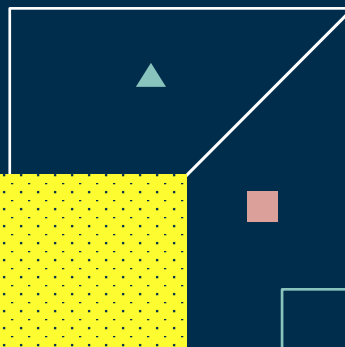
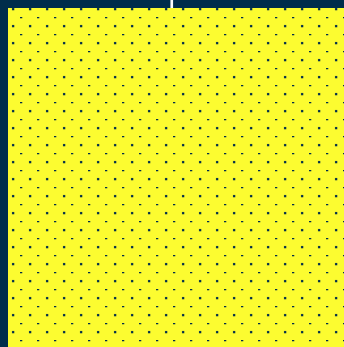


MD&A

1st quarter 2021



■ PRESENTATION

The Management Discussion and Analysis – MD&A presents the economic and financial status of BB Seguridade Participações S.A. (BB Seguridade). Directed to financial analysts, shareholders and investors, this quarterly report provides an analysis of economic and financial indicators of BB Seguridade, stocks' performance and other aspects considered relevant for the assessment of the company's achievements.

The consolidated financial statements were prepared in compliance with the International Financial Reporting Standards – IFRS.

All the analyses in this report are based on IFRS Financial Statements, but are occasionally supplemented by managerial data, besides other information calculated based on accounting principles determined by the Superintendência de Seguros Privados – SUSEP (the regulator of the insurance industry in Brazil).

In the investees, since the fourth quarter of 2020, the financial statements are prepared in compliance with the accounting standard of the respective regulator, except when mentioned in a different accounting standard.

■ ON - LINE ACCESS

This MD&A is available at BB Seguridade's IR website, where additional information about the Company is also available such as: corporate structure, corporate governance, historical data, among other important information for shareholders and investors. The company's website can be accessed through www.bbseguridaderi.com.br.

This report makes references and statements about expectations, expected synergies, growth estimates, earnings forecasts and future strategies regarding BB Seguridade. Such statements are based on current expectations, estimates and projections of the Management about future events and financial trends that may affect the businesses that the company is involved in.

These forward looking statements are not guarantee of future performance and involve risks and uncertainties that could overextend the control of the management, and thus can result in balances and values different from those anticipated and discussed in this report. The expectations and projections depend on market conditions (technological changes, competitive constraints on products, prices, etc.), on the country's macroeconomic performance (interest and exchange rates, political and economic changes, inflation, changes in tax rules, etc.) and on international markets.

Future expectations based on this report should consider the risks and uncertainties that involve BB Seguridade's businesses. BB Seguridade has no responsibility to update any estimate contained either in this report or in previously published reports.

Tables and charts in this report show, in addition to the accounting balances, financial and managerial figures. The relative variation rates are calculated before the rounding procedure in R\$ million. The rounding method used follows the rules established by Resolution 886/66 of IBGE's Foundation: if the decimal number is equal or greater than 0.5, it increases by one unit, if the decimal number is less than 0.5, there is no increase.

1Q21 Earnings Conference Call

May 3rd, 2021

Portuguese with simultaneous translation into English

Time: 11:00 AM (Brasilia time)

10:00 AM (EST)

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1. SUMMARY

■ NET INCOME ANALYSIS

Table 1 – Income statement of the holding

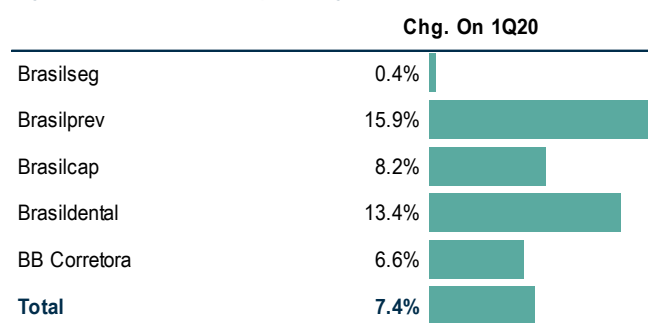
R\$ thousand	Quarterly Flow		Chg. %		
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Equity income	868,229	918,478	971,349	11.9	5.8
Underwriting and accumulation businesses	393,845	423,222	474,285	20.4	12.1
Brasilseg	242,768	306,817	245,079	1.0	(20.1)
Brasilprev	121,199	90,480	191,874	58.3	112.1
Brasilcap	25,247	21,625	32,244	27.7	49.1
Brasildental	4,632	4,299	5,088	9.8	18.3
Distribution businesses	478,132	515,068	506,371	5.9	(1.7)
Other	(3,749)	(19,812)	(9,306)	148.3	(53.0)
G&A expenses	(6,814)	(4,088)	(4,274)	(37.3)	4.5
Net investment income	28,832	1,327	12,514	(56.6)	843.2
Earnings before taxes and profit sharing	890,247	915,716	979,589	10.0	7.0
Taxes	(7,526)	903	(2,527)	(66.4)	-
Net income	882,721	916,619	977,062	10.7	6.6

In the 1Q21, the **net income** of BB Seguridade increased R\$94.3 million (+10.7% YoY), maintaining a solid growth trend of the non-interest operating results in the investees (+7.4%), a very strong performance considering that the 1Q20 was a period less impacted by the adversities arising from the Covid-19 pandemic, while the 1Q21 was fully affected.

The main factors that explain the net income variation as compared to the same period of 2020 are:

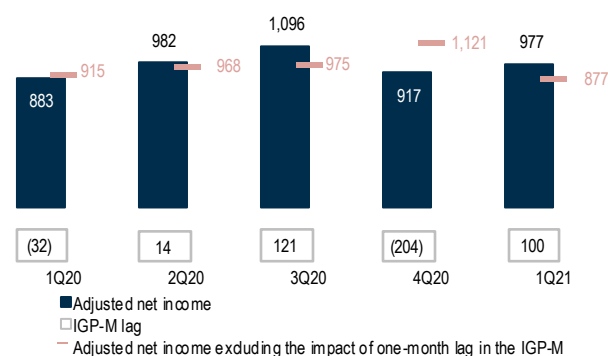
- **Brasilprev (+R\$70.7 million):** boosted by the growth of net investment income which was led by the spike in inflation rates that accrued the assets of the defined benefit plan in a higher pace than the observed in inflation rates pegged to the liabilities, as well as the raise in non-interest operating result, sustained both by the higher revenues with management fee and the improvement in cost to income ratio;
- **BB Corretora (+R\$28.2 million):** justified by the 5.2% growth in the brokerage revenues, with increases in the main segments (insurance, pension plans and premium bonds), combined with the improvement in the EBIT margin;
- **Brasilcap (+R\$7.0 million):** propelled by the increase in both, the net investment income and the revenue with load fee, the second effect explained by the mix of collections more concentrated in longer term bonds, which presents a higher load fee than the shorter ones;
- **Brasilseg (+R\$2.3 million):** with the growth of earned premiums and lower effective tax rate, effects that were partially offset by the worsening in the loss ratio due to the deterioration of the pandemic scenario, and by the drop of the net investment income; and
- **Net investment income at the holding (-R\$10.8 million):** impacted by lower volume of financial assets, due to the capital reduction held on April 2020, and by the decrease of the Selic rate.

Figure 1 – Non-interest operating results¹



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

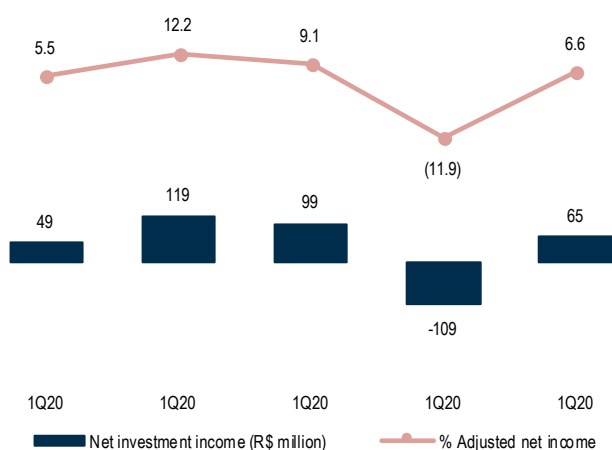
Figure 2 – Impact of Brasilprev's net investment income to the adjusted net income (R\$ million)¹



¹Impact of the one-month lag in the IGP-M accrual on liabilities

■ NET INVESTMENT INCOME ANALYSIS

Figure 3 – Consolidated investment income



In the 1Q21, the consolidated net investment income of BB Seguridade and its investees grew 33.0% YoY. The increase is mostly explained by the improvement in the net investment income of Brasilprev which, besides the negative balance of R\$25.1 million registered in the quarter led by the differential in inflation rates that accrued the assets and the liabilities of the traditional plans, reduced the losses in comparison with 1Q20 (-R\$112.8 million), since the inflation rates that accrued the assets increased in a higher pace than those pegged to liabilities. Despite the increase of the combined net investment income of the companies, the contribution of this component for the net income stayed close to the historical lows, representing only 6.6% of the 1Q21 results. On the negative side, the combined net investment income of the companies was impacted by the reduction of the average Selic rate, by mark to market losses due to the steepening yield curve both in nominal and real rates, and by the contraction in the average balance of the financial investments of the holdings (BB Seguridade and BB Seguros), after the return of capital to shareholders, concluded on April 30, 2020.

Figure 4 – Inflation rate (%)

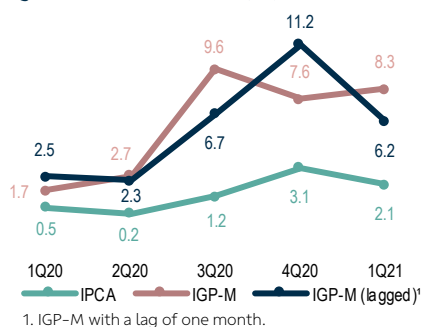


Figure 5 – Average Selic rate (%)

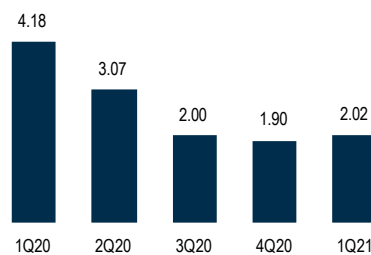


Figure 6 – Forward yield curve (%)

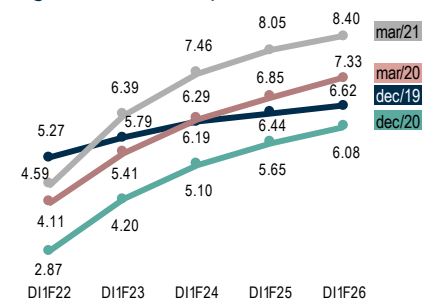


Figure 7 – Financial investments (%)

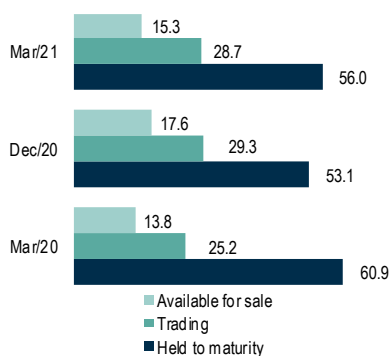


Figure 8 – Financial investments by index (%)

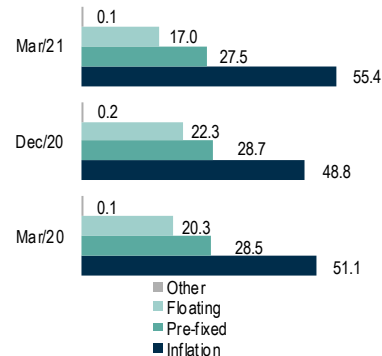
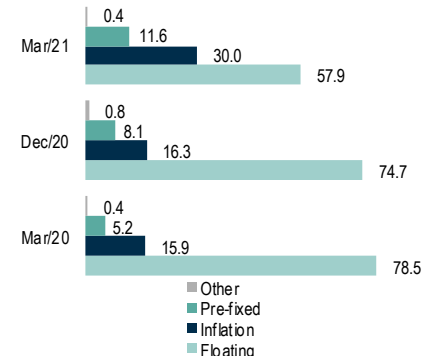


Figure 9 – Trading portfolio by index (%)



■ 2021 GUIDANCE

The table below shows the 2021 Guidance monitor:

Figure 10 – 2021 estimates

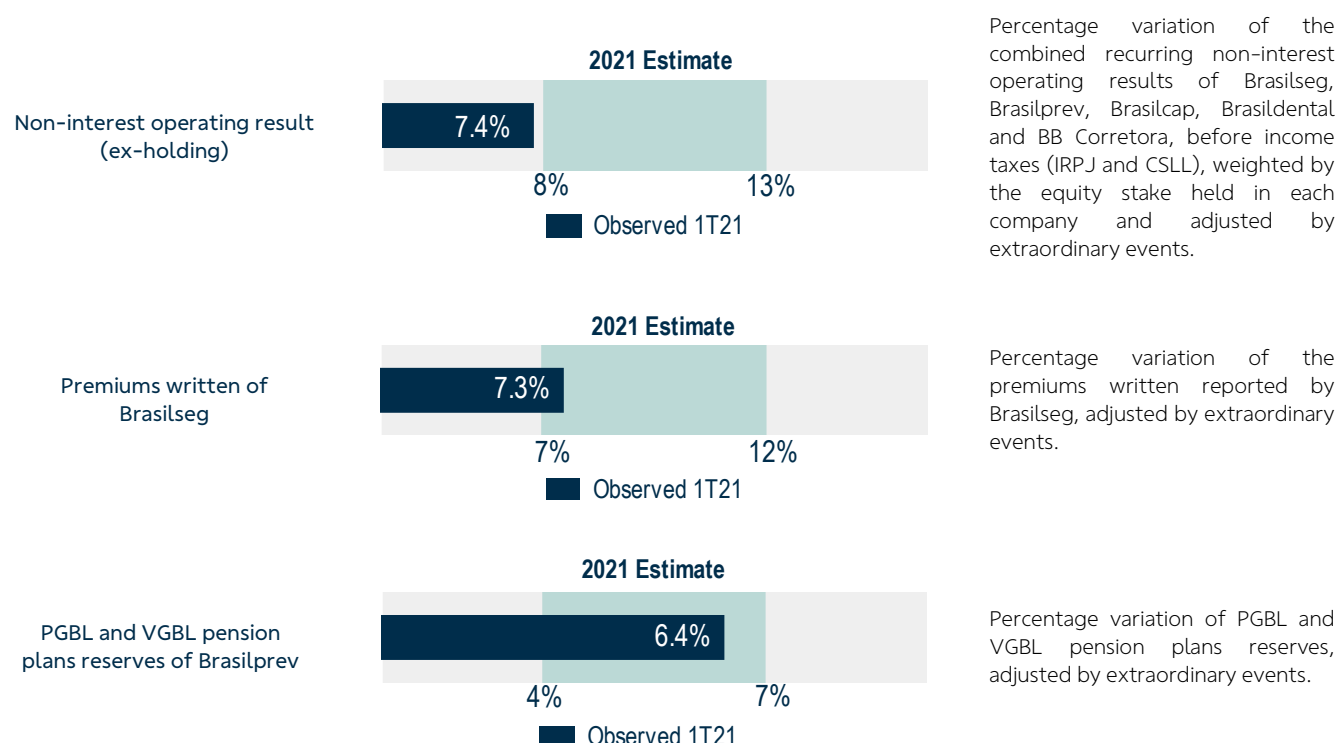


Table 2 – Breakdown of the non-interest operating result by company

R\$ thousand	Quarterly Flow		Chg. %
	1Q20	1Q21	On 1Q20
Non-interest operating result	1,308,273	1,405,377	7.4
Brasilseg	280,980	282,056	0.4
Brasilprev	293,754	340,557	15.9
Brasilcap	12,054	13,036	8.2
Brasildental	7,201	8,165	13.4
BB Corretora	714,284	761,563	6.6

In the 1Q21, Brasilseg's total premiums written grew 7.3% YoY, while PGBL and VGBL pension plans reserves of Brasilprev expanded 6.4% over the last twelve months, aligned with the estimates of 2021 Guidance.

On the other hand, the increase in the non-interest operating result (ex-holding) of 7.4% in the 1Q21 compared to the same period of the previous year, stayed below the projected growth range of 8% to 13% for the year. The deviation from the estimates is largely explained by two factors: (i) the higher than expected loss ratio, justified by the worsening of the Covid-19 pandemic, which raised the number of reported claims for products with death coverage; and (ii) lower volume of brokerage revenues with performance bonus in BB Corretora, due to the fall in the premiums written of credit life insurance.

It is worth noting that the impacts arising with the pandemic impacted 1Q21 in its entirety, while the 1Q20 was less affected, making the periods not perfectly comparable. The expected progress of the immunization of the population over the coming months tends to contribute to the reduction in the number of deaths by Covid-19 and allow a resumption of the economic activity, which favors the commercial performance and the loss ratios.

SUMMARY OF INVESTEE'S PERFORMANCES

Brasileg | Insurance (for further details, please refer to the page 26)

Table 3 – Summarized income statement

R\$ thousand	Quarterly Flow		1Q21	Chg. %	
	1Q20	4Q20		On 1Q20	On 4Q20
Premiums written	2,158,415	2,746,081	2,315,691	7.3	(15.7)
Changes in technical reserves and premiums ceded	(322,522)	(747,119)	(293,285)	(9.1)	(60.7)
Retained earned premiums	1,835,892	1,998,962	2,022,406	10.2	1.2
Retained claims	(546,081)	(581,787)	(764,607)	40.0	31.4
Retained acquisition costs	(642,771)	(639,451)	(620,791)	(3.4)	(2.9)
G&A	(272,552)	(266,331)	(261,413)	(4.1)	(1.8)
Other	202	614	531	162.9	(13.5)
Non-interest operating result	374,690	512,006	376,125	0.4	(26.5)
Net investment income	88,131	57,561	65,502	(25.7)	13.8
Earnings before taxes and profit sharing	462,821	569,567	441,627	(4.6)	(22.5)
Taxes and profit sharing	(134,509)	(155,843)	(109,762)	(18.4)	(29.6)
Net income	328,312	413,724	331,865	1.1	(19.8)

In the 1Q21, the **net income** of insurance business grew 1.1% YoY, with increase in the retained earned premiums (+10.2%) and the reduction of the tax rate (-3.6 p.p.), offsetting the loss ratio expansion (+8.1 p.p.) and the 25.7% retraction of the net investment income.

The **premiums written** increased 7.3% propelled by: the **rural insurance** (+29.4%), benefited by the early release of funding in the 2021/2022 harvest with a volume available higher than the pre-funding of the 2020/2021 harvest; the **term life insurance** (+14.6%), boosted by the growth in new sales and the increase in premiums from renewed policies, due to the spike in inflation rates that adjusted the prices; and by the **home insurance** (+28.2%), boosted by the sales improvement of the retail segment. On the other hand, the **credit life** retracted 28.3%, mainly explained by the decrease in the covered capital, by hard comp with the 1Q20 and by the increase of cancellation in the moment of credit renegotiation.

Loss ratio deteriorated 8.1 p.p. YoY, mainly by the higher frequency on reported claims related to products with death coverage due to the worsening of the Covid-19 pandemic, and the strengthening of provisions balance. On the other hand, the lower losses in the summer harvest contributed to the improvement in the rural insurance loss ratio.

The **commission ratio** dropped 4.3 p.p. YoY, mainly explained by lower expenses with performance bonus, as a result of the decrease of credit life written premiums.

Net investment income decreased mainly by the reduction of the average Selic rate.

