[00:00:26] Felipe Peres – Good morning everyone! Thanks for waiting! And welcome to our virtual meeting to present the 1Q22 results. A few quick reminders we have here before starting. This event is being recorded and has simultaneous translation into English. Those who wish to listen to English audio can click on the interpretation button at the bottom of the screen. The presentation in Portuguese will be shared throughout the event. To view the document in English, simply access it on the investor relations website. At the address that is appearing here for you. After the presentation, we will start the question and answer session. Anyone who wants to advance questions during the presentation can send them in writing by clicking on the Q&A button. We will also allow questions to be asked by audio, exclusively in Portuguese, after the presentation. You can ask to ask a question by clicking the raise hand button. With us today are Ullisses Assis, Chief Executive Officer of BB Seguridade, and Rafael Sperendio, Chief Financial and Investor Relations Officer. I will now turn the floor over to Ullisses, who will begin the presentation. Ullisses may proceed, please.

[00:01:44] Ullisses Assis – Thank you, Felipe. Good morning everyone. It is a great pleasure to be here with you to talk about our results for the first quarter of 2022. It is a result that makes us very happy with our performance, it shows a lot of the resilience, the result of our company. We've been talking about this since last year, in the last releases, where we really expected the company to change the level of results this year, mainly due to the constant growth that we have been having in operating results for the year after year. And, as a result, also the return of the financial result to levels of participation much higher in our result, as we had until 2017 with Selic at 2 digits. And what we've been talking about actually materializes in a Financial Result finding an operational one at a completely different level, which strengthens our result as a whole, even with the severe impact in terms of rural insurance claims, we reached a profit R$1.2 billion, practically R$1.2 billion, in this first quarter, a growth of 21% over the first quarter of last year. And beyond the financial result. You can see R$232 million on the screen. This is higher than that reported for the entire year of 2021. What makes us happier is the issue of building a very solid result and, above all, building the results of the future. Because when we analyze both the collection of premiums, pension plans and capitalization, our growth is quite robust and sustainable in terms of sales. In insurance, for example, we issued R$2.8 billion in premiums.That's it, it's higher than that reported for the entire year of 2021. What makes us happier is the question of actually building a very solid result and, mainly, building the results of the future. Because when we analyze both the collection of premiums, pension plans and capitalization, our growth is quite robust and sustainable in terms of sales. In insurance, for example, we issued R$2.8 billion in premiums. This is 19% higher, the performance is from the first quarter of last year. In pensions, we reached 13 billion in contributions, a quarter, also 21% higher than the same period last year. Capitalization resuming a leading role for Brasilcap in the capitalization market, with R$1.4 billion in revenue, 25% higher than the first quarter of last year. So, really numbers that make us very excited in the construction of a result are increasingly robust in the short and medium term. Another point that I have been highlighting since my arrival at the company is our partnership strategy. I have been saying that our main channel, which has always been, is and will be Banco do Brasil and we prioritize this channel a lot, but we have been talking about our, that is, our desire to explore other sales channels. And in this first quarter we reached R$112 million in insurance premiums written, which represents 4% of our sale of total insurance premiums issuance. It's still a small number, but it already makes us very satisfied and shows that our channel diversification strategy is on the right track. We went from practically zero partnerships in the middle of last year to some, it is the 6 partnerships, more precisely now, operating what already represents 4% of our total premiums written. And what we really expect is that these partnerships in the medium and long term will increasingly have a significant share in our revenue. You can pass, Felipe, I'm going to talk a little bit here about something that has helped us a lot and even give you an account. In view of this scenario, and especially the scenario that lies ahead, of open finance and open insurance that is advancing there at great strides and in the sense of catapulting our sales. To improve our sales volume, both inside and outside the bank channel, we continue on our path of strong investments, in technological modernization, in digital transformation. You can see that in the graph of the digital share of our sales it has been growing, it is quarter after quarter, we arrived in the first quarter of 2022 with 13.2% share here again. We want this total volume to grow, as it has been growing, the participation of digital is a consequence, but we also want to provide all the alternatives so that the bank's network physically sells a lot, right? And I think the most important thing here is not even the size of the pizza slice, it's that the pizza grows. That's what we've achieved. However, when we compare the numbers of digital sales with themselves, we have 31% more in the number of deals carried out over 1Q21, which leads us to believe that our investments in modernization have had an effect not only in the improvement of products and distribution channels and, mainly, in the simplification of the purchase process by the customer, through the Bank App, but also an investment that we have made in analytical models, when we analyze there, 733 million businesses generated , supported by analytics. Which is equivalent to everything we did in the first half of last year. So, in one quarter we achieved the same performance as in an entire semester. And when we bring this accountability, also the new IT architecture, you can see there in March 21, we had 10% in June and I think it was the first time I talked about the anticipation of our road map until the end of 2022, we still only had 15% of the products prepared for this new distribution logic in all channels, we reached 40% of the products in March and we reached 48% in April. The data isn't there, but we're already practically halfway through our products. This is half of this in our road map completed, we invested R$93 million in 1Q22, which is 22% higher than in 1Q21, but as we anticipated in the last earnings release, our investment this year to deliver 100% of our transformation digital will exceed half a billion reais. So, in the next quarters we should also have a strong acceleration of this process, so that we can effectively fulfill the road map by the end of this year. Finally, I want to talk to you a little bit before I go over to Rafael to get into the numbers about the diversification of our distribution. We reached R$112 million in written premiums. It is a number that we really expect to grow a lot. When we analyze it, in terms of credit life and rural insurance, which were the main focus of our sale. 4% of the total credit life premiums issued has already been via partners, mainly cobans, of Banco do Brasil. We talked a little bit about this strategy back there. And 8% of rural insurance, already issued outside the bank channel and here with a very large focus on unfinanced areas. The idea really is to advance where the bank's network does not reach. We left there in December 21. It's with 2 partnerships signed, operational. We arrived in March 22, with 6 partnerships. Yes, I had promised at the end of last year that our goal would be to reach 10 new partnerships operating by the end of this year and we are making great strides and we expect to deliver this well before the agreed deadline. Even because we are looking and have many fronts in progress. We have structured areas for prospecting new channels in each of our companies, whether Brasilprev, Brasilseg and Brasilcap. We also structured a BB dental area, and we even have an area at Ciclic. Yes, we also structured an area here at the Holding via BB Corretora so that we can integrate this whole strategy, right? Even because often a partner prospected from one of the channels in one of the companies has at its core the need for a complementary product that we have in another company. So, it is a strategy that we have taken very seriously and have sought a very fluid and integrated process between the companies. And we hope to announce in the coming days 2 new negotiations with partners specialized in wholesale service. It is already in the contract signing phase and we intend to move forward. It is a gap that we still have within our distribution model and we want to move forward quickly in the wholesale segment as well. What we believe can substantially increase our sales is a strategy again, even though the numbers when we analyze the whole are small numbers, R$112 million compared to R$2.8 billion, but remembering that we practically left the zero and our idea is that this strategy will continue, because we really believe that in some time, in some semesters and years, these new channels can play a very representative role, in percentage terms, in terms of the company's total sales. I'll pass on to Rafael to talk a little about the numbers and our result and I'm at your disposal for questions and answers.

