note 4 to the individual and consolidated financial statements, BB Corretora, a direct subsidiary of the Company, records income derived from commissions in accordance with technical pronouncement CPC 47 - Revenue from Contracts with Customers (equivalent to IFRS 15), considering the following steps: (i) identification of the contract; (ii) identification of performance obligations; (iii) determination of the price of the transaction; (iv) transaction price allocation; and (v) revenue recognition. As a result, commissions income is recognized when (or to the extent that) BB Corretora satisfies the performance obligation when transferring the promised service to the customer.

Mainly due to the relevance of commissions income the consolidated financial statements and the variety of the commercialized products, we consider this a key audit matter.

We evaluated the design, implementation and operation of the key internal control activities related to the process of recognizing commissions income and, additionally, we performed the following main substantive audit procedures for a sample of transactions selected randomly: (i) verification of the occurrence of the transactions by consulting the legacy systems of Banco do Brasil and the verification of their financial settlement; (ii) reading of the operational agreements between BB Corretora, Banco do Brasil and operating companies, the Company's indirect investees, to assess whether the commission rates charged for the selected transactions were the rates agreed between the parties; (iii) verification of the calculation of the appropriation of commissions income in accordance with the concepts of technical pronouncement CPC 47 (IFRS 15); (iv) confirmation letters to the main operating companies, the Company's indirect investees, to confirm the commissions income for the year ended December 31, 2021; and (v) verification of the appropriateness of the related disclosures.

As a result of these the audit procedures performed, we identified insignificant internal control deficiencies related to the process for commissions income recognition and adjustments that have not been recorded by the Company's Management, as they were considered immaterial.

Based on the audit evidence obtained, we considered that the capture, processing, recording and related disclosures relating to commissions income are acceptable in the context of the financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated statements of value added ("DVA") for the year ended December 31, 2021, prepared under the responsibility of the Company's Management and disclosed as supplemental information for IFRS purposes, were subject to audit procedures performed together with the audit of the Company's financial statements. In forming our opinion, we evaluated 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.

Deloitte.

Other information accompanying the individual and consolidated financial statements and the independent auditor's report

The Board of Directors is responsible for the other information. Such 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 the Board of Directors and those charged with governance for the individual and consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and IFRS, issued by IASB, and for such internal control as the Board of Directors 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, the Board of Directors is responsible for assessing the Company'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 the Board of Directors either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' 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 internal control of the Company and its subsidiaries.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' 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 ability of the Company and its subsidiaries 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 Company and its subsidiaries 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 communicate with them all relationships and other 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 financial statements of the current 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.

Brasília, February 4, 2022

DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.

Roberto Paulo Kenedi
Engagement Partner

2022BS011315

AUDIT COMMITTEE REPORT SUMMARY - FISCAL YEAR 2021

Introduction

The Audit Committee was installed at BB Seguridade Participações S. A. in 2015. It is a statutory body to advise the Board of Directors, acting permanently and independently and with the objective function to evaluate and advise on the quality and integrity of the financial statements of the Company and the effectiveness of the system of internal control and Internal Auditing; the role of the External Auditor; and the risk exposures of the Company and the adequacy of related party transactions. The By-laws of the Committee, approved by the Board of directors, are available at the website https://www.bbseguridaderi.com.br/en/sustainability-and-governance/management-and-committees/.

As provided in the By-laws, from the adoption of the affiliated companies to the sole Audit Committee, the composition became up to five (05) members, being one (01) appointed by the representatives of the minorities, one (01) independent member of the Board of Directors and the other holders, three (03), appointed by the other members of the Board of Directors.

The Administration is responsible for preparing and ensuring the integrity of the financial statements, managing risks, defining, testing and maintaining an effective internal control system and ensuring compliance with legal and regulatory standards.

The Internal Audit is responsible for carrying out periodic work, focusing on the main risks, independently evaluating the actions of managing these risks and the adequacy of governance and internal controls.

The External Audit is responsible for auditing the financial statements. It also assesses, in the context of the external auditor's work, the quality and adequacy of the internal control system and compliance with legal and regulatory provisions.

Main Activities

In the period from January 1 to December 31, 2021, the Committee held a total of one hundred and two (102) meetings, made due diligence and requests for documents and information with the Administration of BB Seguridade, BB Corretora and BB Seguros, risk and control manager, and internal and external auditors. The activities developed in 2021, recorded in minutes, covered the set of responsibilities assigned to the body and are summarized below.

The Audit Committee, in particular, issues were addressed related to financial statements, internal control systems, accounting, tax and risk management processes and related to transactions with related parties. In situations where a need for improvement was identified, improvements were recommended.

Special attention was also given to the monitoring and follow-up of the measures adopted by the Company to adapt to the requirements of the General Data Protection Law (LGPD).

A discussion was opened with the internal and external audits, opportunities in which plans were appraised and the results of the main works, their conclusions and recommendations were learned.

BB Seguridade, BB Corretora and BB Seguros' accounting statements were reviewed, prior to disclosure, as well as the explanatory notes and the Administration report, and reports and notes were also discussed with the external auditor.