Figure 11 – Key performance indicators

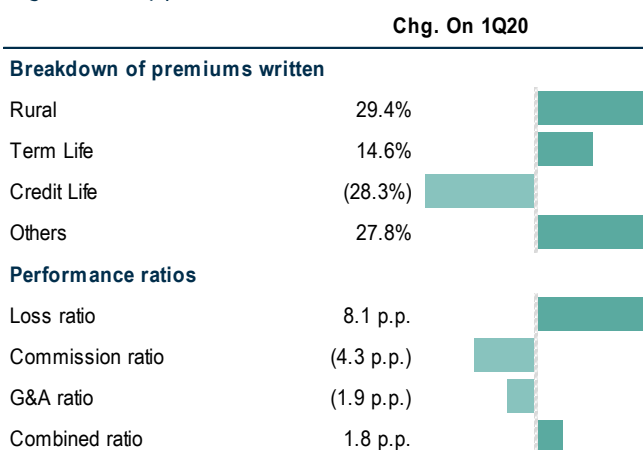


Table 4 – Summarized income statement¹

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Total revenue from pension and insurance	10,130,016	12,103,705	10,769,021	6.3	(11.0)
Provision for benefits to be granted	(10,124,791)	(12,095,918)	(10,761,494)	6.3	(11.0)
Net revenue from pension and insurance	5,225	7,788	7,527	44.1	(3.3)
Management fee	711,337	748,846	747,708	5.1	(0.2)
Acquisition costs	(170,128)	(165,948)	(166,322)	(2.2)	0.2
Earned premiums	43,145	44,479	41,245	(4.4)	(7.3)
G&A	(163,018)	(156,088)	(146,780)	(10.0)	(6.0)
Other	(34,836)	(26,160)	(29,242)	(16.1)	11.8
Non-interest operating result	391,725	452,917	454,136	15.9	0.3
Net investment income	(112,778)	(297,546)	(25,142)	(77.7)	(91.6)
Earnings before taxes and profit sharing	278,947	155,371	428,994	53.8	176.1
Taxes and profit sharing	(114,865)	(34,976)	(173,145)	50.7	395.0
Net income	164,082	120,396	255,849	55.9	112.5

In the **1Q21**, the **net income** of pension plans segment grew 55.9% YoY.

The **non-interest operating result** increase of 15.9% was sustained by the revenues with management fee 5.1% higher, as well as the improvement in the cost to income ratio. The pension plans **reserves** expanded 7.3% over the last twelve months, to R\$307.3 billion. The **average management fee** reached 1.01%, up 0.01 p.p. compared both to the 1Q20 and the 4Q20, reflecting the 71.2% evolution in the inflow to multimarket funds. With the multimarket collection increase, the participation of this type of funds in the amount of asset under management increased from 7.5% in March 2020 to 14.3% in March 2021.

In the quarter, the pension plans **contributions** were up 6.3% YoY, even in a deteriorated scenario of the sanitary crisis with effects in the economic environment of the country.

The **redemption ratio** decreased 0.2 p.p. YoY and increased 0.6 p.p. on the 4Q20, also a result of the economic impacts generated by the more aggressive second wave of the pandemic in the beginning of 2021.

Besides the increase in the contributions and the slightly improvement of the redemption ratio as compared to the same period of 2020, the **net inflow** contracted 43.8%, mostly explained by the higher volume of benefits paid, which includes the payment of the reserve balance to the beneficiary appointed in the pension plan in case of death of the holder that grew due to claims related to the Covid-19.

Figure 12 – Key performance indicators

	1Q21	Chg. On 1Q20
Net inflows (R\$ billion)	905	(43.8%)
Reserves (R\$ billion)	307	7.3%
Management fee (%)	1.01	0.01 p.p.
Redemption ratio (%)	9.2	(0.2 p.p.)
Cost to income ratio (%)	43.0	(5.5 p.p.)

Despite the still negative **net investment income** in the 1Q21 (–R\$25.1 million), mainly consequence of the mismatches of inflation indexes pegged to the assets and liabilities of the defined benefit pension plans, there was a significant improvement compared to the 1Q20, when the negative balance reached R\$112.8 million. The interest revenues grew 209.5%, with higher inflation indexes (IGP-M +8.3% and IPCA +2.1%) which positively impacted the yield on held to maturity securities pegged to inflation. On the other hand, the interest expenses were up at lower pace (+131.7% YoY), because of the IGP-M (+6.2%) in the period from December to February, considering the average one-month lag of the inflation accrual on these liabilities.

Table 5 – Summarized income statement

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Premium bonds collection	1,023,778	1,255,980	1,103,168	7.8	(12.2)
Changes in provisions for redemption, lottery and bonus	(893,583)	(1,087,740)	(956,288)	7.0	(12.1)
Revenue with load fee	130,195	168,239	146,880	12.8	(12.7)
Result with lottery	3,828	654	3,782	(1.2)	477.9
Acquisition costs	(108,390)	(133,842)	(112,176)	3.5	(16.2)
G&A	(21,235)	(27,362)	(19,149)	(9.8)	(30.0)
Other	13,681	(7,760)	217	(98.4)	-
Non-interest operating result	18,080	(71)	19,554	8.2	-
Net investment income	46,276	52,008	62,362	34.8	19.9
Earnings before taxes and profit sharing	64,357	51,938	81,916	27.3	57.7
Taxes and profit sharing	(26,482)	(19,383)	(33,546)	26.7	73.1
Net income	37,874	32,555	48,370	27.7	48.6

In the **1Q21**, the **net income** of premium bonds business grew 27.7% YoY, driven by the net investment income up 34.8%, as well the increase in the revenue with load fee.

Premium bonds collection was up 7.8% compared to the same period of 2020, due to the sound evolution of the average collection of unique payment bonds, almost doubling in the period.

In the quarter, the **average load fee** rose 0.6 p.p., as a consequence of the shift in the collection mix, now more concentrated in longer term bonds, such as 36, 48 and 60-month products, which have a higher load fee than the shorter bonds.

Regarding to the increase in the **net investment income**, this is mainly explained by the 0.8 p.p. growth in the net interest margin, propelled mostly by the higher average yield on held to maturity securities due to the increase in the inflation ratio and the higher reinvestment interest with the steepening in the yield curve.

Figure 13 – Key performance indicators

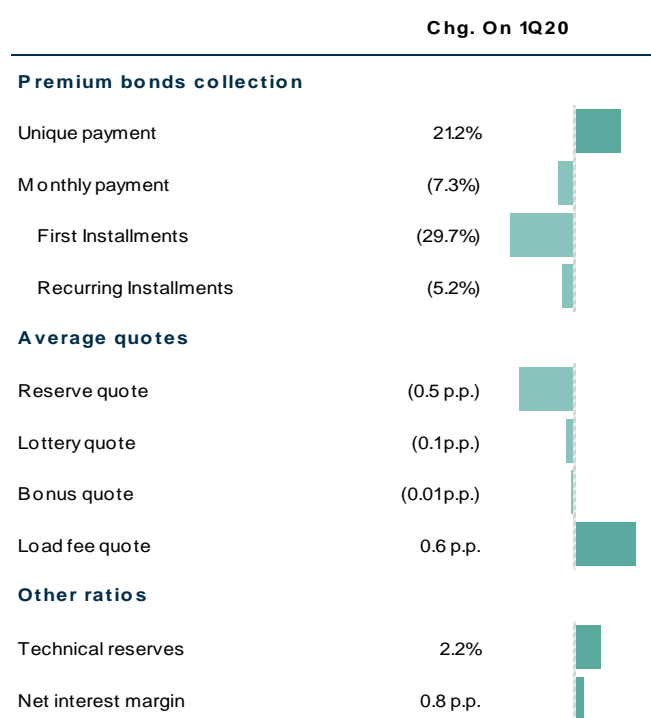


Table 6 – Summarized income statement

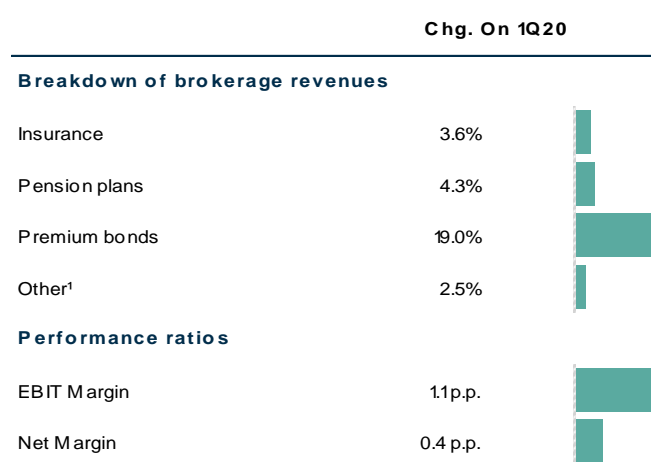
R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Brokerage revenues	882,641	960,827	928,113	5.2	(3.4)
G&A	(163,271)	(185,194)	(162,789)	(0.3)	(12.1)
Equity income	(5,087)	(3,156)	(3,762)	(26.1)	19.2
Earnings before interest and taxes	714,284	772,477	761,563	6.6	(1.4)
Net investment income	12,489	10,178	7,594	(39.2)	(25.4)
Earnings before taxes	726,773	782,654	769,157	5.8	(1.7)
Taxes	(248,641)	(267,587)	(262,786)	5.7	(1.8)
Net income	478,132	515,068	506,371	5.9	(1.7)

In the 1Q21, BB Corretora's **net income** grew 5.9% YoY, boosted by the 5.2% increase in **brokerage revenues** and the 1.1 p.p. improvement of the **EBIT margin**.

The growth in brokerage revenues is mainly explained by the solid commercial performance in almost all the business lines (rural, term life and home insurances, pension plans and premium bonds), even in a more difficult environment when compared to the same period last year, due to the pandemic impacts to the economy.

On the other hand, the net investment income retracted 39.2%, justified by the lower average Selic rate.

Figure 14 – Key performance indicators



1. Include dental plans and other revenues.

■ OTHER INFORMATION

Table 7 – Market share and ranking¹

		Quarterly Flow			
		Unit	1Q 20	4Q 20	1Q 21
Life²					
Premiums written	R\$ thousand	644,037	846,064	738,037	
Market-share	%	11.8%	13.8%	12.7%	
Ranking		1º	1º	1º	
Credit life					
Premiums written	R\$ thousand	656,438	647,117	470,725	
Market-share	%	18.4%	16.0%	11.2%	
Ranking		1º	2º	2º	
Mortgage life					
Premiums written	R\$ thousand	72,470	72,470	71,209	
Market-share	%	6.7%	6.2%	5.7%	
Ranking		4º	5º	5º	
Rural					
Premiums written	R\$ thousand	673,792	1,032,723	871,625	
Market-share	%	53.6%	59.8%	54.9%	
Ranking		1º	1º	1º	
Home					
Premiums written	R\$ thousand	53,037	68,113	67,989	
Market-share	%	5.8%	6.5%	6.1%	
Ranking		5º	5º	5º	
Commercial lines					
Premiums written	R\$ thousand	58,140	78,286	95,208	
Market-share	%	2.8%	3.1%	2.9%	
Ranking		13º	11º	11º	
Pension Plans					
Technical reserves	R\$ thousand	286,494,397	308,210,266	307,271,819	
Market-share	%	30.4%	30.0%	29.9%	
Ranking		1º	1º	1º	
Contributions	R\$ thousand	10,130,016	12,103,705	10,769,021	
Market-share	%	34.7%	33.5%	33.4%	
Ranking		1º	1º	1º	
Premium Bonds					
Reserves	R\$ thousand	7,863,074	8,261,132	8,035,850	
Market-share	%	25.6%	25.5%	24.9%	
Ranking		2º	2º	2º	
Collections	R\$ thousand	1,023,778	1,255,980	1,103,168	
Market-share	%	18.2%	21.2%	18.9%	
Ranking		2º	1º	2º	

1. Source: Susep – data as of February/2021.

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

Table 8 – Stocks | Breakdown of the shareholders' base

	Shareholders	Shares	Participation
Banco do Brasil	1	1,325,000,000	66.3%
Treasury Stocks	1	3,342,858	0.2%
Free Float	300,533	671,657,142	33.6%
Foreign investors	838	502,268,755	25.1%
Companies	3,080	60,843,965	3.0%
Individuals	296,615	108,544,422	5.4%
Total	300,535	2,000,000,000	100.0%

Table 9 – Stocks | Performance

		Quarterly Flow				
		Unit	1Q 20	2Q 20	3Q 20	4Q 20
Stock's performance						
Earnings per share	R\$	0.44	0.49	0.55	0.46	0.49
Dividends per share	R\$	3.25	-	0.87	-	0.47
Equity per share	R\$	3.05	2.67	3.18	3.19	3.58
Closing price	R\$	24.85	27.27	24.27	29.63	24.25
Annualized dividend yield¹	%	16.10	13.86	13.89	12.24	5.49
Market capitalization	R\$ million	49,700	54,540	48,540	59,260	48,500
Ratios						
P/E (12 month trailing)	x	11.90	13.37	11.86	15.28	12.21
P/BV	x	8.15	10.20	7.64	9.27	6.77
Business data						
Number of trades carried out		1,454,642	1,329,823	1,288,604	1,176,303	1,311,009
Average daily volume traded	R\$ million	172	132	118	122	159
Average daily volume traded - B3	R\$ million	25,957	26,123	26,898	26,201	32,008
Share on B3's average volume	%	0.66	0.51	0.44	0.47	0.50

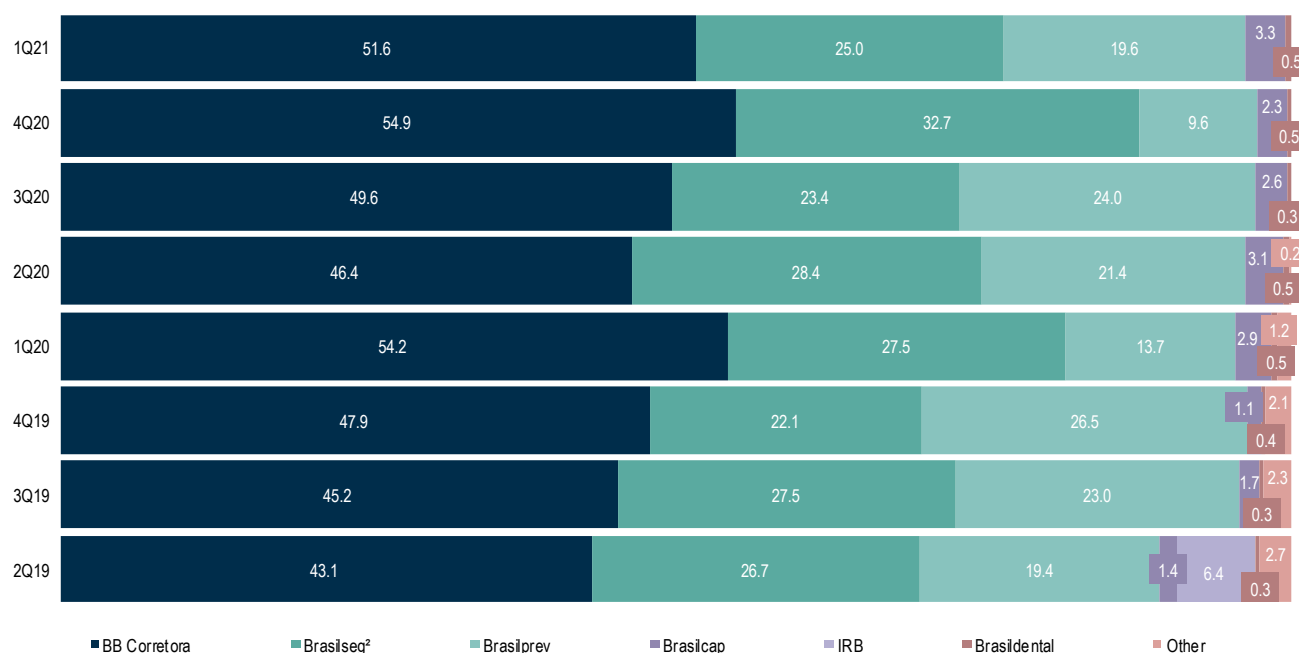
1. Dividend yield calculated considering the dividends reported in the last 12 months divided by the average stock price in the same period.

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2. EARNINGS ANALYSIS

■ EARNINGS BREAKDOWN

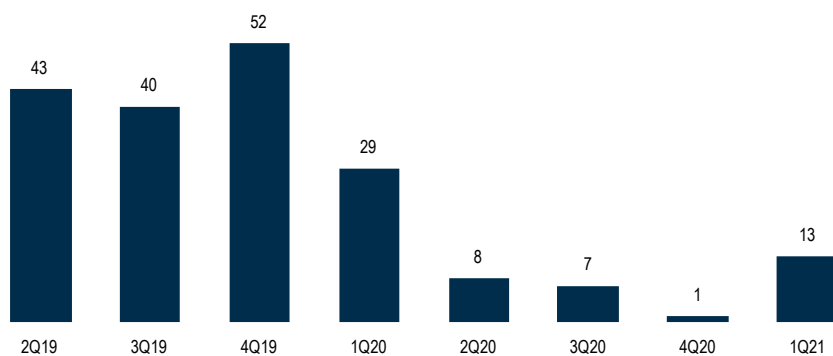
Figure 15 – Earnings Analysis | Breakdown¹ (%)



1. Does not consider the individual results from BB Seguridade and BB Seguros holdings and, when negative, the affiliates.
 2. New name adopted to BB MAPFRE SH1 after the restructuring of the partnership with MAPFRE.

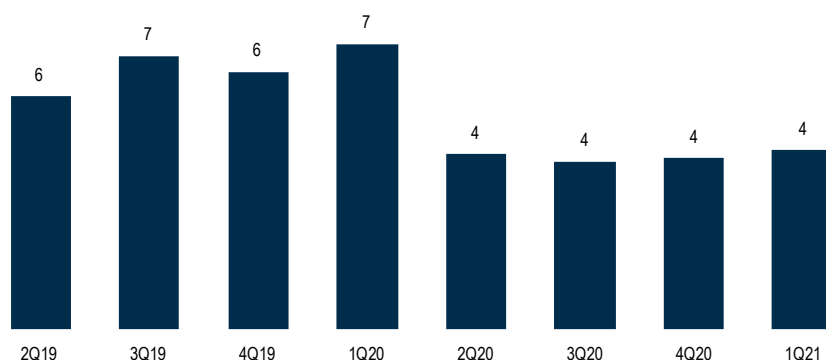
■ NET INVESTMENT INCOME OF THE HOLDING COMPANY

Figure 16 – Earnings Analysis | Net investment income (R\$ million)



■ GENERAL AND ADMINISTRATIVE EXPENSES OF THE HOLDING COMPANY

Figure 17 – Earnings Analysis | General and Administrative expenses (R\$ million)



In the 1Q21, the holding company's G&A expenses decreased 37.3% compared to the same period in 2020, explained by lower PIS and Cofins tax expenses on financial income (-71.8%) due to the contraction of the average balance of financial investments and the lower average Selic rate.

In addition, there was a decrease in expenses with data processing and business trips, besides the closing of two lawsuits agreements, which allowed the reversal of provisions.

The consolidated expenses of the holding companies and BB Corretora decreased 18.4% YoY, mainly due to:

- lower PIS and Cofins tax expenses on financial income, due to the lower volume of financial investments in holding companies and the reduction in the Selic rate;
- decrease in other administrative expenses, justified by the reduction in expenses with business trips and data processing, and by the postponement of donations and sponsorships in the quarter;
- reduction in personnel expenses, due to the decrease in the number of employees; and
- lower volume of provisions at BB Seguros to adjust the price paid by MAPFRE for Brasilveículos due to the performance of auto insurance sales below the budget, according to the earn in/out clauses of the agreements signed in the JVs' restructuring.