[00:10:49] Rafael Sperendio – Thank you Ullisses. Good morning gentlemen! Starting here on the page talking about the result. Just as Ullisses already anticipated R$1.2 billion in profit in 1Q22, growing 21% compared to last year. We had a contribution here from both the financial and operating results, but even stronger from the financial result, the operating result has been maintaining the trend of improvement even with the loss ratio event that I will detail on the next page of rural, but the financial result Here again, we have a participation that we understand to be more adequate in the composition of the company's total result, representing here 20% of the profit. Some factors that benefited, the most direct here, the increase in the average Selic rate, there was also an increase in volume in most companies and also had an effect here, another highlight on our part, that since last year we have been reducing the exposure to pre-fixed, increasing exposure to post-fixed, which today amounts to around 68% of the portfolio in which it is currently marked to the market and this ended up generating a benefit here when we look at the combined result of the group's companies, obviously, respecting all the limitations that we have of ALM in companies, some as we can call it, with greater flexibility to increase their post fixed exposure, others a little less, but in a global way, in which post exposure has increased significantly, and this greatly benefited the financial result. Another factor that you will remember is with regard to the yield curve. So, not only did we reduce pre-exposure, but the effect of the opening on the magnitude of the opening of the yield curve this year was much smaller than the opening that took place in 1Q21. At the beginning, it also ended up generating a less negative mark-to-market than what happened in 1Q21, that effect already known to all, which is the time mismatch there in the updating of assets and liabilities of traditional pension plans. This year, it had a much smaller effect than it had last year, practically half, right? R$52 million of positive impact this year against R$100 million of positive impact last year. Then we always bring that concept of the result here. Normalized income that segregates this effect, which generates noise only, with zero sum over time, if we discounted this effect, we would have a profit of R$1.1 billion in this first quarter, growing 29%, well above the 21% that we delivered on the accounting basis. On the next page, we have an analysis of the year-on-year profit variation, segregated here between the main components. So, we see that it is very clear that the main drivers of this growth in the result year on year, when is the first increase in the premium earned in insurance operations and here there is a very strong contribution from inventory products. Remembering that our result is that in large numbers, it is composed of 1/4 of sales made in the current period, 3/4 of sales made in past periods here at Brasilseg. We can see the result of all this effort, and all this growth that we have seen over the last few years, in addition to the very strong growth that we have seen this year, with the main highlights here, rural, residential and business that contributed, mainly on the prize won. The financial result here I already discussed the main reasons for the growth in the financial result year on year. Brokerage income, here is also an important factor that contributed to this growth and that is nothing more than the explanation that I brought to the earned premium added to a recovery or a very robust growth that we had, however, a segment pensions, as well as capitalization, year on year. Revenues from management fees at Brasilprev contributed here with R$21 million increase in our result, coming here, both the increase in the balance of assets under management and the increase there in the average rate from 2 basis points, when we look at it year on year, first quarter, it is a reflection of the entire diversification strategy, increased exposure to multimarkets and the introduction of products on the shelf that add more value to our customers. So, we add up all these effects here, we would be talking here with a growth in the result of 45% year on year, instead of the 21 that we presented. On the other hand, practically half of this growth here was consumed by the increase in claims. What Ullisses mentioned at the beginning of the presentation focused a lot on the rural segment. That even so, although a is an effect that repeats itself, constantly, depending on the climatic events, the magnitude, severity and the time of intensity of these events, but they are usually repeated every 2 years. When we look here in the graph, in the upper right corner, we brought it here, although our loss ratio was quite high compared to last year, the last cycle, let's call it that, looking at the crop year. Even so, it was much smaller than the magnitude observed in the market as a whole. This is evidence of the robustness and maturity of our underwriting policy, in agricultural insurance risk and a competitive advantage that we have here in diversifying this risk both territorially and in terms of crops. What allowed us here to reach a loss ratio, practically half of what was observed in the market as a whole. In the graph, in the upper and lower right corner, here we show the dynamics of the last crop year. So, in this cycle, we can see that almost all of the claims events were concentrated at the end of the cycle, which greatly benefited last year, but ended up harming the beginning of this year. However, here it is evident that the peak took place in January and from then on, it starts a very consistent downward trend, in April this number is still much lower than the number observed in March. And now we hope that no event of this type will be repeated by the end of the year, and this is one of the reasons that we will address later in the presentation of the expectation of a more significant acceleration in the growth of the company's operating result in the coming quarters. On the next page, we begin to bring the main highlights by operation. In the insurance operation, there is a 19% growth in premiums, the main driver here, of course, was rural insurance, growing 45% year on year, residential insurance is a product that we still have enormous potential to explore within the next bank branch. growing 31%. Empresarial was also a reformulated product, it also regains enormous potential to explore a corporate segment in general, growing by 14%. So a very robust performance here, 2 digits in most of the business lines, the exception here was the drop in credit life, an 11.4% retraction, which ends up reflecting the scenario it has faced, a scenario of rising rates, ends up being the most difficult environment for the placement of credit life. In the lower left corner. The main operational indicators here of insurance. We see this worsening in the combined, which the reason is very clear, increases the loss ratio in agricultural insurance, although we have already observed a considerable improvement in the life and credit life segment that should accentuate in the year-on-year comparison, the from 2Q22. Commissioning had a reduction of 3 p.p., here the reason that explains this commission retraction is the performance of the moneylender. This retraction ends up not electing the company to pay the performance bonus, consequently, the brokerage to receive this performance bonus. So, for this reason, the reduction in this commission ratio, it is worth mentioning that in April the performance of both life and credit life was much healthier than what we observed in 1Q22. The general and administrative expenses index retracted 2.5 points. And here the main reason was the lower contributions to the