Conclusions

Based on the activities developed and bearing in mind the tasks and limitations inherent to the scope of its activity, the Audit Committee considers that:

a) The internal controls of the Companies evolved in 2021 and proved to be adequate to the size and complexity of the business and object of permanent attention on the part of the Administration;
b) The Internal Audit, with its own budget and proper structure, performed its functions with independence, objectivity and quality;
c) The work and information provided by the External Auditor was adequate and supported the Committee's view on the integrity of the financial statements. No events were identified that could compromise its independence;
d) Internal risk management processes have evolved compared to the previous period, although they still lack improvements, such as tools and information that allow the Company to expand its vision and capacity to act on risk and capital management processes, including in the scope of controlled companies;
e) Transactions with related parties of the Company were evaluated and monitored by the Administration and by its own statutory committee, and no significant distortions were reported. Given the volume of transactions, continuous monitoring is maintained in order to provide greater transparency to processes;

Opinion: based on the work and interviews conducted in the course of the fiscal year, and bearing in mind the attributions and limitations inherent to the scope of its activity, and considering the internal control systems, the work carried out by the internal auditors and external auditors, as well as their report issued without reservations on February 4, 2022, the Audit Committee has found no indication or evidence that the individual and consolidated financial statements do not adequately represent, in all material respects, the financial and equity position of BB Seguridade Participações S. A. and its Affiliated Companies on December 31, 2021. In this sense, the Committee believes that they are in position to be appreciated by the Board of Directors.

Brasília (DF), February 04, 2022.

Luiz Claudio Moraes

Artemio Bertholini

Gilberto Lourenço da Aparecida

Manoel Gimenes Ruy

Roberto Lamb

FISCAL COUNCIL REPORT

BB SEGURIDADE PARTICIPAÇÕES S.A.'S FISCAL COUNCIL, due to its legal and statutory duties, examined today the Company's management report ("Relatório Anual da Administração"), the individual and consolidated Financial Statements, including the Balance Sheet, the Income Statement, Statement of Comprehensive Income, Statement of Changes on Net Equity, Cash Flow Statement and Added Value Statement, as well as the related Explanatory Notes, the report of the external auditors and a proposal of allocation results, all related to the fiscal year ended December 31st, 2021.

Our analysis of the statements above mentioned were further complemented by additional reports and documents and, mainly, by information and explanations provided to the Fiscal Council by the external auditors and the Company's Management.

Therefore, based on the work and clarifications provided by Deloitte Touche Tohmatsu Consultores and in the unqualified opinion included in the report issued by Deloitte on February 4th, 2022, and in the additional clarifications provided by the Management, this Fiscal Council unanimously states that the Financial Statements above mentioned, including the Management Report ("Relatório Anual da Administração"), and the proposal of allocation results are properly presented and concludes in favor to its submission to the Shareholders General Meeting deliberation.

Brasília (DF), February 4th, 2022.

Francisco Olinto Velo Schmitt
Member of the Fiscal Council

Luis Felipe Vital Nunes Pereira
Member of the Fiscal Council

Lucinéia Possar
President of the Fiscal Council

DECLARATION OF THE MEMBERS OF THE EXECUTIVE BOARD ABOUT THE FINANCIAL STATEMENTS

In accordance with article 25 of CVM Rule 480, dated December 07, 2009, I declare that I have reviewed the Financial Statements for the period ended in December 31, 2021 of the BB Seguridade Participações S.A. and, based on subsequent discussions, I agree that such statements reflect fairly, in all material respects, the financial position for the period presented.

Brasília (DF), February 04, 2022.

Ullisses Christian Silva Assis
Chief Executive Officer

Bruno Alves do Nascimento
Chief Strategy Officer

Marcelo Lopes Lourenço
Chief Commercial Officer

Rafael Augusto Sperendio
Chief Financial Officer

DECLARATION OF THE MEMBERS OF THE EXECUTIVE BOARD ON THE REPORT OF THE INDEPENDENT AUDITORS

In accordance with Article 25 of CVM Rule N. 480, dated 12.07.2009, I declare that based on my knowledge, the planning submitted by the auditors and the subsequent discussions on the audit results, I agree with the opinions expressed in the Deloitte Touche Tohmatsu Independent Auditors' report, dated February 04, 2022, related to the financial statements of BB Seguridade Participações S.A. for the fiscal year ended December 31, 2021 there being no disagreement.

Brasília (DF), February 04, 2022.

Ullisses Christian Silva Assis
Chief Executive Officer

Bruno Alves do Nascimento
Chief Strategy Officer

Marcelo Lopes Lourenço
Chief Commercial Officer

Rafael Augusto Sperendio
Chief Financial Officer

MEMBERS OF THE MANAGEMENT BODIES

DIRECTOR-PRESIDENT

Ullisses Christian Silva Assis

DIRECTORS

Bruno Alves do Nascimento

Marcelo Lopes Lourenço

Rafael Augusto Sperendio

BOARD OF DIRECTORS

Marcelo Cavalcante de Oliveira Lima (Presidente)
Claudio Xavier Seefelder Filho
Gilberto Lourenço da Aparecida
Isabel da Silva Ramos
Ricardo Moura de Araújo Faria
Ullisses Christian Silva Assis

FISCAL COUNCIL

Lucineia Possar

Francisco Olinto Velo Schmitt

Luis Felipe Vital Nunes Pereira

AUDIT COMMITTEE

Luiz Claudio Moraes
Artemio Bertholini
Gilberto Lourenço da Aparecida
Manoel Gimenes Ruy
Roberto Lamb

ACCOUNTANT

Pedro Kiefer Braga

CRC-DF 020.786/O-0

CPF 027.782.029-43