Table 10 – Earnings Analysis | General and administrative expenses

R\$ thousand	Quarterly Flow		Chg. %		
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Administrative expenses	(1,191)	(1,085)	(815)	(31.6)	(24.9)
Specialized technical services	(60)	(60)	(129)	114.7	115.2
Location and operation	(245)	(232)	(243)	(0.8)	4.7
Communication	(50)	(22)	(18)	(64.5)	(19.0)
Other administrative expenses	(836)	(771)	(425)	(49.1)	(44.8)
Personnel expenses	(2,772)	(2,913)	(2,777)	0.2	(4.7)
Compensation	(1,418)	(1,497)	(1,400)	(1.3)	(6.5)
Welfare benefits	(812)	(793)	(754)	(7.2)	(4.9)
Other compensation	(291)	(337)	(373)	28.1	10.8
Benefits	(248)	(285)	(249)	0.4	(12.7)
Other	(3)	(3)	(2)	(18.0)	(16.3)
Tax expenses	(2,693)	(59)	(853)	(68.3)	1,345.9
COFINS	(2,281)	(46)	(697)	(69.5)	1,401.2
PIS/Pasep	(387)	(7)	(125)	(67.8)	1,567.6
IOF	(2)	(2)	(1)	(34.9)	(6.7)
Other	(22)	(4)	(30)	33.1	741.3
Other operating income (expenses)	(158)	(32)	171	-	-
G&A expenses	(6,814)	(4,088)	(4,274)	(37.3)	4.5

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3. BALANCE SHEET ANALYSIS

Table 11 – Balance Sheet Analysis | Balance sheet

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Assets	8,811,298	7,347,012	7,172,659	(18.6)	(2.4)
Cash and cash equivalents	2,402,707	208,893	319,783	(86.7)	53.1
Financial assets marked to market	3,582	3,948	11,468	220.2	190.5
Investments	6,311,452	5,971,729	6,740,595	6.8	12.9
Current tax assets	74,487	85,155	84,674	13.7	(0.6)
Deferred tax assets	1,716	1,305	545	(68.2)	(58.2)
Dividends receivable	-	1,060,278	-	-	-
Other assets	11,628	10,223	10,309	(11.3)	0.8
Intangible	5,726	5,481	5,285	(7.7)	(3.6)
Liabilities	2,714,903	957,407	7,914	(99.7)	(99.2)
Provision for fiscal, civil and tax contingencies	230	230	28	(87.8)	(87.8)
Statutory obligation	2,700,475	948,493	468	(100.0)	(100.0)
Current tax liabilities	6,576	81	111	(98.3)	37.6
Other liabilities	7,622	8,603	7,307	(4.1)	(15.1)
Shareholders' equity	6,096,395	6,389,605	7,164,745	17.5	12.1
Capital	3,396,767	3,396,767	3,396,767	0.0	-
Reserves	1,906,188	3,062,544	3,062,532	60.7	(0.0)
Treasury shares	(82,652)	(82,588)	(82,039)	(0.7)	(0.7)
Other accumulated comprehensive income	(6,629)	12,882	(189,601)	2,760.2	-
Retained earnings	882,721	-	977,086	10.7	-

■ INVESTMENTS

Table 12 – Balance Sheet Analysis | Direct investments

R\$ thousand	Activity	Accounting treatment	Total ownership (%)	Investment balance		
			Mar/21	Mar/20	Dec/20	Mar/21
Insurance, Pension Plans and Premium Bonds						
BB Seguros Participações	Holding	(1)	100.0	5,786,412	5,924,821	6,187,316
Insurance Brokerage						
BB Corretora de Seguros e Adm. de Bens	Insurance Broker	(1)	100.0	525,040	46,908	553,279

Note: (1) Controlled companies, fully consolidated.

Table 13 – Balance Sheet Analysis | BB Seguros Participações' investments

			Total ownership (%)	Investment balance		
R\$ thousand	Activity	Accounting treatment	Mar/21	Mar/20	Dec/20	Mar/21
Insurance						
Brasilseg	Holding	(1)	74.99	1,961,719	2,245,714	2,130,666
Brasilseg Companhia de Seguros						
Aliança do Brasil Seguros						
Pension Plans						
Brasilprev	Insurance/ Pension Plans	(1)	74.99	2,375,118	3,338,239	3,529,715
Health						
Brasil dental	Health	(1)	74.99	17,512	15,582	20,670
Premium Bonds						
Brasilcap	Premium Bonds	(1)	66.67	412,030	470,327	388,999

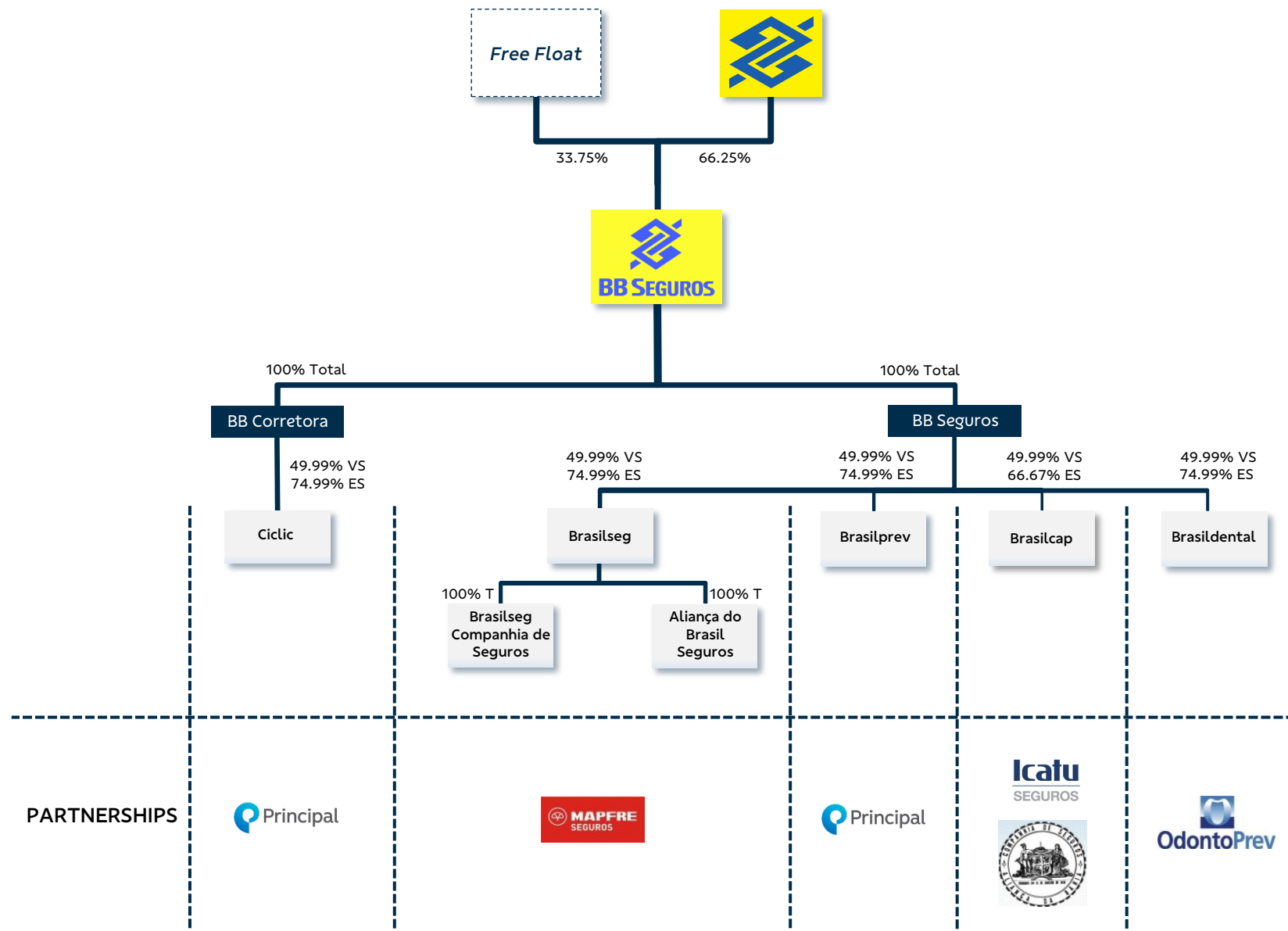
Note: (1) Affiliated companies, booked by the equity method.

Table 14 – Balance Sheet Analysis | BB Corretora's investments

R\$ thousand	Activity	Accounting treatment	Total ownership (%)	Investment balance		
			Mar/21	Mar/20	Dec/20	Mar/21
Insurance brokerage						
Ciclic	Digital Broker	(1)	74.99	12,461	14,483	10,721

Note: (1) Affiliated company, booked by the equity method.

Figure 18 – Balance Sheet Analysis | Ownership structure



Note: VS = Voting Stake; ES = Economic Stake; T = Total

■ SHAREHOLDER'S EQUITY

Table 15 – Balance Sheet Analysis | Statement of changes in equity

R\$ thousand	Capital	Capital Reserve	Legal and statutory reserve	Treasury stock	Retained earnings (losses)	Accumulated other comprehensive income	Total
Balance on December 31, 2019	5,646,767	1,262	1,265,575	(83,451)	-	232	6,830,385
Transactions with stock payments	-	(145)	-	145	-	-	-
Other comprehensive income	-	-	-	-	-	(52,088)	(52,088)
Net income for the period	-	-	-	-	1,013,758	-	1,013,758
Balance on March 31, 2020	5,646,767	1,117	1,265,575	(83,306)	1,013,758	(51,856)	7,792,055
Changes in the Period	-	(145)	-	145	1,013,758	(52,088)	961,670
Balance on December 31, 2020	3,396,767	1,588	3,060,956	(82,588)	-	12,882	6,389,605
Transactions with stock payments	-	(12)	-	549	-	-	537
Other comprehensive income	-	-	-	-	-	(202,483)	(202,483)
Dividends lapsed	-	-	-	-	24	-	24
Net income for the period	-	-	-	-	977,062	-	977,062
Balance on March 31, 2021	3,396,767	1,576	3,060,956	(82,039)	977,086	(189,601)	7,164,745
Changes in the Period	-	(12)	-	549	977,086	(202,483)	775,140

4. UNDERWRITING AND ACCUMULATION

■ BRASILSEG

BB Seguridade offers life, mortgage life, rural, home and commercial lines insurance through its affiliate company Brasilseg, a company established under a 20-year term partnership with MAPFRE, which started in 2011 and was restructured in 2018. BB Seguridade holds, through BB Seguros, a 74.99% economic stake in Brasilseg, composed of 100% of the preferred shares and 49.99% of the common shares. The segments in which Brasilseg operates is dominated by the Brazilian banks, what reflects the strong association of this kind of products with the bancassurance channel.

The following items show a brief description of the main products offered by Brasilseg:

- a. **Term life insurance** is a product focused on individuals which assures financial protection to the beneficiaries, chosen by the policyholder, in case of death (natural or accidental), or permanent disability of the insured. If a claim occurs, the insurance company pays the amount agreed in the insurance policy to the beneficiary. Differently from the products sold in other countries, the life insurance sold by Brasilseg is a term life insurance without accumulation. If the customer fails to make the monthly payments, the coverage is suspended without any amount being reverted to the policyholder.
- b. **Credit life insurance** is a life insurance policy intended to pay off a borrower's loan in case of death of the insured. This type of product is designed to protect both the lender and the insured dependents, preventing them to inherit this liability via property succession process. This product is already quite widespread in Brazil and it is expected to grow with the expansion of the loan portfolio. The main beneficiary of this type of product is the lender.
- c. **Mortgage life insurance** is an insurance policy related to mortgage. In case of death or disability of the insured, the insurance policy guarantees the pre-payment of loan balance. A mortgage life insurance also protects against physical damage to the insured property. The premium is calculated on a monthly basis and varies according to the outstanding loan balance and the borrower's age.
- d. **Rural insurance** encompasses a group of three main products: (i) the crop insurance, which protects the farmers from weather hazards and from the loss of revenue in cases of falling prices of the crop; (ii) the rural lien insurance, which protects the asset given as collateral for a rural loan; and (iii) the credit life for farmers insurance, which is an insurance designed for farmers intended to pay off the rural loan in case the insured dies.
- e. **Home insurance** encompasses a set of coverages intended for the protection of individual homes against damages caused by fire, lightning and explosion, and may also include additional coverages against theft, electric damage, physical damage to the property, windstorm, hail rain, among others. This product can also include assistances according to the plan hired.
- f. **Corporate/Commercial lines** consist of products designed to protect the assets of companies against damage to the building and its contents, such as machinery, furniture, utensils, goods and raw materials, excluding large risks.

■ PENSION PLANS

BB Seguridade operates in the private pension plans segment through its affiliate Brasilprev in partnership with the American company Principal Financial Group (PFG). Brasilprev was established in 1993 as a partnership between Banco do Brasil and a group of insurance companies. After going through a series of corporate restructuring, within 1999–2000, PFG, through its subsidiary in Brazil, Principal Financial Group do Brasil, acquired an economic stake in the company and established a partnership with Banco do Brasil. In 2010, Banco do Brasil, through BB Seguros, and PFG renewed their partnership, extending it for 23 years more. As a result of this new agreement, BB Seguros increased its stake in Brasilprev from 49.99% to 74.99%. Pension plans are growing in popularity in Brazil, due to increasing life expectancy, level of financial education, tax benefits and the pension reform held in 2019.

Brasilprev has two main sources of revenue: the management fee on assets under management and the premiums paid to cover risks.

The following topics provide a brief description of the products offered by Brasilprev:

- a. **Free Benefit Generator Plan (PGBL)** is recommended for people who fill their income tax statement in the complete form, as the contributions are tax deductible up to the limit of 12% of the annual gross taxable income. In this modality, in case of redemption or benefit received, income taxes are calculated on the amount redeemed or income received.

In Brazil, there are two alternatives for an individual to present the tax statements, the simple form or the complete form. In the complete form, a Brazilian citizen can inform not only the income but also deductible expenses, such as expenses with healthcare, education, investments in PGBL, and other. In addition, the participant may choose to be taxed either in the progressive tax system or in the regressive tax system when buying a pension plan.

In the progressive tax system, the annuity is taxed when money is received according to the “Tabela Progressiva Mensal” (Monthly Progressive Table) made available by the Brazilian Internal Revenue Service. The tax brackets can vary from zero to 27.5% according to the annual wages with adjustment in the income tax declaration. Redemptions are taxed at 15% in anticipation regardless the amount redeemed, with adjustment in the income tax statement according to the Monthly Progressive Table.

In the regressive tax system, in the event of redemption or annuity received, tax is withheld and is definitive, with no possibility of adjustment in the annual tax statement. The rates are determined by the length of stay of each inflow in the plan, starting at 35%, with gradual reduction every two years, reaching a level of 10% after 10 years.

- b. **Free Benefit Generator Life Plan (VGBL)** is recommended for those who fill their income tax statement in the simplified form or is exempt, since the contributions are not tax deductible. As in PGBL, the customer can choose either the progressive or the regressive tax system. In VGBL, in case of redemption or annuity received, income tax will be charged on interest earned only. The main advantage of the VGBL is its simplicity of the process related to the inheritance transmission, being suitable for customers who wish to make a succession planning. In this product, the customer can determine who will be the beneficiaries after his death and, unlike other assets, funds invested in VGBL are not part of the inventory, which is a process with legal costs and attorney's fees that can consume from 6% to 20% of the wealth received by the heirs.
- c. **Traditional Plan** guarantees a fixed interest of 6% plus inflation (IGP-M) or Taxa Referencial (TR) per year. These plans are no longer sold.

■ PREMIUM BONDS

BB Seguridade offers premium bonds through its affiliate company Brasilcap, in a partnership with Icatu and Aliança da Bahia. Premium bonds are very peculiar to the Brazilian market, but there are also quite similar products in United Kingdom and in other countries.

Premium bonds are mainly sold through the bancassurance channel and it is an alternative way to accumulate reserves, with term and interest rate previously determined, entitling the bondholder to participate in lotteries. Premiums are distributed through periodic draws, being most frequent the usage of a combination of numbers in pre-determined series, based on the Brazilian Official Lottery.

Depending on the type of premium bond and the payment method chosen, the load fee and lottery quotas can exceed 10% of the amount collected. The amount intended to cover lottery, administrative expenses, and operational and acquisition costs is covered by these quotas.

In case of early redemption, the bondholder must obey a grace period (12 months in most products). Beyond the grace period, penalties will be applied if the bondholder decides for early redemption, which will decrease as the bond approaches to maturity.

■ DENTAL INSURANCE

BB Seguridade offers dental insurance through its affiliate company Brasil dental. The Company was established in 2014, by a 20-year term partnership with Odontoprev. In this partnership BB Seguridade holds a 74.99% economic stake, being 49.99% of the common shares.

Brasil dental's dental insurance plans are sold under the BB Dental brand, with exclusivity of the bancassurance channel of Banco do Brasil, to individuals and companies, and counts on a wide network of specialized clinics and professionals all over the country.

The following sections show a deeper analysis of the controlled and affiliate companies of BB Seguridade including income statement, balance sheet and performance ratios.

It is worth mentioning that these information are influenced by the investor company accounting entries, e.g., changes in goodwill. Therefore, the statements are not necessarily reconcilable with those published by the Companies.

4.1 BRASILSEG

■ EARNINGS ANALYSIS

To provide a better analysis, the following table shows a managerial view built considering the reallocation of the result with reinsurance to the other accounts that compose the Income Statement. This reallocation allows the analysis of the performance ratios already considering the reinsurance effects. Since the 2Q19, the adjustments that previously used to comprise the lines related to premiums, changes in technical reserves and claims, became to consider the acquisition costs as well. To allow the comparative analysis with previous quarters, the historical data was revised from 1Q17 on.