rural insurance stability fund. Obviously it is a direct consequence of the increase in claims in an agricultural segment. In terms of the financial result, up 135%, the explanation is very much in line with what I have already mentioned, which is increases in both volume and rate, a company that has a very relevant post-exposure, even higher than last year. And finally, the increase in the premium earned and the growth in the financial result ended there, more than offsetting this increase in claims, allowing the company's profit to grow 7% compared to 1Q21. Moving on to pensions. Here we have an increase in collection of 21% year on year, reaching a total volume of 13 billion reais. The redemption index, despite having this high of 1.8 p.p. compared to the first quarter of last year. It has already shown a reduction of 30 bases here in relation to what was observed in 4Q21, remembering that this index would always be the annualized quarter. In April we saw an even more positive trend and even though we had this very strong increase in gross funding, net funding dropped, it was negative, let's call it, R$500 million in the first quarter. Remembering that here in this first quarter, we had a specific case, a specific case here of a client who ended up dying and the reservation ended up being reversed. Practically all for the beneficiaries. A reserve of R$445 million. So, if it weren't for this specific case here, this net funding would have been practically zero, year on year, and not negative at R$475 million, which is the full amount. Reserves growing 5% in the 12-month period, with the participation of multimarkets, reaching 32.5% of the total resources managed by PGBL. The average injection rate, which is just a change, in the mix, in the assets under management, it improved here by 2 basis points, growing in relation to 1Q21 and therefore revenues grew 6%, 1.p.p. above the growth of the reserve balance. The financial result was positive by R$193 million, compared to a negative result in 1Q21. Here Brasilprev is one of those companies that I mentioned initially, where we have a greater limitation of LM, so we cannot significantly change this composition, on the contrary, we had an inverse movement, we had a greater post-exposure in the year past than it has this year. The reason that explains the variation in this mix here last year, in the first half, was the period in which we concentrated our funding and funding in subordinated debentures, so it takes a while. Until the company manages to allocate all that amount of resources that are in post in the first half of last year. As time went by, we were able to reallocate this resource in ntn-b, which is what makes sense for the company, since our obligation is linked to inflation, so, which explains that this The increase in the financial result of Brasilprev in the city is that it is a smaller magnitude of the opening of the real interest curve, than what happened in the first quarter of last year, therefore, this result is stronger in this 1Q22. And then we have this composition of factors, right? The 6% growth in revenues, with an improvement that we had in the efficiency ratio of around 0.2 p.p. Added to this growth, the financial result, profit grew 57%. So in terms of the composition and highlights in the pension segment, right? Today we already have 23 billion in the movement portfolio, that dynamic allocation portfolio, the client chooses some risk profiles and allocation among these risk factors, it occurs dynamically, it already represents 7% of the total. We already have 9 billion in funds here, in open architecture, with 13 independent partner managers representing 3% of the total AuM of PGBL and VGBL R$7 billion of investments abroad. As for capital, which was a concern in that transition scenario, 20 and 21. Today we already operate with a considerable slack here of 2.4 billion over the regulatory minimum capital. A solvency of 183% in a Hand index, in the order of 83% of the assets indexed to the IGPM. Moving on to the next page. Capitalization here the main highlights in growth of 25% in collection. Financials had a considerable improvement here, 23% up, with a 40-fold increase in net interest income. Here it is the result of the change in the mix, which is a company, where we have greater freedom to work on the composition between pre and post, thus benefiting greatly from the high Selic rate, considering this change in the commission on assets and a smaller impact of mark-to-market, coming from the opening of the nominal yield curve here. And because of this financial improvement, we see a 10% increase in profit compared to the same period in 2021. In the operation of dental insurance. Here we have a growth of 4% in revenues with the improvement of 20 basis in the ebitda margin and profit growing by 22%. Here, the main factor that explains this stronger growth in the result is directly linked to the increase in the Selic rate, which is the gain we had in the company's financial result. On the next page, page 13, talking about the brokerage, a 10% increase in brokerage revenues. The main factors, those that I already explained initially, extraordinary performance, rural insurance, residential business and the growth in collection, both from pensions and capitalization – these are the main drivers of brokerage revenue growth. The net margin grows, 1.6 points, the profit ends up growing at a higher rate than the revenue growth. The direct explanation is related to the financial result, taking into account that actively 100% of the brokerage's assets have remuneration linked to the DI variation. Page 14 to close the presentation. Here's our rendering of accounts regarding the 2022 Guidance. So we can see the operating result non-interest in the first indicator, we deliver a growth of 7.7% in the range of 12% to 17%. Here it is clear the main reason why we did not stay within the range of estimates, which was the loss ratio of agricultural insurance, but we, given the scenario that we expect from here to the end of the year, we should already converge to this range of the guidance, in the second quarter already. So, there is no reason that leads us to review growth estimates, operating results, at least now, right? In premiums written an overshoot is considerable here, 18.8% the ceiling of 15% estimates. Here, the main factor that led to this deviation from the estimates was the growth of rural insurance. It is something that we will follow the evolution throughout the second quarter to reassess later in this estimate interval if it is adequate or not as we evolve throughout the year. And finally, the variation in pension reserves, at Brasilprev we delivered a growth of 4.1% in 12 months in a range of 9% to 13%. So here we have a peculiarity, a very atypical scenario that we are experiencing where the year-on-year comparison here ends up not being adequate anymore. It's because the reserve last year ended up changing very little. So we expect this growth rate to accelerate over the quarters of this year. If we consider here only the variation of the reserve - remembering that the reference point for growth is December 2021 - So, if we look at March against December 21, the growth was 2.6% in 3 months only, huh? So, if we simply maintain this growth rate throughout the year, it will be enough to converge to the middle of this range, which is the reference number that we brought here, 10.7%. So, today we have a deviation, but we don't see any evidence that leads us to believe that this estimate needs to be revised, given that the simple maintenance of the growth rate is enough to converge to the range of estimates throughout the year. Well, gentlemen, these were the main highlights that we would like to bring here in the presentation and we can move on to the question and answer section.

[00:31:00] Felipe Peres – Thank you Raphael! Remembering, who wants to ask a question by audio in Portuguese, just click on the raise hand button and release the microphone when authorized. If you prefer, you can send questions in writing, also in Portuguese or English, by clicking on the Q&A button, if we don't have time to answer the questions in writing live, we'll send them by email at the end of the tele, ok? The first question we have here is from Antônio Ruette from Bank of America. Antonio, can you please release your audio and ask the question?

[00:31:37] Antônio Ruette – Good morning people, everything fine? Congratulations on the results there and thank you for the opportunity to ask questions. Yeah, two dots here on my side. It's first in terms of premium growth, you mentioned maybe evaluating the guidance for premium growth in the second quarter, given the strong growth of rural in the first quarter. I would like you to explore a little better the performance, the expectation, you know, the performance of life and moneylender, right? We continue to see credit life premiums falling year on year and life still growing at a high single digits pace, so if you could explore the commercial dynamics of these two products a little better, that would be great. And, a second point, still in the guidance, would be the growth of technical reserves. Here it is the same as what we said in the call of the first quarter, this Guidance implies a net inflow very close to zero, given a carry here, given the interest rate for the year, so I would like you to explore the strategy in the product a little better, given that you already consider a very aggressive environment, right? In the guidance itself, what is your strategy to be able to reverse it and what is your vision for the business itself?