Table 16 – Brasilseg | Managerial income statement

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Premiums written	2,158,415	2,746,081	2,315,691	7.3	(15.7)
Premiums ceded to reinsurance	(244,843)	(320,122)	(311,370)	27.2	(2.7)
Retained premiums	1,913,572	2,425,959	2,004,321	4.7	(17.4)
Changes in technical reserves - premiums	(77,680)	(426,997)	18,085	-	-
Retained earned premiums	1,835,892	1,998,962	2,022,406	10.2	1.2
Retained claims	(546,081)	(581,787)	(764,607)	40.0	31.4
Retained acquisition costs	(642,771)	(639,451)	(620,791)	(3.4)	(2.9)
Underwriting result	647,040	777,724	637,008	(1.6)	(18.1)
Administrative expenses	(109,514)	(116,273)	(112,898)	3.1	(2.9)
Tax expenses	(88,546)	(75,464)	(68,805)	(22.3)	(8.8)
Other operating income (expenses)	(74,492)	(74,594)	(79,710)	7.0	6.9
Equity income	494	531	531	7.4	(0.1)
Gains or losses on non-current assets	(292)	83	-	-	-
Non-interest operating result	374,690	512,006	376,125	0.4	(26.5)
Net investment income	88,131	57,561	65,502	(25.7)	13.8
Financial income	111,469	91,828	88,571	(20.5)	(3.5)
Financial expenses	(23,338)	(34,267)	(23,069)	(1.2)	(32.7)
Earnings before taxes and profit sharing	462,821	569,567	441,627	(4.6)	(22.5)
Taxes	(132,706)	(149,248)	(110,577)	(16.7)	(25.9)
Profit sharing	(1,803)	(6,595)	814	-	-
Net income	328,312	413,724	331,865	1.1	(19.8)

Retained premiums = Premiums written + premiums ceded to reinsurance

Changes in technical reserves – premiums = Changes in technical provisions + changes in technical provisions on reinsured operations

Retained claims = Incurred claims – recovery of indemnity claims – recovery of claims expenses – changes in provisions for claims IBNR – salvages and reimbursed assets – changes in provision for claims IBNR provisions for claims to be settled – changes of expenses related to IBNR – changes in estimates for salvages and reimbursed assets – provisions for claims to be settled

Retained acquisition costs = acquisition costs – commission return + revenue with reinsurance commissions

ADJUSTED NET INCOME

Figure 19 – Brasilseg | Adjusted net income and ROAA

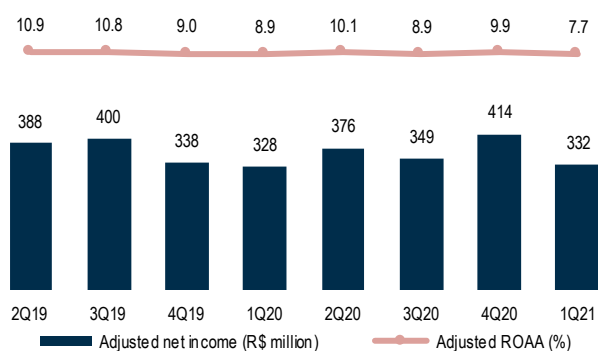
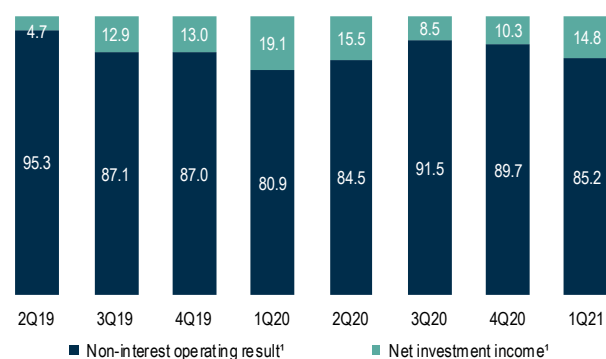


Figure 20 – Brasilseg | Adjusted net income breakdown (%)



1. Net of taxes considering the Company's effective tax rate.

Table 17 – Brasilseg | Managerial performance ratios¹

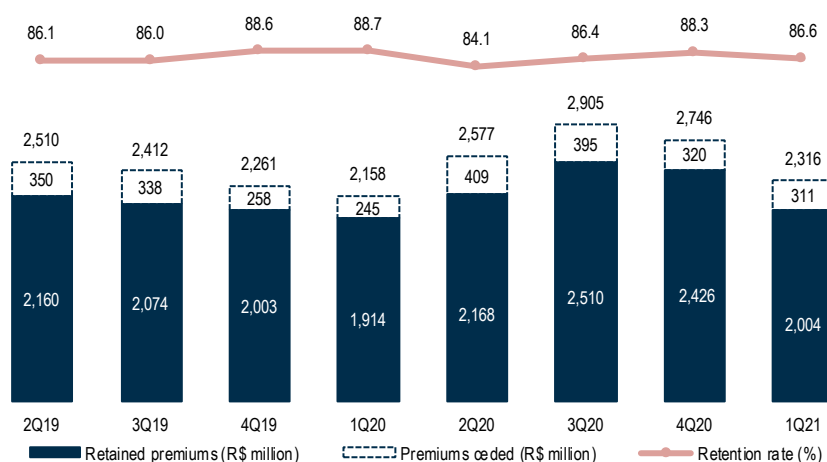
%	Quarterly Flow		Chg. (p.p.)		
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Performance ratios					
Loss ratio	29.7	29.1	37.8	8.1	8.7
Commission ratio	35.0	32.0	30.7	(4.3)	(1.3)
G&A ratio	14.8	13.3	12.9	(1.9)	(0.4)
Combined ratio	79.6	74.4	81.4	1.8	7.0
Other ratios					
Expanded combined ratio	76.0	72.3	78.9	2.9	6.5
Income tax rate	28.7	26.2	25.0	(3.6)	(1.2)
ROAA	8.9	9.9	7.7	(1.2)	(2.2)

1. Performance ratios calculated based on the managerial income statement, considering the reinsurance effects.

■ NON-INTEREST OPERATING RESULT ANALYSIS

PREMIUMS WRITTEN

Figure 21 – Brasilseg | Premiums written



Even with the worsening of the pandemic, the commercial performance of the insurance segment continued to show its resilience in 1Q21, with premiums written increasing 7.3% compared to the same period last year.

Rural insurance had the largest contribution, with a 29.4% increase in premiums written in the first quarter, with all business lines in this segment showing significant expansion on the 1Q20. Crop insurance remained as the main product, up 28.2%, driven by the early release of working capital loans to finance the crop 2021/2022 with a credit volume available higher than the pre-funding of the crop 2020/2021. The expansion of rural credit also favored credit life for farmers (+ 30.9%) and the rural lien insurance (+20.6%).

Term life premiums written increased 14.6% YoY, due to the good sales performance from the new portfolio released in May 2020 and the increase in premiums arising from renewal of policies, due to the spike in inflation rates used to adjust the price.

The **home insurance** (+28.2%), due to the focus given in the retail segment, and the **commercial lines** (+63.8%) also contributed to the growth in Brasilseg's total premiums written.

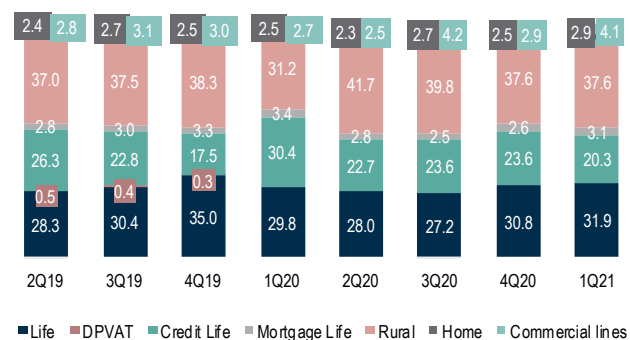
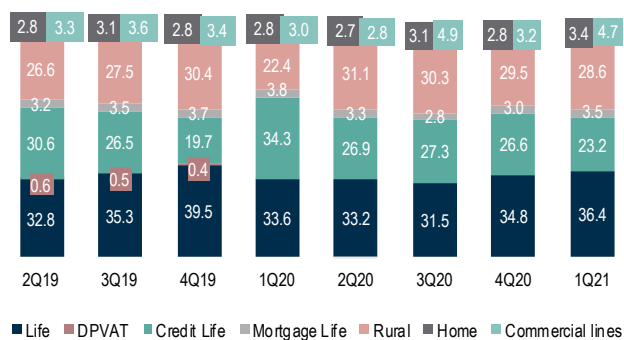
On the other hand, the **credit life** fell 28.3% YoY, explained by the reduction of the average insured capital in the new portfolio launched in October 2020, now more aligned with the product usually offered in the market, which has as one feature the dynamic of decreasing insured capital at the extent of the loan payment, while in the former portfolio the insured capital was fixed during all the duration of the policy. Also impacted the dynamics of premiums written in the credit life insurance: the hard comp for sales performance of the 1Q20, considering that the news policies sold in the 1Q21 sustained good levels as compared to the period between April and December 2020; and by the increase of cancellations, due to loan renegotiation that were contracted without the insurance pegged to new operation, considering that the clients aimed to maximize the amount of cash deposited in the checking account.

Table 18 – Brasilseg | Breakdown of premiums written

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Life	644,037	846,064	738,037	14.6	(12.8)
Credit Life	656,438	647,117	470,725	(28.3)	(27.3)
Mortgage Life	72,470	72,470	71,209	(1.7)	(1.7)
Rural	673,792	1,032,723	871,625	29.4	(15.6)
Crop	277,662	382,115	356,038	28.2	(6.8)
Rural lien	159,898	254,422	192,877	20.6	(24.2)
Credit life for farmers	235,508	384,383	308,269	30.9	(19.8)
Others	723	11,803	14,441	1,897.5	22.3
Home	53,037	68,113	67,989	28.2	(0.2)
Commercial lines	58,140	78,286	95,208	63.8	21.6
Large risks	63	805	540	758.4	(32.9)
Other	438	502	358	(18.2)	(28.7)
Total	2,158,415	2,746,081	2,315,691	7.3	(15.7)

Table 19 – Brasilseg | Breakdown of retained premiums

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Life	642,309	844,849	730,253	13.7	(13.6)
Credit Life	655,851	646,347	465,441	(29.0)	(28.0)
Mortgage Life	72,327	72,401	71,037	(1.8)	(1.9)
Rural	429,268	714,682	573,548	33.6	(19.7)
Crop	33,929	72,227	70,770	108.6	(2.0)
Rural lien	159,575	254,371	192,799	20.8	(24.2)
Credit life for farmers	235,331	383,391	302,959	28.7	(21.0)
Others	433	4,693	7,020	1,523.0	49.6
Home	52,858	68,088	68,008	28.7	(0.1)
Commercial lines	58,123	78,284	95,184	63.8	21.6
Large risks	2,397	806	493	(79.4)	(38.8)
Other	438	502	358	(18.2)	(28.7)
Total	1,913,572	2,425,959	2,004,321	4.7	(17.4)

Figure 22 – Brasilseg | Breakdown of premiums written¹ (%)Figure 23 – Brasilseg | Breakdown of retained premiums¹ (%)

1. As of 1Q20, premiums written from DPVAT are no longer included in Brasilseg's total premiums written.

CHANGES IN TECHNICAL RESERVES – PREMIUMS

Table 20 – Brasilseg | Changes in technical reserves – premiums

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Provision for unearned premiums	(19,799)	(400,819)	108,981	-	-
Provision for benefits to be granted (except VGBL and VRGP)	(164)	-	-	-	-
Provision for technical surplus	(946)	1,632	(1,309)	38.4	-
Complementary provisions of contributions	-	(5,593)	-	-	-
Change in technical reserves - premiums	(20,909)	(404,781)	107,672	-	-

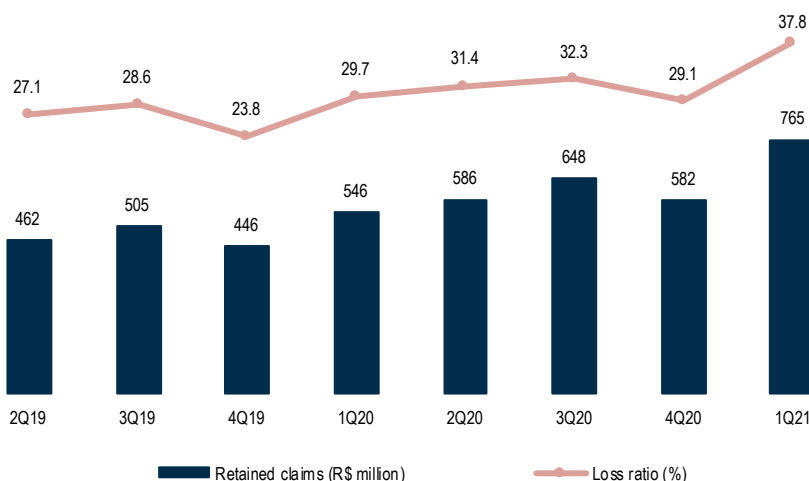
RETAINED EARNED PREMIUMS

Table 21 – Brasilseg | Breakdown of retained earned premiums

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Life	738,548	743,643	743,416	0.7	(0.0)
Credit Life	378,126	421,167	406,281	7.4	(3.5)
Mortgage Life	72,672	72,599	70,766	(2.6)	(2.5)
Rural	519,355	620,547	639,267	23.1	3.0
Crop	47,981	75,652	85,759	78.7	13.4
Rural lien	194,148	216,326	218,322	12.5	0.9
Credit life for farmers	274,675	325,100	330,985	20.5	1.8
Others	2,551	3,470	4,201	64.7	21.1
Home	57,586	62,914	63,999	11.1	1.7
Commercial lines	66,506	76,778	97,746	47.0	27.3
Large risks	2,656	796	558	(79.0)	(29.9)
Other	443	518	374	(15.5)	(27.8)
Total	1,835,892	1,998,962	2,022,406	10.2	1.2

RETAINED CLAIMS

Figure 24 – Brasilseg | Retained claims



In the 1Q21, the loss ratio increased 8.1 p.p. YoY. The deterioration of the indicator is largely explained by the higher volume of claims reported in insurance portfolios with death coverage, due to the worsening of the Covid-19 pandemic scenario, and the strengthening of provisions. Setting apart the effects of reported claims of Covid-19, the loss ratio would have been stable compared to the 1Q20.

The loss ratio of commercial lines also increased in the period (+5.6 p.p.), considering the higher expenses resulting from the process of regularization of dammed premiums.

On the other hand, the rural insurance loss ratio decreased by 2.0 p.p., mainly due to the improvement in crop insurance (-139.1 pp), with lower losses related to climate events that usually happens during the harvest period of the summer crop, thus leading to the recovery of part of the crop with rains in January and February. It is worth noting that losses in the 1Q20 were high due to the drought registered in the South.

Table 22 – Brasilseg | Breakdown of retained claims

R\$ thousand	Quarterly Flow		Chg. %		
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Incurred claims	(1,080,425)	(732,499)	(1,001,955)	(7.3)	36.8
Expenses with claims	(1,035,665)	(714,681)	(920,689)	(11.1)	28.8
Changes in provisions for claims IBNR and IBNER	(35,559)	(5,417)	(68,253)	91.9	1,159.9
Recovery of claims - Coinsurance and reinsurance	534,894	152,203	241,177	(54.9)	58.5
Salvage and Reimbursements	5,856	8,593	9,913	69.3	15.4
Assistance services	(15,594)	(22,079)	(26,104)	67.4	18.2
Other	(15)	(406)	(651)	4,198.0	60.4
Retained claims	(546,081)	(581,787)	(764,607)	40.0	31.4

Figure 25 – Life Insurance | Loss ratio (%)

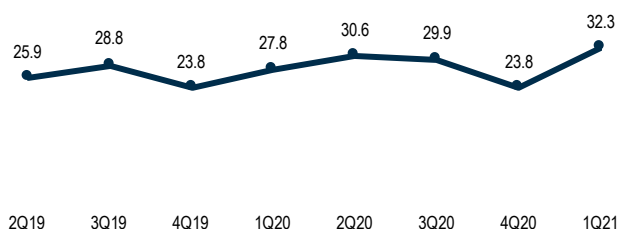


Figure 26 – Credit life insurance | Loss ratio (%)

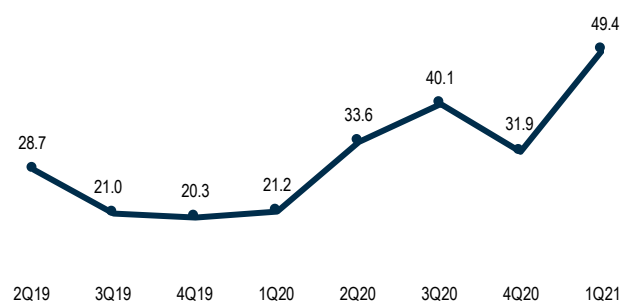


Figure 27 – Mortgage life | Loss ratio (%)

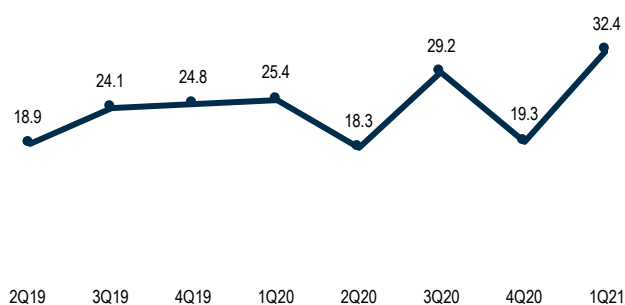


Figure 28 – Home insurance | Loss ratio (%)

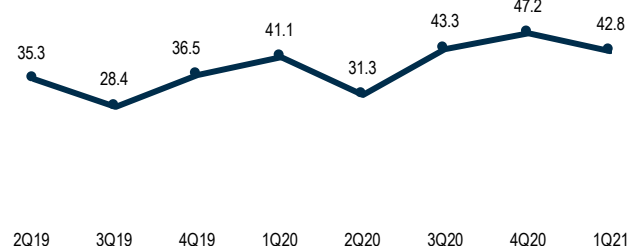


Figure 29 – Commercial lines insurance | Loss ratio (%)

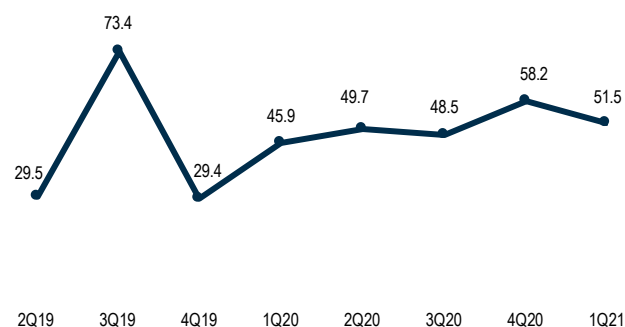


Figure 30 – Rural | Loss ratio (%)

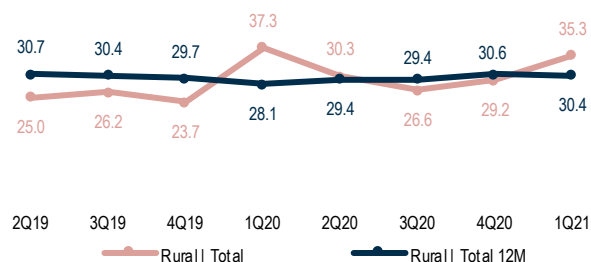


Figure 31 – Crop insurance | Loss ratio (%)

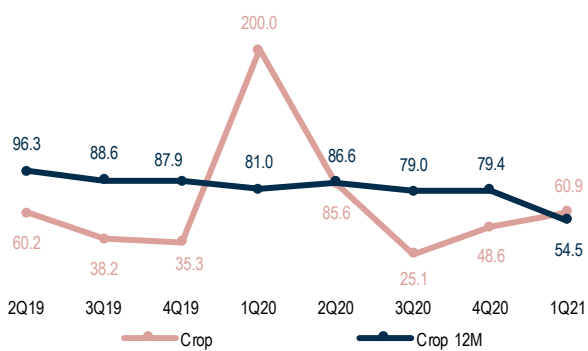
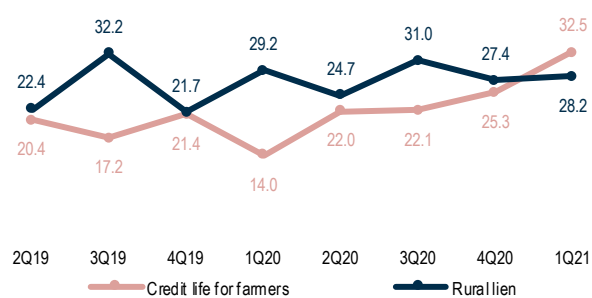


Figure 32 – Credit life for farmers and rural lien insurance | Loss ratio (%)



RETAINED ACQUISITION COSTS

Figure 33 – Brasilseg | Retained acquisition costs

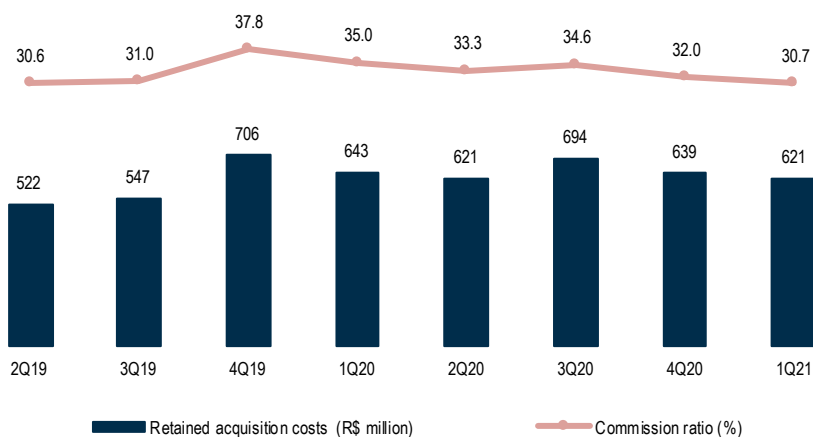
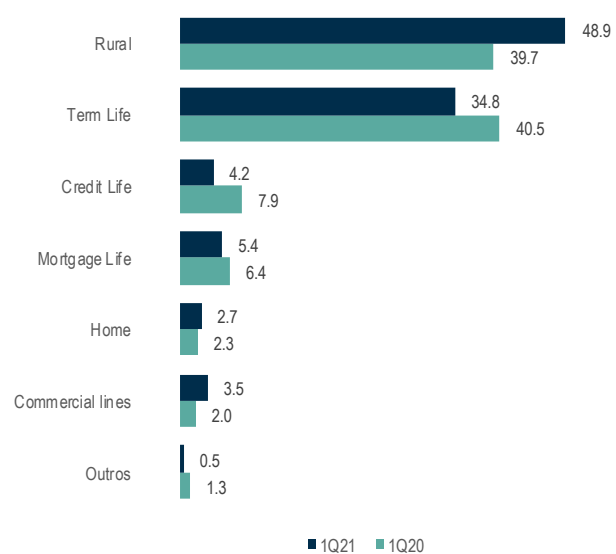


Table 23 – Brasilseg | Retained acquisition costs

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Acquisition costs	(718,415)	(728,471)	(721,787)	0.5	(0.9)
Commission charged on premiums written	(595,013)	(765,015)	(628,534)	5.6	(17.8)
Revenue with reinsurance commission	75,644	89,020	100,996	33.5	13.5
Commissions recovered - Coinsurance	-	1,598	4,700	-	194.0
Change in deferred acquisition costs	47,536	152,469	1,245	(97.4)	(99.2)
Other acquisition costs	(170,939)	(117,524)	(99,199)	(42.0)	(15.6)
Retained acquisition costs	(642,771)	(639,451)	(620,791)	(3.4)	(2.9)

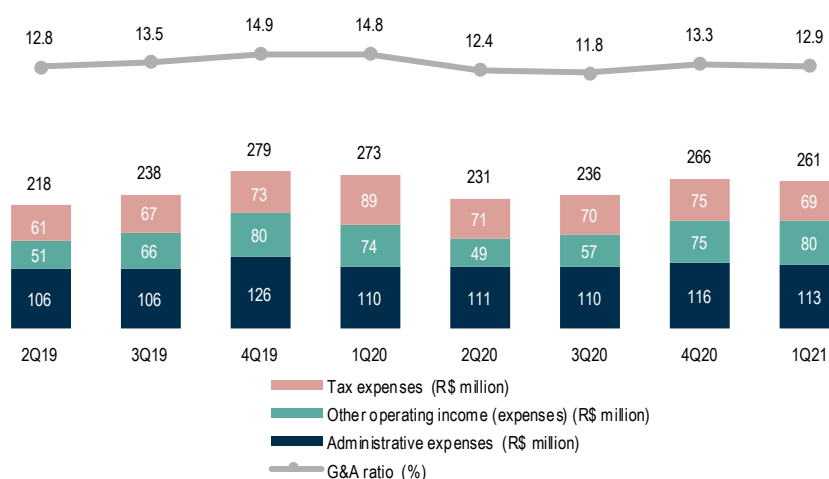
UNDERWRITING RESULT

Figure 34 – Brasilseg | Breakdown of underwriting result by segment (%)



GENERAL & ADMINISTRATIVE EXPENSES

Figure 35 – Brasilseg | G&A expenses



In 1Q21, the G&A ratio decreased by 1.9 p.p. YoY. The improvement is explained by the 4.1% reduction in expenses, associated with the 10.2% growth in retained earned premiums, the calculation basis for this indicator.