[00:32:58] Ullisses Assis – Okay, Antonio, thank you, I'll start the answer here after Rafael can add, especially on the second question. But speaking a little here, about the issue of premiums issued, exploring the life market a little, and moneylender. Ordinary moneylender, we know well, it is very much linked to the issue of credit conditions, right? And then we can see, even through the balance sheets of other market players, that even because of the increase in the Selic rate, this, in a way, had a direct impact on credit and the volume of credit life has actually fallen in practically all insurance companies.

throughout the year. I would even say that we, suffering a little less than the others, but still with the growth, with a performance below what we imagined, it is more, mainly because of this issue of being very sensitive to our own credit and the Selic strongly impact this appetite. In terms of life, since the launch of our new line of life insurance, we have experienced growth well above the market. In the first 3 months of this year, we actually had lower growth, but even because of some internal readjustments here, in April we already noticed a very strong reaction from life sales and even from the moneylender, ok? Credit life also saw a stronger sales outlook in April and we expect life sales to accelerate considerably from this second quarter onwards. We are very optimistic, because it is within this context that I discussed the product with you, the new product line was very well received by the market and due to the dynamics that we have, it is adopted in which the Banco do Brasil network itself We really expect these sales and we have already noticed this since April, beginning of May, we are already at a different level of sales in relation to life. In the credit life, as I told you, although very sensitive to credit, we also came in April in a growing, we are adapting our portfolio there to the corporate credit life and even the stock moneylender, not the slip moneylender - which is contracted at the time of the operation - in a way that we can capture as much business and premiums as possible, giving alternatives for the bank's network to work with this customer base there, including operations previously contracted. And the stock moneylender is a good alternative, ok? Do you want to talk a little about the issue of social security, Rafael?

[00:35:36] Rafael Sperendio – So, yes, Antônio, regarding the guidance, at this moment, the growth of pension plans is correct. It is there, it is implicit within the premises. It's a net flow, very close to zero, ok? Because of the scenario that we are experiencing. That's what we've observed. Kind of the direct effect. The increase in inflation and, subsequently, a high level of indebtedness ends up generating a certain understanding of disposable income, the population's ability to save, and this is happening in global terms, it is not something that is only the domestic scenario. So that's why we prefer to be more conservative today in estimating the growth of reserves, precisely because of the context we are experiencing. As the months go by, we identify that there is an opportunity and that the scenario is changing. Nothing prevents us from reviewing this interval. For now, this is not our base case. For now, the base scenario is to keep it as is. Although we have a growth perspective due to the accumulation of interest in reserves higher than what we initially expected for the year. We still have a very challenging scenario in terms of net funding. That's why we prefer to be conservative in this initial moment.

[00:37:23] Antônio Ruette – It's great, guys. Thank you!

[00:37:24] Ullisses Assis - Sorry, you mentioned the question of rural insurance there in the first question, I forgot to mention it, but rural insurance, we are also very optimistic, okay? Even because the new crop year is coming. We have today in the rural insurance scenario, the first negative part of paying a lot of claims, but at the same time, the strong payment of claims is accompanied by an increase in demand. So, today I would tell you that the market is very demanding. The competition is enough. I would tell you, I wouldn't even say conservative, but the competition is even lower in supply than we have actually had in terms of demand. So, obviously, maintaining our entire subscription level, which has proven to be quite effective, right? See the data that Rafael recently brought, but we are going to take advantage of these opportunities a lot within a very effective subscription policy, but we imagine room to capture a lot of revenue in this extremely demanding market, but even so, when compared to more developed markets , still very low. Again, we are going to talk about a 15% penetration of insurance in Brazil in front of the planted area, when compared to the United States, 80%. So we have a sea of opportunities in this market and we are going to explore it with a lot, I would say, with a lot of responsibility, but occupying our share, which we understand to be right, because our capillarity also helps a lot in this distribution across the country.

[00:39:07] Antônio Ruette – Great! Thank you guys!

[00:39:12] Felipe Peres – Next question comes from Kaio Prato from UBS BB. Kaio can release the microphone, please!

[00:39:20] Kaio Prato – Good morning people! Good morning, Ullisses, Rafael and the whole team! Thanks for the opportunity to ask questions. I have two questions, the first is a follow up on Antônio's question, in relation to the moneylender. I would like to know if you could elaborate a little more if this contraction is in fact more due to the lower volume of credit coming from Banco do Brasil as a whole? If this is still due to the lower average ticket for the new product you launched recently, which was, I think last year, or due to the drop in renegotiations. So, if you could talk a little more, how do you see Banco do Brasil's appetite for credit this year? And also Ullisses mentioned the moneylender to PJ, given that the government recently approved a new Pronamp, I wanted to know if you could remind us if you work in this line or not, and the reasons for this, if we can expect any upside sales of this line also?

[00:40:18] Rafael Sperendio – Good, Kaio! I'll start here with the answer, then say, please, if you want to add. But today, what did we observe during this first quarter? Our penetration of eligible lines, the placement of credit life has not changed. So, what happens, the origination of credit in some lines that focuses on the placement of credit life, and the payroll insurance specifically was the lowest of what happened in the first 1Q21. Which is natural due to the simple movement that we had been observing in the last cycles of rate reduction. There is a greater demand from customers for renewing credit at a lower rate. When these cycles are inverted, or sometimes it does not even need to be inverted, a simple fact of maintaining rates, this movement of renewal in search of a lower rate in a larger principal, it ceases, right? And then the moment we have, which is the most favorable to carry out the credit life insurance process, which is an increase in credit origination, whether new credit or renewal of an existing credit, this moment does not occur because the customer does not looking for more renewal. So, this explains the drop in the volume of credit life premiums issued when we look at 1Q22 against 1Q21. Sorry. There was one more question you asked Kaio about Pronamp. Our performance at Pronamp is very residual, we can't do it along these lines, ok?

[00:42:23] Kaio Prato – It's cool, so what? Anyway, just to understand better. Is there any reason why you are not so optimistic about this line? And finally, my second question is more specific about the changes in the technical reserve that we saw at Brasilseg this quarter. There was a reversal of the technical reserve now in this first quarter, I just wanted to understand better if this is due to events in the rural segment or if there was some other on-off effect and if we can expect a normalization from now on as well?

[00:42:56] Rafael Sperendio – No special reason right? We simply prefer to keep our operations in non-directed lines, ok? This is our operating model. Regarding your second question, I'm sorry, I, I sometimes, the change in the profile of Brasilseg's technical reserves, and did you mention it?

[00:43:17] Kaio Prato – This! There was, I think, a reversal of the technical reserve in Brasilseg this quarter. I just wanted to understand better if it was because of the rural effects or if some other specific?

[00:43:26] Rafael Sperendio – Well, it is necessary to elaborate a little more, but the dynamics that happened during the first quarter, we have a natural volume of greater reversal of earned premiums, mainly from credit life. What happens? The premium issued, it ends up being deferred over a period of 5 years, right? As the premium issued falls, the volume of origination, of issued award, reduces, the volume of reversals of premium earned from these past operations exceeds the volume of constitutions, ok? Because I have fewer awards coming in and more awards being recognized, okay? So, this is one of the factors that explains this reduction in the assessment of the technical reserve, ok? Now, if you have something more specific, then I would need a little more detail. Which reserve? If it's IBNR, BSL or something like that, which I believe are these reserves, and I don't have a number in my head right now, but they had a contrary movement, these have increased. So, the one that comes to my mind now about the reserve, which may have had this behavior, is the PPNG of the moneylender.

[00:44:35] Kaio Prato – Cool, perfect, super thanks to Rafael!

[00:44:37] Ullisses Assis – Kaio, just to complement here, just a point about what Rafael brought up in relation to the moneylender, as I said, we have been working on other alternatives, not just the slip moneylender, and we are very attentive to the market in relation to the price, OK? So we are analyzing several possibilities here through market research, so we can make some adjustments in terms of price. That's what we hope there, which will also help us leverage a little more in the coming months. As I told you, in April we already noticed the strong increase in the hiring of credit life. But this issue of our attention to price should also bring some possibilities, because the new product really is a cheaper product, but even so, we need to be very attentive to what the competition has been practicing and we see the space so I can tweak it a little bit, okay?

[00:45:32] Kaio Prato – Perfect! Super clear, Ullisses, thanks!

[00:45:37] Felipe Peres – Next question comes from Tiago Binsfeld, from Goldman Sachs? Thiago can speak, please open the microphone!

[00:45:47] Tiago Binsfeld – Hi, good morning, people! Thank you for the call, I would like to ask two questions, the first one regarding the loss ratio in rural areas. You brought a lot of details in the presentation, but I would like to project more from now on, how do you expect the second quarter to be?

Is there any possibility of reversal of the claim? And, also if you can talk a little more broadly, how is the climate risk for this year, especially considering that I think there is a safrinha to happen and if there is a right moment for the rain so that it doesn't greater increases in rural claims. Thank you!

[00:46:24] Rafael Sperendio – Tiago is in relation to claims, the la ninha effect persists, but it has been losing intensity. So today there is nothing that leads us to believe a new event of similar magnitude to the one we observed now in the first quarter, ok? quite the opposite. Sorry, I just missed the beginning of your question.

[00:46:52] Tiago Binsfeld – I, I asked, because in relation to the second quarter as well, is there any possibility of reversal of the loss? how it works?

[00:46:57] Rafael Sperendio – The reversal! Perfect! Perfect, there is, today we still have a volume, maybe we can call it that, in terms of the number of claims, it's the largest we've ever received in history, right? So, we are processing all these payments, carrying out investigations and reassessing. In principle, the possibility exists, but I would classify it as a residual value to be reversed. I wouldn't bet today on the base date March 21, 22 sorry, not a very large volume of reversal for the second quarter.