The decrease in G&A expenses was driven by lower expenses with taxes (-22.3%), which in the 1Q20 were negatively impacted by the reversal of tax credits in the amount of R\$20.0 million, which were related to PIS/COFINS calculated on provisions of claims to be settled (PSL) and provisions for incurred but not reported claims (IBNR) of the DPVAT segment, after the change in the accounting method of recognition of the segment's results, which was determined by the regulator (Susep – Superintendence of Private Insurance).

Setting apart the aforementioned effect, the G&A expenses would have grown 3.5%, still with an improvement in efficiency (drop of 0.9 p.p. in the indicator).

The **administrative expenses** grew 3.1%, due to the 21.4% increase in outsourcing related to investments in IT infrastructure, projects of data protection compliance and data analytics, software licenses and maintenance of the call center systems. This increase was partially offset by lower personnel expenses, due to the reduction in the number of employees explained by the postponement of staff hiring, the reversal of provisions for Profit Sharing and Results of 2020, as well as the decrease in transportation expenses due to remote work.

The **other operating income and expenses** increased 7.0%, partially due to the positive impact in the 1Q20 of the reversal of R\$4.5 million of provision for claims to be settled, to regularize pending balances. In addition, in the 1Q21 the expenses increased due to the transfer of costs amounting to R\$4.4 million, related to the endomarketing contract of 2020.

Table 24 – Brasilseg | General & Administrative expenses

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Administrative expenses	(109,514)	(116,273)	(112,898)	3.1	(2.9)
Personnel	(55,216)	(50,174)	(54,406)	(1.5)	8.4
Outsourcing	(29,603)	(33,772)	(35,936)	21.4	6.4
Location and operation	(21,865)	(21,194)	(20,683)	(5.4)	(2.4)
Institutional advertisement and publicity	(491)	(2,869)	(473)	(3.5)	(83.5)
Publications	(434)	(91)	(459)	5.6	403.6
Other administrative expenses	(1,904)	(8,173)	(941)	(50.6)	(88.5)
Other operating income (expenses)	(74,492)	(74,594)	(79,710)	7.0	6.9
FESR contributions	(50,048)	(55,608)	(48,840)	(2.4)	(12.2)
Charging expenses	(444)	(1,102)	(1,084)	144.3	(1.6)
Civil contingencies	(4,126)	(2,000)	(3,794)	(8.0)	89.7
Expenses with events	(596)	(1,113)	(57)	(90.5)	(94.9)
Endomarketing	(8,655)	(8,900)	(10,152)	17.3	14.1
Impairment	(12,318)	(654)	(13,332)	8.2	1,940.0
Other operating income (expenses)	1,695	(5,217)	(2,451)	-	(53.0)
Tax expenses	(88,546)	(75,464)	(68,805)	(22.3)	(8.8)
COFINS	(73,582)	(62,324)	(56,558)	(23.1)	(9.3)
PIS	(12,004)	(10,218)	(9,276)	(22.7)	(9.2)
Inspection fee	(1,881)	(1,881)	(1,881)	0.0	0.0
Other tax expenses	(1,079)	(1,041)	(1,090)	1.0	4.7
G&A	(272,552)	(266,331)	(261,413)	(4.1)	(1.8)

■ NET INVESTMENT INCOME

Figure 36 – Brasilseg | Net investment income (R\$ million)

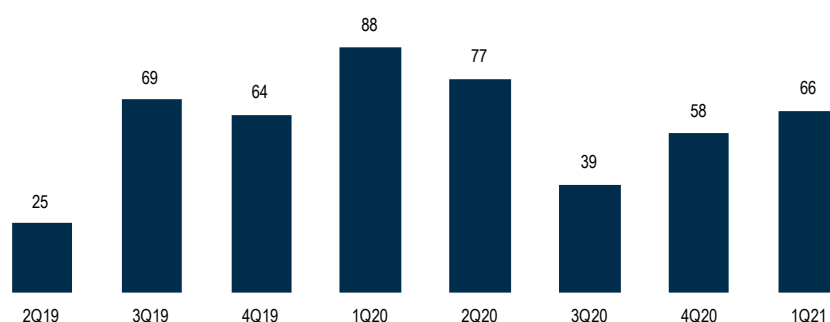


Table 25 – Brasilseg | Financial income and expenses¹

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Adjusted interest revenues	107,834	92,569	87,977	(18.4)	(5.0)
Revenues with mark to market financial investments	76,951	55,741	54,700	(28.9)	(1.9)
Revenues with held to maturity financial investments	22,820	30,846	28,469	24.8	(7.7)
Judicial deposits	2,129	2,061	2,123	(0.2)	3.0
Receivables from insurance and reinsurance operations	5,935	3,922	2,685	(54.8)	(31.5)
Adjusted interest expenses	(11,354)	(19,753)	(11,547)	1.7	(41.5)
Pending claims	(6,926)	(14,161)	(8,494)	22.6	(40.0)
Judicial provisions	(2,066)	(3,395)	(3,172)	53.5	(6.6)
Obligations with insurance and reinsurance operations	(2,361)	(2,197)	119	-	-
Net interest income	96,481	72,816	76,430	(20.8)	5.0

1. Managerial view.

In the 1Q21, the net interest income decreased 20.8% YoY.

The adjusted interest income decreased 18.4%, mainly explained by the drop in the average Selic rate, partially offset by the growth in the average balance of financial investments and the increase in the average yield on securities held to maturity, mainly justified by high inflation.

The adjusted interest expenses increased 1.7%, impacted by:

- The increase in pending claims financial expenses, due to the new lawsuits and the lower volume of lawsuits ended with payment below the provision balance, as well as the spike in the inflation index (INPC) pegged to the claims to be settled provisions; and
- The reversal of fiscal lawsuits provisions in the 1Q20, which amounted to R\$1.7 million, making the judicial provisions line in the 1Q21 not directly comparable with the same period of last year.

Table 26 – Brasilseg | Quarterly figures – Volume and rate analysis

R\$ thousand	1Q21/1Q20		
	Average volume	Average rate	Net change
Earning assets			
Mark to Market financial investments	4,796	(27,046)	(22,251)
Held to maturity financial investments	(3,576)	9,225	5,649
Judicial deposits	(25)	20	(5)
Receivables from insurance and reinsurance operations	(471)	(2,779)	(3,250)
Total¹	3,912	(23,769)	(19,857)
Interest bearing liabilities			
Pending claims	(304)	(1,263)	(1,568)
Judicial provisions	(3)	(1,102)	(1,106)
Obligations with insurance and reinsurance operations	48	2,432	2,480
Total¹	(549)	356	(193)

1. Calculated with the same methodology of the parts. Due to the different weights of the elements which compose it, the total does not reflect the sum of the parts.

Table 27 – Brasilseg | Quarterly figures – Earning assets – average balance and interest rates

R\$ million	1Q20			1Q21		
	Average balance	Interest revenues	Annualized rate (%)	Average balance	Interest revenues	Annualized rate (%)
Earning assets						
Mark to Market financial investments	5,683	77	5.6	6,229	55	3.7
Held to maturity financial investments	928	23	10.4	825	28	15.0
Judicial deposits	853	2	1.0	843	2	1.0
Receivables from insurance and reinsurance operations	435	6	5.7	370	3	3.0
Total	7,900	108	5.7	8,268	88	4.5

Table 28 – Brasilseg | Quarterly figures – Interest bearing liabilities – average balance and interest rates

R\$ million	1Q20			1Q21		
	Average balance	Interest expenses	Annualized rate (%)	Average balance	Interest expenses	Annualized rate (%)
Interest bearing liabilities						
Pending claims	2,067	(7)	1.4	2,144	(8)	1.6
Judicial provisions	675	(2)	1.2	676	(3)	1.9
Obligations with insurance and reinsurance operations	96	(2)	9.7	160	0	(0.3)
Total	2,838	(11)	1.6	2,980	(12)	1.6

Table 29 – Brasilseg | Financial investment portfolio

R\$ thousand	Balance		Chg. %		
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Trading	3,826,858	3,268,100	3,072,506	(19.7)	(6.0)
Pre-fixed	9,577	144,811	127,675	1,233.2	(11.8)
Floating	3,816,195	3,083,500	2,905,039	(23.9)	(5.8)
Inflation	-	38,628	38,574	-	(0.1)
Other	1,087	1,162	1,219	12.2	4.9
Available for sale	1,266,169	3,158,128	2,959,385	133.7	(6.3)
Pre-fixed	1,136,061	3,025,831	2,826,393	148.8	(6.6)
Floating	130,108	132,297	132,992	2.2	0.5
Held to maturity securities	924,963	823,954	825,709	(10.7)	0.2
Pre-fixed	150,879	155,267	151,680	0.5	(2.3)
Inflation	774,084	668,687	674,029	(12.9)	0.8
Total	6,017,990	7,250,182	6,857,600	14.0	(5.4)

Figure 37 – Brasilseg | Breakdown of financial investments by index (%)

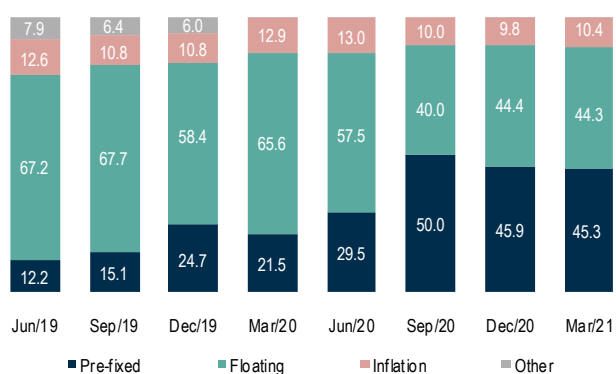
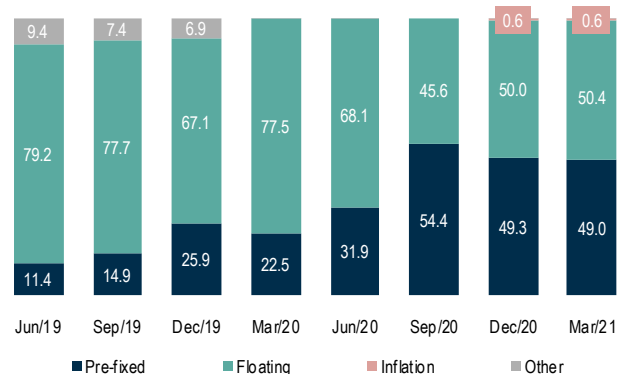


Figure 38 – Brasilseg | Breakdown of mark to market financial investments by index (%)



■ BALANCE SHEET ANALYSIS

Table 30 – Brasilseg | Balance sheet¹

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Assets	14,595,302	17,367,315	17,123,230	17.3	(1.4)
Cash	19,276	9,540	9,829	(49.0)	3.0
Financial assets	6,017,990	7,250,182	6,857,600	14.0	(5.4)
Receivables from insurance and reinsurance operations	3,250,592	4,564,786	4,375,060	34.6	(4.2)
Reinsurance and retrocession - technical reserves	1,157,080	938,454	1,031,900	(10.8)	10.0
Securities and credits receivable	1,125,598	1,123,881	1,208,344	7.4	7.5
Other	229	179	260,124	113,511.8	144,830.4
Prepaid expenses	18,451	6,814	33,309	80.5	388.8
Deferred costs	2,296,248	2,750,422	2,751,668	19.8	0.0
Investments	304,964	297,667	366,423	20.2	23.1
Fixed assets	271,099	256,430	48,286	(82.2)	(81.2)
Intangible	133,775	168,959	180,687	35.1	6.9
Liabilities	12,754,990	15,141,694	14,977,222	17.4	(1.1)
Accounts payable	432,615	486,899	175,883	(59.3)	(63.9)
Obligations with insurance and reinsurance operations	1,727,848	2,924,857	2,486,090	43.9	(15.0)
Technical reserves - insurance	9,911,725	11,048,118	11,312,642	14.1	2.4
Third party deposits	11,225	7,533	19,469	73.4	158.5
Other liabilities	671,576	674,287	983,136	46.4	45.8
Shareholders' equity	1,840,312	2,225,621	2,146,008	16.6	(3.6)

1. Consolidated balance sheet was prepared in compliance with the International Financial Reporting Standards (IFRS).

Table 31 – Brasilseg | Receivables from insurance and reinsurance operations

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Receivable premiums	3,173,019	4,386,101	4,284,769	35.0	(2.3)
Operations with insurance companies	1,430	2,604	8,105	466.6	211.2
Premiums	69	304	243	253.4	(20.3)
Claims paid	870	922	2,391	174.9	159.4
Other receivables	492	1,378	5,472	1,011.8	297.1
Operations with reinsurance companies	72,467	57,403	75,013	3.5	30.7
Claims paid	71,652	57,399	75,003	4.7	30.7
Other receivables	815	4	9	(98.9)	152.4
Other operating receivables	69,609	172,343	77,385	11.2	(55.1)
Impairment	(65,933)	(53,666)	(70,212)	6.5	30.8
Receivables from insurance and reinsurance operations	3,250,592	4,564,786	4,375,060	34.6	(4.2)

Table 32 – Brasilseg | Reinsurance and retrocession – technical reserves

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Deferred premiums - PPNG	371,302	503,871	436,461	17.5	(13.4)
Deferred premiums - RVNE	22,895	24,258	24,216	5.8	(0.2)
IBNR claims	71,597	85,438	96,492	34.8	12.9
Pending claims	686,008	319,081	466,732	(32.0)	46.3
Provision for related expenses	5,279	5,807	8,000	51.5	37.8
Reinsurance and retrocession - technical reserves	1,157,080	938,454	1,031,900	(10.8)	10.0

Table 33 – Brasilseg | Securities and credit receivable

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Securities and credits receivable	8,029	10,550	7,213	(10.2)	(31.6)
Other tax and social security receivables	112,276	105,982	193,760	72.6	82.8
Receivable tax and social security - tax loss	14	439	439	3,005.4	-
Receivable tax and social security - temporary adjustments	148,904	148,804	155,890	4.7	4.8
Tax and judicial deposits	846,834	842,625	843,776	(0.4)	0.1
Other receivables	14,675	20,614	12,399	(15.5)	(39.9)
Impairment	(5,134)	(5,134)	(5,134)	-	-
Securities and credits receivable	1,125,598	1,123,881	1,208,344	7.4	7.5

Table 34 – Brasilseg | Accounts payable

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Payable liabilities	67,589	134,889	75,396	11.6	(44.1)
Deferred taxes	278	522	(0)	-	-
Social securities and taxes payable	28,547	34,540	36,824	29.0	6.6
Labor charges	15,665	15,345	17,261	10.2	12.5
Taxes and contributions	37,218	31,908	36,362	(2.3)	14.0
Other accounts payable	283,319	269,694	10,040	(96.5)	(96.3)
Accounts payable	432,615	486,899	175,883	(59.3)	(63.9)

Table 35 – Brasilseg | Obligations with insurance and reinsurance operations

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Premiums to return	27,989	35,798	132,305	372.7	269.6
Operations with insurance companies	1,573	4,250	10,772	584.7	153.4
Operations with reinsurance companies	246,034	474,710	469,874	91.0	(1.0)
Insurance and reinsurance brokers	135,011	488,005	67,889	(49.7)	(86.1)
Other operating obligations	1,317,240	1,922,094	1,805,250	37.0	(6.1)
Obligations with insurance and reinsurance operations	1,727,848	2,924,857	2,486,090	43.9	(15.0)

■ SOLVENCY

Table 36 – Brasilseg | Solvency¹

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Brasilseg Companhia de Seguros					
Adjusted shareholders' equity (a)	1,262,028	1,636,159	1,397,973	10.8	(14.6)
Minimum capital required (b)	1,130,405	1,259,080	1,276,290	12.9	1.4
Additional capital for underwriting risk	1,015,239	1,125,351	1,134,986	11.8	0.9
Additional capital for credit risk	110,181	134,058	144,046	30.7	7.5
Additional capital for operating risk	28,604	30,971	32,740	14.5	5.7
Additional capital for market risk	90,687	100,037	100,037	10.3	-
Benefit of correlation between risks	(114,307)	(131,338)	(135,519)	18.6	3.2
Capital adequacy (a) - (b)	131,623	377,079	121,683	(7.6)	(67.7)
Solvency ratio (a) / (b) - %	111.6	129.9	109.5	-2.1 p.p.	-20.4 p.p.
Aliança do Brasil Seguros					
Adjusted shareholders' equity (a)	171,667	169,739	186,644	8.7	10.0
Minimum capital required (b)	90,642	97,791	103,855	14.6	6.2
Additional capital for underwriting risk	79,584	87,880	92,948	16.8	5.8
Additional capital for credit risk	10,873	9,777	10,271	(5.5)	5.1
Additional capital for market risk	4,696	1,898	1,898	(59.6)	-
Additional capital for operating risk	3,742	4,122	4,854	29.7	17.8
Benefit of correlation between risks	(8,253)	(5,886)	(6,117)	(25.9)	3.9
Capital adequacy (a) - (b)	81,025	71,948	82,789	2.2	15.1
Solvency ratio (a) / (b) - %	189.4	173.6	179.7	-9.7 p.p.	6.1 p.p.
Total Brasilseg					
Adjusted shareholders' equity (a)	1,433,695	1,805,899	1,584,617	10.5	(12.3)
Minimum capital required (b)	1,221,047	1,356,871	1,380,144	13.0	1.7
Additional capital for underwriting risk	1,094,823	1,213,231	1,227,934	12.2	1.2
Additional capital for credit risk	121,054	143,836	154,317	27.5	7.3
Additional capital for operating risk	32,346	35,093	37,594	16.2	7.1
Additional capital for market risk	95,383	101,935	101,935	6.9	-
Benefit of correlation between risks	(122,559)	(137,224)	(141,636)	15.6	3.2
Capital adequacy (a) - (b)	212,648	449,027	204,473	(3.8)	(54.5)
Solvency ratio (a) / (b) - %	117.4	133.1	114.8	-2.6 p.p.	-18.3 p.p.

1. Information based on the accounting principles of SUSEP (SUSEP GAAP).

4.2 BRASILPREV

■ EARNINGS ANALYSIS

Table 37 – Brasilprev | Income statement¹

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Total revenue from pension and insurance	10,130,016	12,103,705	10,769,021	6.3	(11.0)
Provision for benefits to be granted	(10,124,791)	(12,095,918)	(10,761,494)	6.3	(11.0)
Net revenue from pension and insurance	5,225	7,788	7,527	44.1	(3.3)
Management fee	711,337	748,846	747,708	5.1	(0.2)
Changes in other technical reserves	(46,909)	(77,236)	(75,473)	60.9	(2.3)
Expenses with benefits, redemptions and claims	12,073	52,577	46,230	282.9	(12.1)
Acquisition costs	(170,128)	(165,948)	(166,322)	(2.2)	0.2
Earned premiums	43,145	44,479	41,245	(4.4)	(7.3)
Administrative expenses	(88,463)	(88,076)	(72,042)	(18.6)	(18.2)
Tax expenses	(53,318)	(56,306)	(55,309)	3.7	(1.8)
Other operating income (expenses)	(21,237)	(11,707)	(19,428)	(8.5)	66.0
Gains or losses on non-current assets	-	(1,501)	-	-	-
Non-interest operating result	391,725	452,917	454,136	15.9	0.3
Net investment income	(112,778)	(297,546)	(25,142)	(77.7)	(91.6)
Financial income	(4,840,725)	7,181,350	(1,607,283)	(66.8)	-
Financial expenses	4,727,947	(7,478,896)	1,582,141	(66.5)	-
Earnings before taxes and profit sharing	278,947	155,371	428,994	53.8	176.1
Taxes	(110,878)	(34,090)	(170,802)	54.0	401.0
Profit sharing	(3,987)	(886)	(2,343)	(41.2)	164.5
Net income	164,082	120,396	255,849	55.9	112.5

ADJUSTED NET INCOME

Figure 39 – Brasilprev | Adjusted net income and ROAA

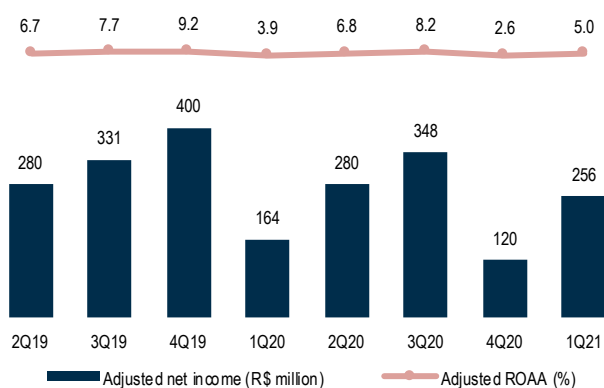
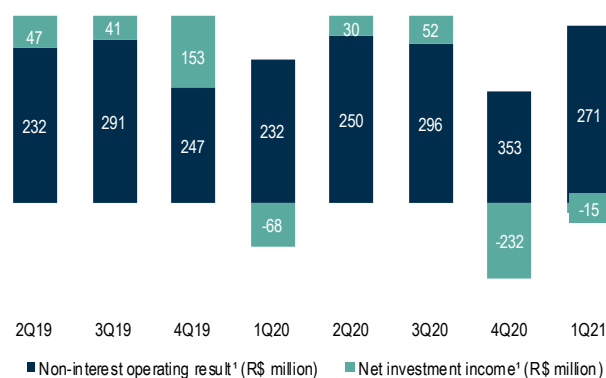


Figure 40 – Brasilprev | Adjusted net income breakdown



1. Net of taxes considering the effective tax rate

Table 38 – Brasilprev | Performance ratios

%	Quarterly Flow			Chg. (p.p.)	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Commission ratio	1.7	1.4	1.5	(0.1)	0.2
Load fee	0.1	0.1	0.1	0.0	0.0
Management fee	1.00	1.00	1.01	0.01	0.01
Redemption ratio	9.4	8.6	9.2	(0.2)	0.6
Cost to income ratio	48.4	43.3	43.0	(5.5)	(0.3)
Income tax rate	39.7	21.9	39.8	0.1	17.9
ROAA	3.9	2.6	5.0	1.1	2.4

■ RESULT WITH PENSION PLANS AND INSURANCE ANALYSIS

CONTRIBUTIONS

Figure 41 – Brasilprev | Contributions (R\$ million)

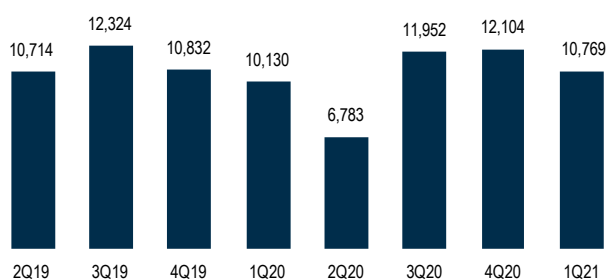
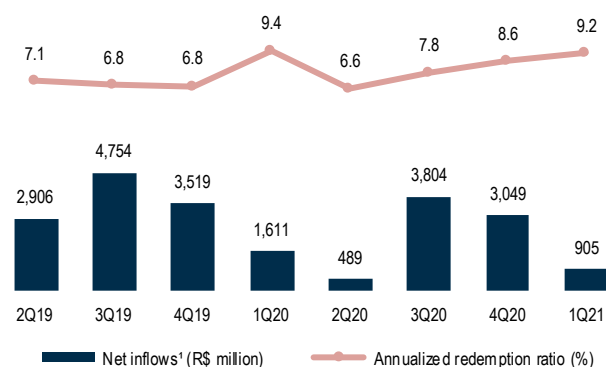


Figure 42 – Brasilprev | Net inflows and redemption ratio



1. Source: Quantum Axis

Figure 43 – Brasilprev | Contributions breakdown (%)

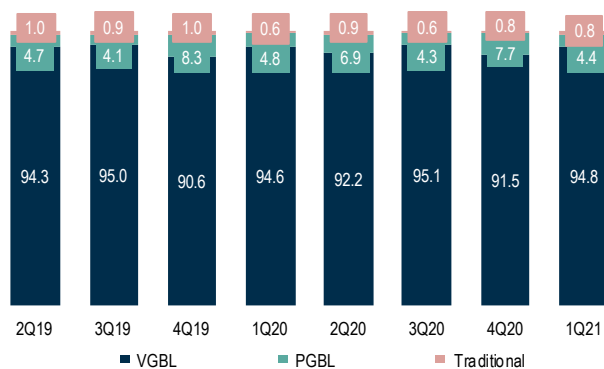
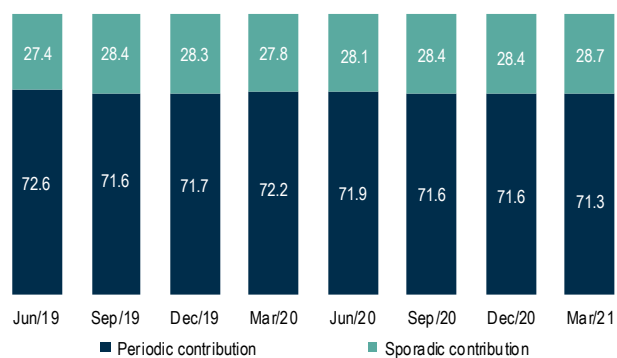


Figure 44 – Brasilprev | Pension plans outstanding (%)



TECHNICAL RESERVES

Figure 45 – Brasilprev | Technical reserves (R\$ billion)

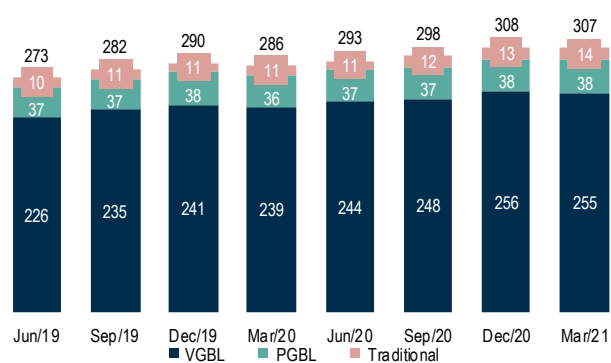


Figure 46 – Brasilprev | Technical reserves (%)

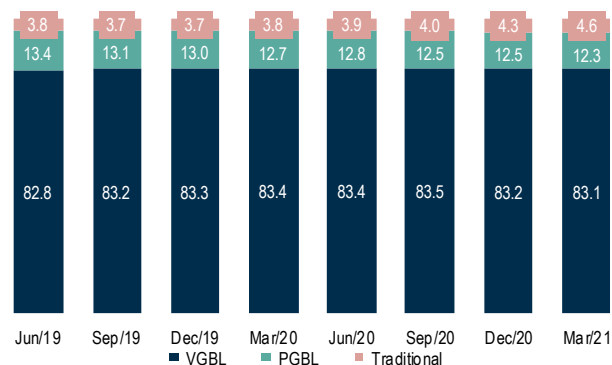


Figure 47 – Brasilprev | Active plans (thousand)



Figure 48 – Brasilprev | CPFs (thousand)

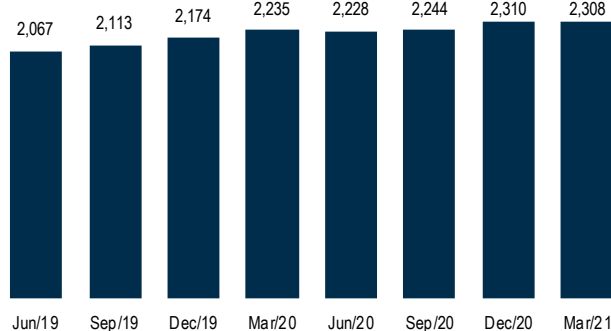


Table 39 – Brasilprev | Changes in technical reserves and provisions for insurance and pension plans

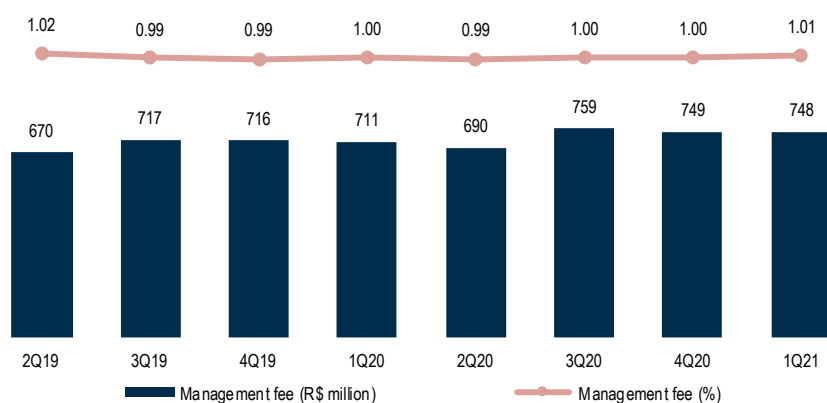
R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Benefits to be granted					
Initial balance	285,082,366	292,491,472	302,485,650	6.1	3.4
Constitution	2,991,794	3,265,222	1,320,546	(55.9)	(59.6)
Reversal	(1,462,379)	(339,190)	(527,481)	(63.9)	55.5
Restatement	(4,861,465)	7,068,146	(1,880,601)	(61.3)	-
Final balance	281,750,316	302,485,650	301,398,114	7.0	(0.4)
Benefits granted					
Initial balance	3,358,637	3,831,021	4,242,351	26.3	10.7
Constitution	157,483	67,872	45,490	(71.1)	(33.0)
Reversal	(154,324)	(5,020)	(19,964)	(87.1)	297.7
Restatement	125,883	348,478	252,260	100.4	(27.6)
Final balance	3,487,679	4,242,351	4,520,137	29.6	6.5
Other provisions					
Initial balance	1,370,312	1,282,963	1,482,265	8.2	15.5
Constitution	143,387	430,442	310,516	116.6	(27.9)
Reversal	(276,282)	(304,393)	(498,411)	80.4	63.7
Restatement	18,988	73,253	59,198	211.8	(19.2)
Final balance	1,256,405	1,482,265	1,353,568	7.7	(8.7)
Total Provisions	286,494,400	308,210,266	307,271,819	7.3	(0.3)

Table 40 – Brasilprev | Changes in technical reserves and provisions for insurance and pension plans by product

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
P VGBL Reserves					
Initial balance	279,102,953	285,620,466	294,949,281	5.7	3.3
Constitution	3,209,050	3,612,509	1,571,902	(51.0)	(56.5)
Reversal	(1,688,195)	(412,100)	(853,217)	(49.5)	107.0
Restatement	(5,118,743)	6,128,407	(2,504,183)	(51.1)	-
Final balance	275,505,065	294,949,281	293,163,783	6.4	(0.6)
Traditional Reserves					
Initial balance	10,708,361	11,984,990	13,260,985	23.8	10.6
Constitution	83,613	151,028	104,650	25.2	(30.7)
Reversal	(204,790)	(236,504)	(192,641)	(5.9)	(18.5)
Restatement	402,148	1,361,470	935,042	132.5	(31.3)
Final balance	10,989,332	13,260,985	14,108,036	28.4	6.4
Total Provisions	286,494,397	308,210,266	307,271,819	7.3	(0.3)

MANAGEMENT FEE

Figure 49 – Brasilprev | Management fee¹



1. Considering the reallocation of variable expenses related to administration fees, from administrative expenses to revenue with management fee for the 2019 periods.

Table 41 – Brasilprev | Management fee breakdown^{1,2}

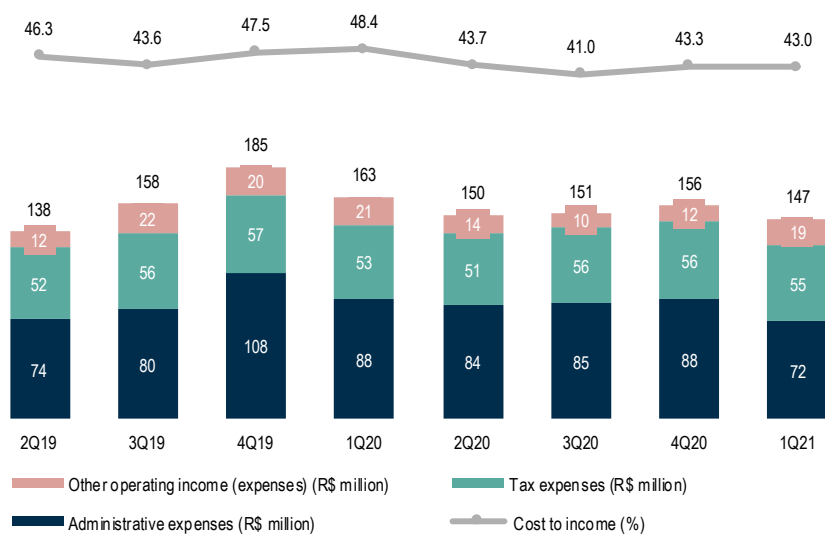
R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Management fee	711,337	748,846	747,708	5.1	(0.2)
Average volume of reserves	290,669,654	301,307,436	307,935,627	5.9	2.2
Working days	62	63	61	-1 w.d.	-2 w.d.
Annualized average management fee (%)	1.00	1.00	1.01	0.01 p.p.	0.01 p.p.

1. Management fee annualized considering the total of 252 working days.

2. Working days calculated based on the holidays table provided by ANBIMA.

GENERAL & ADMINISTRATIVE EXPENSES

Figure 50 – Brasilprev | G&A expenses and cost to income ratio¹



1. Considering the reallocation of variable expenses related to administration fees, from administrative expenses to revenue with management fee for the 2019 periods.

In the 1Q21, G&A expenses were down 10.0% YoY, with the cost to income ratio improving 5.5 p.p.

The **administrative expenses** were down 18.6% YoY, explained by:

- The decrease in marketing expenses, due to the reduction in expenses with incentivized sponsorship and with communication campaigns; and
- The reduction in outsourcing expenses, explained by the retraction in costs related to the administration of assets that guarantee the defined benefit plans reserves, and by the lower volume of expenses with projects and suppliers in the quarter.

The **other operating income and expenses** were down 8.5%, explained by the reversal of provisions for losses after the recovery of R\$1.1 million in a reinsurance process, and by the lower constitution of provisions for lawsuits, considering that it was constituted provisions for two civil lawsuits with high amounts in the 1Q20. The positive effects mentioned were partially offset by the increase in expenses with provisions for losses on receivables, due to pensions plans with the risk coverage embedded.

On the other hand, **tax expenses** were up due to the increase in taxable incomes.

Table 42 – Brasilprev | G&A expenses

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Administrative expenses	(88,463)	(88,076)	(72,042)	(18.6)	(18.2)
Personnel	(35,793)	(36,980)	(36,113)	0.9	(2.3)
Outsourcing	(25,926)	(27,710)	(18,321)	(29.3)	(33.9)
Location and operation	(14,418)	(15,285)	(14,503)	0.6	(5.1)
Marketing	(11,755)	(6,801)	(2,421)	(79.4)	(64.4)
Other	(571)	(1,300)	(684)	19.8	(47.4)
Other operating income (expenses)	(21,237)	(11,707)	(19,429)	(8.5)	66.0
Expenses on sales incentive	(9,886)	(1,621)	(10,435)	5.6	543.7
Charging expenses	(4,002)	(4,124)	(4,188)	4.6	1.6
Contingencies	(2,257)	164	(1,075)	(52.4)	-
Provision for losses on receivables	(2,446)	(4,653)	(4,086)	67.0	(12.2)
Other operating income (expenses)	(2,646)	(1,473)	355	-	-
Tax expenses	(53,318)	(56,306)	(55,309)	3.7	(1.8)
Federal and municipal taxes	(14,655)	(15,264)	(15,246)	4.0	(0.1)
COFINS	(32,298)	(33,843)	(32,989)	2.1	(2.5)
PIS/PASEP	(5,248)	(5,499)	(5,361)	2.2	(2.5)
Inspection fee	(1,084)	(1,083)	(1,083)	(0.1)	-
Other tax expenses	(33)	(617)	(630)	1,781.5	2.1
General and administrative expenses	(163,018)	(156,089)	(146,780)	(10.0)	(6.0)

Table 43 – Brasilprev | Cost to income ratio

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Revenues - [a]	759,707	801,113	796,480	4.8	(0.6)
Net revenue from pension and insurance	5,225	7,788	7,527	44.1	(3.3)
Management fee	711,337	748,846	747,708	5.1	(0.2)
Earned premiums	43,145	44,479	41,245	(4.4)	(7.3)
Expenses - [b]	367,982	346,695	342,344	(7.0)	(1.3)
Changes in other technical reserves	46,909	77,236	75,473	60.9	(2.3)
Expenses with benefits, redemptions and claims	(12,073)	(52,577)	(46,230)	282.9	(12.1)
Acquisition costs	170,128	165,948	166,322	(2.2)	0.2
Administrative expenses	88,463	88,076	72,042	(18.6)	(18.2)
Tax expenses	53,318	56,306	55,309	3.7	(1.8)
Other operating income (expenses)	21,237	11,707	19,428	(8.5)	66.0
Cost to income ratio (%) - [b / a]	48.4	43.3	43.0	(5.5) p.p.	(0.3) p.p.