[00:47:37] Ullisses Assis – Yes, we have already effectively noticed, Tiago, that in April, really, a warning was much lower than what had been happening. And for May, keeping this trend, so we really hope to be within the normal range in this second quarter.

[00:47:55] Tiago Binsfeld – It's clear! thank you guys! And then, if I may have a second question, specifically for Ullisses, I just wanted to bring you a little more detail about partnerships. If you can bring any example of partnerships you have in rural and credit life. And the second part of the questions that you hope to seek partnerships with other products in special life, thank you.

[00:48:15] Ullisses Assis – Yes, thanks for the question Tiago. So, we divided our work here into three, there were three fronts. One of these fronts is exclusively for us to operate in a much more effective way the complementary distribution channels that Banco do Brasil has. I would say that Cobans is our main focus on this front because the bank has 19,000 cobans, of which 5,000 are businesses that directly sell consortium credit in other products, and now, insurance and 14,000 transactions that from that shop that receives a credit light and a ticket from any customer, ok? So, how can we better explore these channels? Until recently, we didn't have any products being sold on these channels. Let's start with the moneylender, okay? It is in this first quarter that sales are very focused on credit life, we are adapting a series of other products, including Ciclic products, so that they are, so that they can be sold in these Cobans channels. Of course, this requires a strong technological integration effort. That's it, obviously, it requires our training, it requires sales promotion, a series of things that we are taking care of so that these channels become representative, including adapting the portfolio. Because when I talk about the transactional channel, mainly transactional coban, I need a low-cost product that is very easy to understand, whether for the seller or the buyer, because the moment of sale is very fast. So, we have been using all our expertise that understands distribution so that we can adapt these channels as soon as possible. So that we can make this sales volume more expressive. And, for example, the life you just brought is a product that can be sold on these channels. Our other front was very focused on rural insurance as a whole. And then, in this line of rural insurance, we closed partnerships with several cooperatives. I think that we recently announced Bela Agricultural, Coopercitrus and Agro Galaxy through the Alper brokerage, we have several other large credit unions. Rural cooperatives that are joining ours, our range of partnerships and, in addition, we are also very focused on Cobans Agro. What are Cobans Agro? These are technical assistance, local technical assistance, the local agronomist who has been providing services to this producer for many years. Many of them are even accredited by Banco do Brasil and did not sell rural insurance. So, today we have 200 agro banking correspondents on this front of action with rural insurance also operating. When I brought up the productivity numbers here. Even because of that, we are focused a lot on the unfunded area so as not to have this competition between all these channels. That we are contributing with the client, who is already being well served here at Banco do Brasil. As I said, the idea is to grow the pizza, not to share a slice, so this is another strong front, today we have 200 Cobans Agro registered, so, in addition to the cooperatives and in this line of technical assistance, we want to reach 500, okay? This is our great ambition, until the end of the year to get there with 500 operating effectively. Our other front, our third front, is really focused on partnerships with banks, whether they are digital, traditional banks and large retail companies that have the capacity to distribute our products, so we have been closing some partnerships there, we recently closed with Dotz, we returned to the partnership with Correios focused on capitalization. We will announce two, in the next few days, aimed at wholesale. We have some very advanced banks. Digital banks for the sale of pension plans, for the sale of insurance, and thus, one of them is already signed. We have not disclosed yet because there is no production, so, as soon as we are operationally ready to produce, we will also communicate to the market, but effectively these three fronts are very well defined, integrated between the companies and we see one with a complement of very interesting portfolio among our companies. There are many times a partnership that is prospected there by Brasilprev - which has a specific business prospecting team - it can have complementarity with Brasilseg products. Then, we can build in there, residential life insurance or others, depending on the partner's profile. Huh? But it is a strategy that we have been betting on a lot. As I told you, we started practically from zero, in July last year, and we already reached 4% of insurance issuance, which seems small, but for those who started practically from zero, it is already a representative number and we hope that it will be much higher in the medium and long term.

[00:53:00] Tiago Binsfeld – Excellent! Thank you for the detail and congratulations on the initiative!

[00:53:06] Felipe Peres – Next question comes from Mateus Amaral, from Banco Inter. Mateus, can you please proceed?

[00:53:19] Mateus Amaral – Hello guys! Good morning everyone, can you hear me?

[00:53:24] Felipe Peres – Yes, yes.

[00:53:27] Mateus Amaral – OK, my question is related to Brasilprev. We saw solvency levels around 183%. You have a hedge level too, 83% of the IGP-M. Can we wait for Brasilprev with a little more control over the volatility of market indicators? A distribution of the earnings in relation to Brasilprev, and we saw that it had back then it had insured a little bit to contain this solvency to this regulatory issue, so we can wait at least for this year, since it is Brasilprev to have a level of income distribution there, even to contribute to the distribution of the holding company as a whole?

[00:54:17] Rafael Sperendio – We don't rule out that possibility with Mateus, okay? It's something that could very well happen, but in terms of the team, more towards the end of the second semester onwards.

[00:54:31] Mateus Amaral – Guys, sorry, I just can't hear you.