■ NET INVESTMENT INCOME

Figure S1 – Brasilprev | Net investment income (R\$ million)

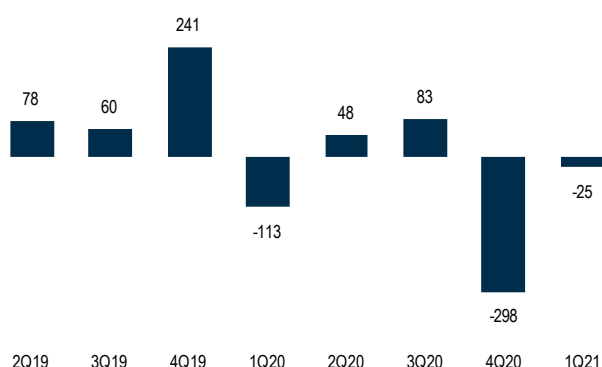
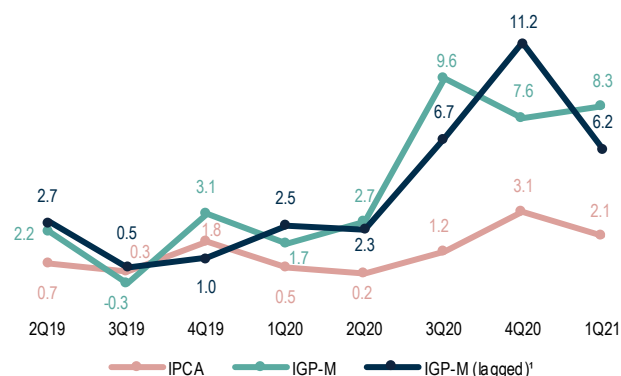


Figure S2 – Brasilprev | Inflation rates (%)



Source: Banco Central do Brasil
1. Considering the IGP-M with a lag of one month, which is the average to accrual the interest bearing liabilities of Brasilprev's defined benefit plans.

Table 44 – Brasilprev | Financial income and expenses

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Adjusted interest revenues	303,846	1,167,014	940,362	209.5	(19.4)
Revenues with mark to market financial investments	(85,714)	202,078	(89,197)	4.1	-
Revenues with held to maturity financial investments	389,560	964,936	1,029,559	164.3	6.7
Adjusted interest expenses	(416,624)	(1,464,560)	(965,504)	131.7	(34.1)
Interest accrual on technical reserves	(416,624)	(1,464,560)	(965,504)	131.7	(34.1)
Net investment income	(112,778)	(297,546)	(25,142)	(77.7)	(91.6)

In the 1Q21, net investment income was R\$25.1 million negative, a lower negative balance as compared to the 1Q20 (-R\$112.8 million).

The adjusted interest revenues were up 209.5% YoY, with 13.8 p.p. growth in the average yield on earning assets, which is explained by the spike in the inflation indexes (IPCA and IGP-M) that raised the returns of held to maturity securities, partially offset by mark to market losses due to the steepening in the real yield curve.

The adjusted interest expenses grew 131.7% YoY, because of the increase in the average yield on interest bearing liabilities (+10.3 p.p.) related to the technical reserves of traditional plans (defined benefit). Considering the one-month lag of the interest accrual on bearing liabilities, the spike of the IGP-M index in the period that ranges from December 2020 to February 2021 (+6.2%) boosted financial expenses when compared to the inflation measured by the same index between December 2019 to February 2020 (+2.5%).

Table 45 – Brasilprev | Quarterly figures – Volume and rate analysis

R\$ thousand	1Q21/1Q20		
	Average volume	Average rate	Net change
Earning assets			
Mark to market financial investments	(35,481)	31,998	(3,483)
Held to maturity financial investments	158,099	481,900	639,999
Total¹	203,438	433,078	636,516
Interest bearing liabilities			
Technical reserves	(196,385)	(352,495)	(548,880)
Total	(196,385)	(352,495)	(548,880)

1. Calculated with the same methodology of the parts. Due to the different weights of the elements which compose it, the total does not reflect the sum of the parts.

Table 46 – Brasilprev | Quarterly figures – Earning assets – average balance and interest rates¹

R\$ million	1Q20			1Q21		
	Average balance	Interest revenues	Annualized rate (%)	Average balance	Interest revenues	Annualized rate (%)
Earning assets						
Mark to market financial investments	2,892	(86)	(11.5)	4,803	(89)	(7.5)
Held to maturity financial investments	11,749	390	14.2	13,880	1,030	34.4
Total	14,641	304	8.7	18,683	940	22.5

1. Guaranteeing assets and free assets of Traditional plans and guaranteeing assets of the P/VGBL plans in the granting stage.

Table 47 – Brasilprev | Quarterly figures – Interest bearing liabilities – average balance and interest rates¹

R\$ million	1Q20			1Q21		
	Average balance	Interest expenses	Annualized rate (%)	Average balance	Interest expenses	Annualized rate (%)
Interest bearing liabilities						
Technical reserves	12,364	(417)	13.0	15,521	(966)	23.3
Total	12,364	(417)	13.0	15,521	(966)	23.3

1. Technical reserves of Traditional and P/VGBL plans in the granting stage.

Table 48 – Brasilprev | Financial investments portfolio breakdown (except PGBL and VGBL funds)

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Held to maturity securities	11,786,092	13,376,782	14,383,953	22.0	7.5
Pre-fixed	82,943	84,022	25,869	(68.8)	(69.2)
Inflation	11,703,149	13,292,760	14,358,084	22.7	8.0
Mark to market securities	2,668,341	4,674,855	4,930,186	84.8	5.5
Pre-fixed	129,312	153,215	168,933	30.6	10.3
Floating	1,407,990	2,932,832	2,190,722	55.6	(25.3)
Inflation	1,131,040	1,588,808	2,570,531	127.3	61.8
Total	14,454,433	18,051,637	19,314,139	33.6	7.0

Figure 53 – Brasilprev | Financial investments breakdown by index - except PGBL and VGBL funds (%)

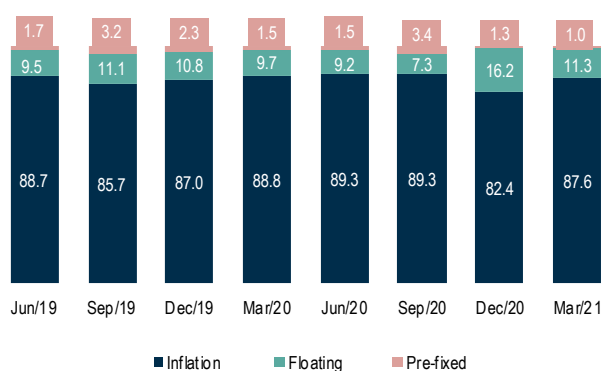
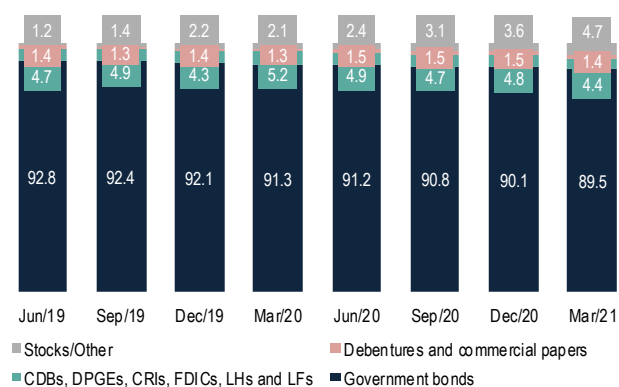


Figure 54 – Brasilprev | Assets allocation (%)



■ BALANCE SHEET ANALYSIS

Table 49 – Brasilprev | Balance sheet

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Assets	290,172,085	313,154,647	312,580,661	7.7	(0.2)
Cash and cash equivalents	7,042	14,201	7,325	4.0	(48.4)
Financial assets	288,405,247	311,137,610	310,667,638	7.7	(0.2)
Receivables from insurance and reinsurance operations	4,955	3,845	2,537	(48.8)	(34.0)
Securities and credits receivable	229,496	457,231	303,695	32.3	(33.6)
Prepaid expenses	8,924	6,433	9,636	8.0	49.8
Deferred costs	1,290,590	1,293,005	1,307,815	1.3	1.1
Credits from private pension transactions	98	548	195	99.7	(64.3)
Other	-	-	45,906	-	-
Investments	75	75	75	-	-
Fixed assets	25,677	26,232	24,371	(5.1)	(7.1)
Intangible	199,982	215,466	211,467	5.7	(1.9)
Liabilities	286,972,134	308,826,180	307,846,846	7.3	(0.3)
Accounts payable	385,446	520,026	364,538	(5.4)	(29.9)
Obligations with insurance and reinsurance operations	8,900	11,669	5,550	(37.6)	(52.4)
Debts from private pension transactions	1,271	7,012	3,208	152.5	(54.2)
Third party deposits	60,479	58,428	136,011	124.9	132.8
Technical reserves - insurance	239,014,817	256,483,640	255,269,438	6.8	(0.5)
Technical reserves - private pension	47,479,580	51,726,625	52,002,381	9.5	0.5
Other liabilities	21,643	18,779	65,720	203.7	250.0
Shareholders' equity	3,199,951	4,328,467	4,733,815	47.9	9.4

■ SOLVENCY

Table 50 – Brasilprev | Solvency¹

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Adjusted shareholder's equity (a)	3,907,660	3,703,076	4,094,411	4.8	10.6
Minimum capital requirement (b)	2,357,496	3,031,648	3,090,499	31.1	1.9
Additional capital for underwriting risk	1,261,237	1,503,570	1,591,078	26.2	5.8
Additional capital for credit risk	62,742	78,494	69,053	10.1	(12.0)
Additional capital for market risk	1,391,048	1,955,696	1,955,696	40.6	-
Additional capital for operating risk	229,196	246,568	245,457	7.1	(0.5)
Correlation risk reduction	(586,727)	(752,680)	(770,784)	31.4	2.4
Capital adequacy (a) - (b)	1,550,164	671,428	1,003,912	(35.2)	49.5
Solvency ratio (a) / (b) - %	165.8	122.1	132.5	-33.3 p.p.	10.3 p.p.

1. Information based on the accounting principles adopted by SUSEP.

4.3 BRASILCAP

■ EARNINGS ANALYSIS

The table below shows a managerial view built from the reallocation of expenses relates to the formation of lottery and bonus provisions. This reallocation aims to isolate and present the revenue with load fee, which is the source used to cover general & administrative expenses and acquisition costs.

Table 51 – Brasilcap | Managerial income statement

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Premium bonds collection	1,023,778	1,255,980	1,103,168	7.8	(12.2)
Changes in provisions for redemption	(873,516)	(1,062,517)	(935,482)	7.1	(12.0)
Changes in provisions for lottery and bonus	(20,067)	(25,223)	(20,805)	3.7	(17.5)
Revenue with load fee	130,195	168,239	146,880	12.8	(12.7)
Changes in other technical reserves	13,675	(7,760)	219	(98.4)	-
Result with lottery	3,828	654	3,782	(1.2)	477.9
Acquisition costs	(108,390)	(133,842)	(112,176)	3.5	(16.2)
Administrative expenses	(19,170)	(26,891)	(19,981)	4.2	(25.7)
Tax expenses	(7,970)	(8,702)	(8,166)	2.5	(6.2)
Other operating income (expenses)	5,906	8,231	8,997	52.3	9.3
Equity income	7	0	(2)	-	-
Non-interest operating result	18,080	(71)	19,554	8.2	-
Net investment income	46,276	52,008	62,362	34.8	19.9
Financial income	181,769	208,491	267,823	47.3	28.5
Financial expenses	(135,493)	(156,482)	(205,462)	51.6	31.3
Earnings before taxes and profit sharing	64,357	51,938	81,916	27.3	57.7
Taxes	(25,095)	(18,009)	(32,122)	28.0	78.4
Profit sharing	(1,387)	(1,374)	(1,423)	2.6	3.6
Net income	37,874	32,555	48,370	27.7	48.6

NET INCOME

Figure 55 – Brasilcap | Net income and ROAA

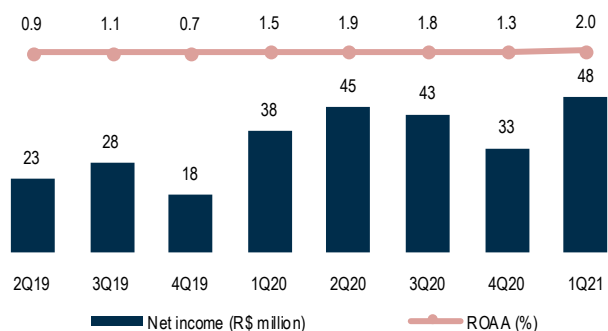
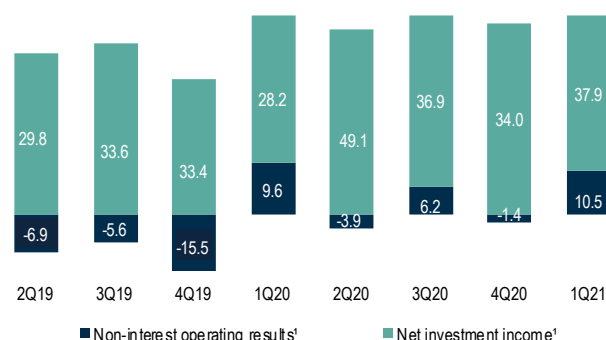


Figure 56 – Brasilcap | Net income breakdown (R\$ million)



1. Net of taxes considering the effective tax rate.

Table 52 – Brasilcap | Performance ratios

%	Quarterly Flow		Chg. (p.p.)		
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Average quotes					
Reserve quote	85.3	84.6	84.8	(0.5)	0.2
Lottery quote	1.9	2.0	1.9	(0.1)	(0.1)
Bonus quote	0.03	0.02	0.02	(0.01)	0.00
Load fee quote	12.7	13.4	13.3	0.6	(0.1)
Load fee consumption					
Commission ratio	83.3	79.6	76.4	(6.9)	(3.2)
G&A ratio	16.3	16.3	13.0	(3.3)	(3.2)
Financial					
Net interest margin (p.p.)	2.2	2.4	3.0	0.8	0.6
Other					
Premium bonds margin	12.0	(0.0)	11.7	(0.4)	11.7
Income tax rate	39.0	34.7	39.2	0.2	4.5
ROAA	1.5	1.3	2.0	0.4	0.7

■ NON-INTEREST OPERATING RESULT ANALYSIS

PREMIUM BONDS COLLECTION

Figure 57 – Brasilcap | Collection (R\$ million)

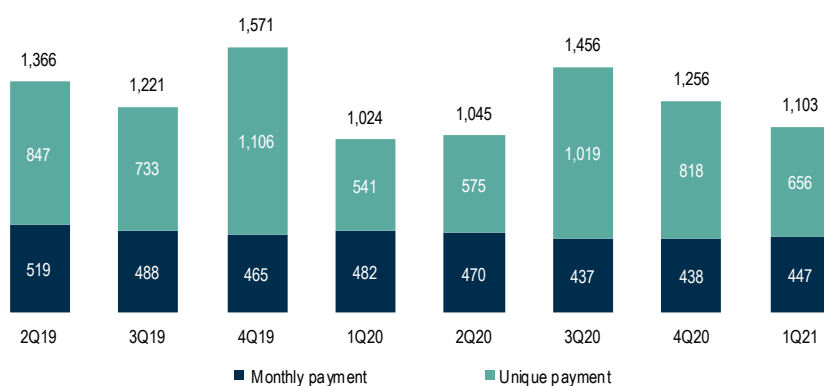


Figure 58 – Brasilcap | Collections by product (%)

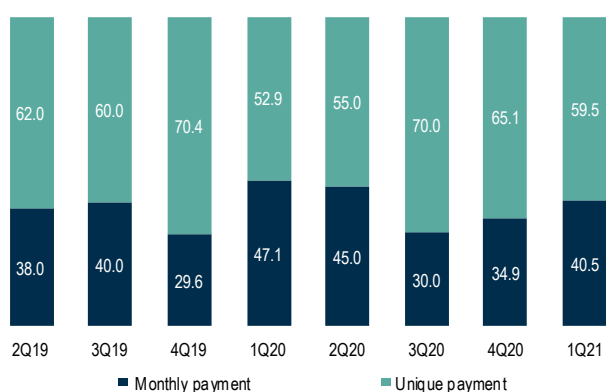
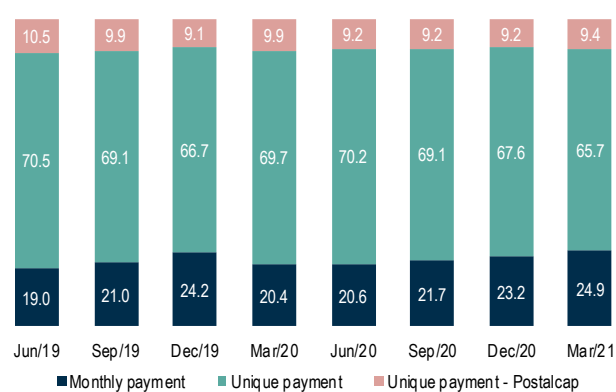


Figure 59 – Brasilcap | Bonds outstanding by product (%)



REVENUE WITH LOAD FEE

Figure 60 – Brasilcap | Changes in revenue with load fee quote and average load fee quote

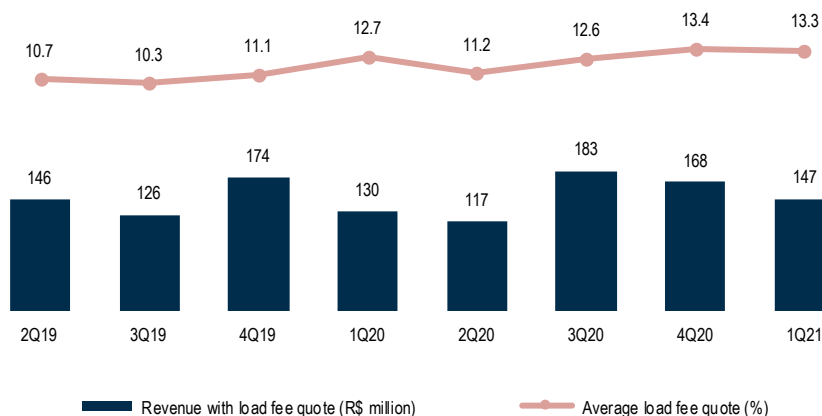


Figure 61 – Brasilcap | Changes in provisions for redemption and average reserve quote

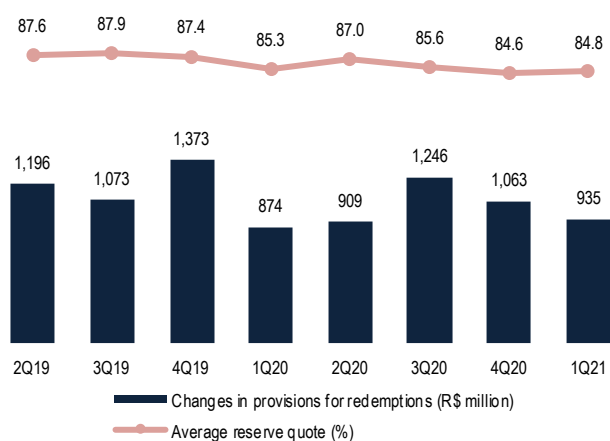


Figure 62 – Brasilcap | Changes in provisions for lottery and bonus and average lottery and bonus quotes