[00:54:36] Rafael Sperendio – Can you hear it now? Mateus?

[00:54:46] Ullisses Assis – Can you hear us Mateus?

[00:54:50] Felipe Peres – We're listening right here.

[00:55:04] Rafael Sperendio – Felipe, I'll conclude the reasoning here and then you can write it down to him, if that's the case, okay? So we don't rule out this possibility, maybe in terms of timing it should happen more in the second half. It's in the first semester because of all these claims events. We are, from agricultural insurance, we are managing liquidity well, so because the payout for the first half of the year may be a little below the average that we expect for the entire year. If you look in terms of distribution in the year, a payout a little lower in the first half of the year and stronger in the second half of the year and we expect to have a greater visibility of the scenario, ok? But we do not rule out this possibility of reducing the mattress that we have today at Brasilprev.

[00:55:55] Felipe Peres – There is the next question from Luís Fernando Azevedo, from Banco Safra. Luis, please proceed.

[00:56:07] Luís Fernando Azevedo – Good Morning. Are you listening to me? Well, I have two questions. The first is a follow-up on rural insurance. You said that there was an increase in demand, it is because of this view of the increase in claims, better perception of the product. I wanted to know if you changed the way of pricing, right? And if the increase in claims, now that it looks like it was really out of the loop, is making you raise the price, right? And repricing the product that could more in the medium term, bring a lower loss ratio. This first question and the second regarding the brokerage. Regarding the expectation of performance bonuses, you mentioned that the price is also a little weaker. I would like you to remember which products are eligible for performance bonuses and if the expectation for the year. And if the bonus, if revenue from performance bonuses will drop or if you can still see some growth in relation to this item? Thank you!

[00:57:14] Ullisses Assis – Good morning, Luis. Thanks for the questions, I'll talk a little bit about the first one here and I'll pass it on to Rafael to talk about the moneylender issue. On the question of demand for rural insurance in relation to price, yes, we are very attentive to this. We have already made some adjustments, but this is a constant process, not only for rural insurance, but for other products. We have been very managerial, we are very attentive to any market movement. Yes, because it really is, in this specific rural case, it's like I said, the demand grows the appetite of the competition. It cools down, even because there are insurance companies there that have suffered a lot, even because of the size in relation to the volume of claims, ok? So, we have already made some adjustments, but you are very attentive, and this is a constant process, which we have been conducting here practically. day to day, ok?

[00:58:03] Luís Fernando Azevedo – Nice!

[00:58:16] Rafael Sperendio – Let me just answer Luis second question here. Well Luis. Regarding performance bonuses, the eligible products in life and credit life, for now, we are working here in the more conservative scenario for credit life, assuming that we will not recognize new performances coming from the credit life product throughout this year, ok? On the other hand, for life insurance, we do expect recognition of revenue from performance bonuses. When we look at a year-on-year comparison, we can expect a lower volume of this revenue on the side as a whole. Although it is always important to remember that the impact on the result ends up being much smaller than the impact on the broker's revenue, because roughly speaking, 75% of this revenue ends up being canceled by an expense at the insurance company.

[00:59:28] Felipe Peres – We have a question here that was written by the Q&A, and it also has to do with the rural issue. Is the loss ratio we had in relation to the Reinsurance policy? If we intend to maintain the level? Did you keep all this expense that we had of reported claims in the now, in the first quarter, if you have 80% of Reinsurance on average, as you had in the past? And what are the expectations for the next cycle? For the next crop year?

[01:00:00] Rafael Sperendio – Well, there was no change in our risk retention in agricultural insurance, last year it was 20%. For the next cycle, 20% retention is maintained, ok? 80% reinsured.

[01:00:15] Felipe Peres – One more question that appears in every call, has to do with what has already been asked about Brasilprev as well, an expectation of dividends for the year. They are wanting to know the payout. What are we imagining?

[01:00:32] Rafael Sperendio – Today we work here with the return of the payout with a level there closer to what we observed until 2019. Something between 80% and 90% is totally feasible, right? So this is the issue in this year specifically, it will be the distribution of this payout over the first or second semester, but for the closed year it should be at a level similar to what we saw until 2019.

[01:01:14] Felipe Peres – Now we don't have any more questions. No hands raised, no Q&A questions. So, Rafael and Ullisses, if you want to make a conclusion on the call, feel free.

[01:01:31] Rafael Sperendio – No, I just wanted to thank you all once again for participating in our results call and making myself available, as well as the company's investor relations team. In case you have any additional questions that were not clarified here in the call.

[01:01:48] Ullisses Assis – Likewise, thank you all for participating here with us. Let me tell you that we are very optimistic about this first quarter result, in which we expect, once again, with this more adequate financial return, the return of the loss ratios to normality combined with our operating growth that has been quite robust. We are very optimistic to present better and better results throughout this year. Thank you all!

[01:02:17] Felipe Peres – So, we conclude here our meeting for the first quarter and just ask, when the zoom session is over, if you can, answer a feedback questionnaire that will appear, we really appreciate it. Thank you and good morning everyone!