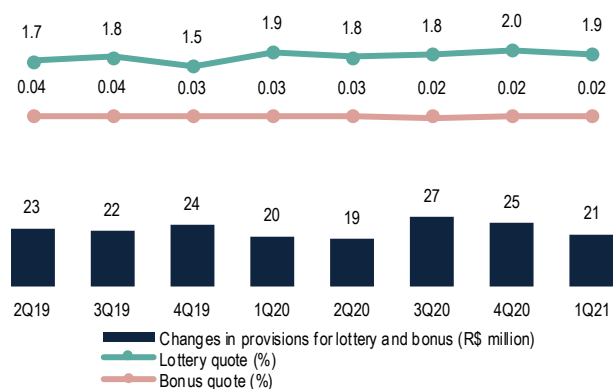


Table 53 – Brasilcap | Changes in premium bonds provision

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Premium bonds provision					
Initial balance	7,667,973	7,482,645	7,567,814	(1.3)	1.1
Constitution	876,565	1,066,034	939,148	7.1	(11.9)
Cancellations	(3,111)	(3,771)	(4,109)	32.1	9.0
Transfers	(1,435,359)	(1,084,221)	(1,277,961)	(11.0)	17.9
Interest accrual	106,422	107,126	104,126	(2.2)	(2.8)
Final balance	7,212,489	7,567,814	7,329,017	1.6	(3.2)

Table 54 – Brasilcap | Changes in provisions for redemption¹

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Provision for redemption					
Initial balance	520,650	548,812	546,057	4.9	(0.5)
Transfers	1,437,631	1,083,925	1,280,299	(10.9)	18.1
Payments	(1,437,880)	(1,083,132)	(1,256,642)	(12.6)	16.0
Interest accrual	128	65	270	111.3	312.9
Premium bonds expiration	(2,554)	(3,613)	(3,495)	36.8	(3.3)
Final balance	517,974	546,057	566,491	9.4	3.7

1. Provision's flow does not pass through income statement

Table 55 – Brasilcap | Changes in provision for lottery to be held

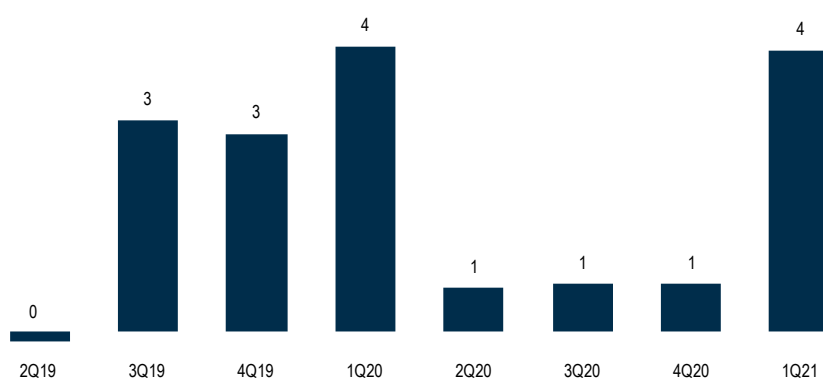
R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Provision for lottery to be held					
Initial balance	89,890	94,171	96,608	7.5	2.6
Constitution	19,786	25,055	20,658	4.4	(17.5)
Reversal	(21,571)	(23,002)	(20,401)	(5.4)	(11.3)
Cancellations	(57)	(78)	(65)	14.8	(16.2)
Interest accrual	521	463	628	20.5	35.8
Final balance	88,570	96,608	97,427	10.0	0.8

Table 56 – Brasilcap | Changes in provision for draws to be paid

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Provision for draws to be paid					
Initial balance	9,647	10,674	9,680	0.3	(9.3)
Constitution	17,725	22,342	16,619	(6.2)	(25.6)
Payments	(17,846)	(23,331)	(16,319)	(8.6)	(30.1)
Interest accrual	(11)	(3)	12	-	-
Premium bonds expiration	(9)	(2)	(23)	168.8	1,125.6
Final balance	9,506	9,680	9,969	4.9	3.0

RESULT WITH LOTTERY

Figure 63 – Brasilcap | Result with lottery (R\$ million)



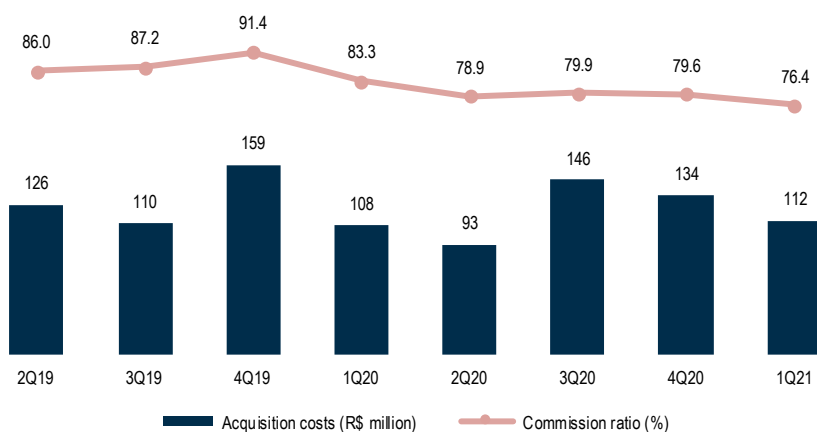
In the 1Q21, the result with lottery fell 1.2% YoY, justified by lower reversals of lottery provisions, partially offset by the drop in expenses with lottery prizes.

Table 57 – Brasilcap | Result with lottery

R\$ thousand	Quarterly Flow		Chg. %		
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Result with lottery	3,828	654	3,782	(1.2)	477.9
Lottery provision reversal	21,571	22,998	20,401	(5.4)	(11.3)
Lottery expenses	(17,742)	(22,343)	(16,619)	(6.3)	(25.6)

ACQUISITION COSTS

Figure 64 – Brasilcap | Acquisition costs



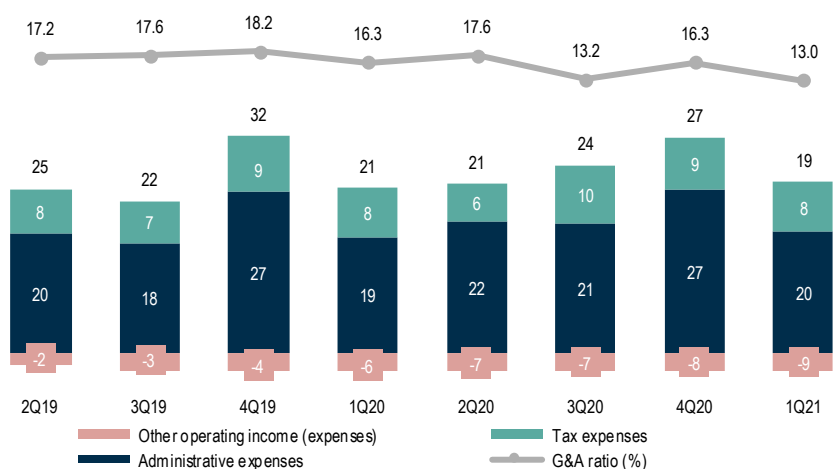
In the 1Q21, acquisition costs grew 3.5% YoY, propelled by the increase of collections in Banco do Brasil channel, which was partially offset by a reduction in collections with unique payment bonds sold in Banco Votorantim. The increase in the average duration of the portfolio led the 0.6 p.p. improvement of the average load fee (12.7% in the 1Q20 to 13.3% in the 1Q21), thereby reducing the commission ratio by 6.9 p.p., since this ratio is a result of the division of expenses with acquisition costs by the revenue with load fee.

Table 58 – Brasilcap | Changes in Acquisition Costs

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Acquisition costs	108,390	133,842	112,176	3.5	(16.2)
Brokerage	99,718	117,266	103,594	3.9	(11.7)
Sales cost	8,672	16,576	8,582	(1.0)	(48.2)

GENERAL & ADMINISTRATIVE EXPENSES

Figure 65 – Brasilcap | G&A expenses (R\$ million)



In the 1Q21, the G&A expenses were down 9.8% YoY, mainly explained by the increase in the positive balance of other operating income and expenses.

The **administrative expenses** grew 4,2% YoY, due to higher expenses with outsourcing, because of the increase in costs with technology services, software licenses and IT support. On the other hand, this increase was partially offset by lower expenses with institutional advertisement and publicity, due to decrease of costs with website maintenance and with development of marketing campaigns; the contraction in personnel expenses, due to the reduction in the number of employees; and the fall in location and operation expenses, justified by lower expenses with urban transportation and building maintenance due to the home office.

The **other operating income and expenses** were up 52,3%, recording a positive balance of R\$9.0 million, explained by the growth in revenue with premium bonds prescribed and not claimed by the holders and bonds redeemed within the grace period.

Table 59 – Brasilcap | General & Administrative expenses

R\$ thousand	Quarterly Flow		Chg. %		
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Administrative expenses	(19,170)	(26,891)	(19,981)	4.2	(25.7)
Personnel	(12,831)	(12,651)	(12,239)	(4.6)	(3.3)
Location and operation	(1,558)	(1,342)	(1,140)	(26.8)	(15.0)
Outsourcing	(3,576)	(8,377)	(6,002)	67.8	(28.3)
Institutional advertisement and publicity	(932)	(3,240)	(337)	(63.9)	(89.6)
Leasing	(53)	(96)	-	-	-
Other	(219)	(1,186)	(262)	19.7	(77.9)
Other operating income (expenses)	5,906	8,231	8,997	52.3	9.3
Legal provisions	54	13	(12)	-	-
Other operating income (expenses)	3,300	4,656	5,564	68.6	19.5
Revenue with premium bonds prescription	2,553	3,562	3,445	34.9	(3.3)
Tax expenses	(7,970)	(8,702)	(8,166)	2.5	(6.2)
COFINS	(6,427)	(7,059)	(6,588)	2.5	(6.7)
PIS/PASEP	(1,044)	(1,147)	(1,070)	2.5	(6.7)
Inspection fee	(471)	(471)	(471)	(0.0)	(0.0)
Other tax expenses	(29)	(26)	(37)	27.9	43.8
G&A Expenses	(21,235)	(27,363)	(19,149)	(9.8)	(30.0)

■ NET INVESTMENT INCOME

Figure 66 – Brasilcap | Net investment income (R\$ million)

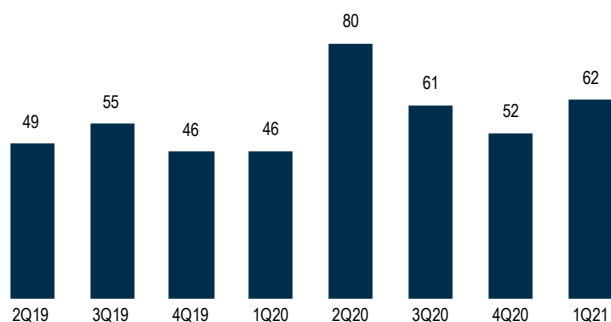


Figure 67 – Brasilcap | Annualized average interest rates and spread

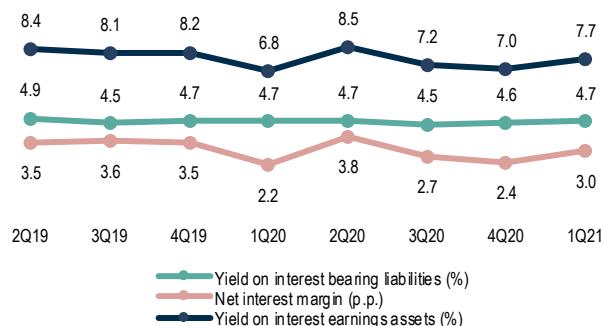


Table 60 – Brasilcap | Financial income and expenses

R\$ thousand	Quarterly Flow		Chg. %		
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Interest revenues	157,670	163,528	170,868	8.4	4.5
Revenues with mark to market financial investments	77,929	111,432	165,917	112.9	48.9
Expenses with mark to market financial investments	(24,099)	(44,963)	(96,955)	302.3	115.6
Revenues with held to maturity financial investments	103,821	96,924	101,887	(1.9)	5.1
Interest accrual on judicial deposits	19	135	20	1.5	(85.4)
Interest expenses	(108,005)	(108,011)	(105,399)	(2.4)	(2.4)
Interest accrual on technical reserves	(107,156)	(107,731)	(105,076)	(1.9)	(2.5)
Other	(849)	(279)	(324)	(61.9)	15.8
Net interest income	49,665	55,517	65,469	31.8	17.9

In the 1Q21, the net interest income improved 31.8% YoY, with 0.8 p.p. evolution in the net interest margin.

Interest revenues were up 8.4% due to the 0.9 p.p. increase in the average yield, explained by higher inflation indexes and higher reinvestment yields in the held to maturity securities, in addition to gains with hedge operations of fixed-income securities available for sale.

Interest expenses fell 2.4%, helped both by the decrease in volume and the reduction in the average cost of liabilities.

Table 61 – Brasilcap | Quarterly figures – Volume and rate analysis

R\$ thousand	1Q21/1Q20		
	Average volume	Average rate	Net change
Earning assets			
Mark to market financial investments	20,093	(4,962)	15,132
Held to maturity financial investments	(35,049)	33,116	(1,934)
Judicial deposits	(3)	3	0
Total¹	(2,370)	15,568	13,198
Interest bearing liabilities			
Technical reserves - premium bonds	(593)	2,673	2,081
Other	40	485	525
Total¹	921	1,684	2,606

1. Calculated with the same methodology of the parts. Due to the different weights of the elements which compose it, the total does not reflect the sum of the parts.

Table 62 – Brasilcap | Quarterly figures – Earning assets – average balance and interest rates

R\$ thousand	1Q20			1Q21		
	Average balance	Interest revenues	Annualized rate (%)	Average balance	Interest revenues	Annualized rate (%)
Earnings assets						
Mark to market financial investments	3,248,489	53,830	6.9	4,584,159	68,961	6.4
Held to maturity financial investments	5,216,332	103,821	8.3	3,881,189	101,887	11.3
Judicial deposits	1,145,697	19	0.0	1,013,668	20	0.0
Total	9,610,518	157,670	6.8	9,479,016	170,868	7.7

Table 63 – Brasilcap | Quarterly figures – Interest bearing liabilities – average balance and interest rates

R\$ thousand	1Q20			1Q21		
	Average balance	Interest expenses	Annualized rate (%)	Average balance	Interest expenses	Annualized rate (%)
Interest bearing liabilities						
Technical reserves - premium bonds	8,102,541	(107,156)	5.3	8,148,491	(105,076)	5.2
Other	1,153,678	(849)	0.3	1,027,520	(324)	0.1
Total	9,256,218	(108,005)	4.7	9,176,011	(105,399)	4.7

Table 64 – Brasilcap | Financial investments portfolio breakdown

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Trading	622,557	2,004,893	1,846,905	196.7	(7.9)
Pre-fixed	251,653	551,822	923,550	267.0	67.4
Floating	305,185	1,364,756	523,909	71.7	(61.6)
Inflation	32,832	-	354,136	978.6	-
Equity funds	26,195	33,339	29,474	12.5	(11.6)
Other	6,694	54,975	15,836	136.6	(71.2)
Available for sale	2,843,829	2,949,301	2,367,220	(16.8)	(19.7)
Pre-fixed	2,843,829	2,949,301	2,365,096	(16.8)	(19.8)
Floating	-	-	2,125	-	-
Held to maturity securities	4,722,672	3,775,535	3,986,843	(15.6)	5.6
Pre-fixed	4,106,653	3,148,265	3,335,166	(18.8)	5.9
Inflation	616,019	627,270	651,677	5.8	3.9
Total	8,189,058	8,729,728	8,200,968	0.1	(6.1)

Figure 68 – Brasilcap | Asset allocation (%)

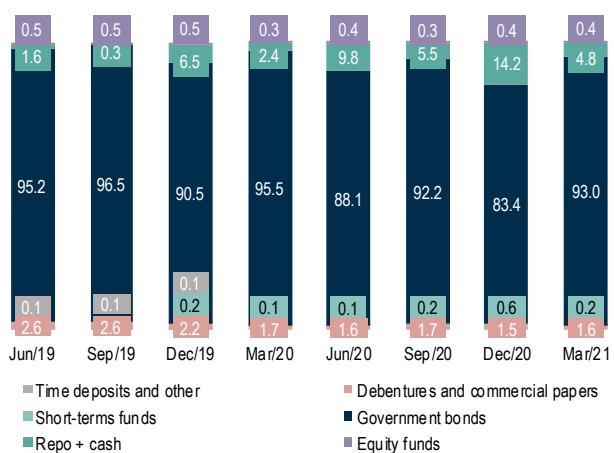
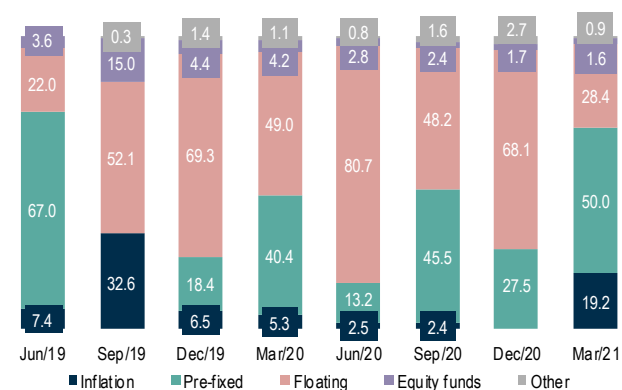


Figure 69 – Brasilcap | Financial investments breakdown by index (%)



■ BALANCE SHEET ANALYSIS

Table 65 – Brasilcap | Balance sheet

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Assets	9,527,075	9,910,548	9,528,339	0.0	(3.9)
Cash and cash equivalents	20	413	112	472.1	(72.8)
Financial assets	8,189,078	8,729,728	8,200,968	0.1	(6.1)
Securities and credits receivable	1,329,146	1,171,988	1,311,592	(1.3)	11.9
Prepaid expenses	2,557	1,746	3,629	41.9	107.8
Investments	1,135	1,124	1,124	(0.9)	0.0
Fixed assets	1,851	1,763	4,197	126.7	138.0
Intangible	454	171	100	(77.9)	(41.2)
Other assets	2,833	3,614	6,616	133.5	83.1
Liabilities	9,075,108	9,371,012	9,110,807	0.4	(2.8)
Accounts payable	42,401	84,898	35,678	(15.9)	(58.0)
Premium bonds operations debits	4,641	5,898	5,134	10.6	(13.0)
Technical reserves - premium bonds	7,863,074	8,261,132	8,035,850	2.2	(2.7)
Other liabilities	1,164,994	1,019,084	1,034,144	(11.2)	1.5
Shareholders' equity	451,967	539,536	417,531	(7.6)	(22.6)

■ SOLVENCY

Table 66 – Brasilcap | Solvency¹

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Adjusted shareholders' equity (a)	545,733	573,727	290,917	(46.7)	(49.3)
Minimum capital required (b)	298,239	218,426	191,660	(35.7)	(12.3)
Additional capital for underwriting risk	40,564	36,670	36,781	(9.3)	0.3
Additional capital for credit risk	40,991	56,876	40,588	(1.0)	(28.6)
Additional capital for operating risk	25,362	20,340	20,385	(19.6)	0.2
Additional capital for market risk	243,977	220,372	139,454	(42.8)	(36.7)
Benefit of correlation between risks	(52,655)	(115,832)	(45,548)	(13.5)	(60.7)
Capital adequacy (a) - (b)	247,494	355,301	99,257	(59.9)	(72.1)
Solvency ratio (a) / (b) - %	183.0	262.7	151.8	(31.2) p.p.	(110.9) p.p.

1. Information based on the accounting principles adopted by SUSEP.

4.4 BRASILDENTAL

■ EARNINGS ANALYSIS

Table 67 – Brasildental | Income statement

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Gross operating revenues	29,853	28,852	29,346	(1.7)	1.7
Taxes on revenues	(1,245)	(1,212)	(1,253)	0.6	3.4
Net operating revenues	28,608	27,640	28,093	(1.8)	1.6
Cost of services	(12,332)	(12,218)	(11,027)	(10.6)	(9.7)
Gross income	16,276	15,423	17,067	4.9	10.7
Acquisition costs	(1,819)	(1,631)	(1,534)	(15.6)	(5.9)
Administratives expenses	(5,206)	(5,013)	(4,604)	(11.6)	(8.2)
Tax expenses	(271)	(128)	(153)	(43.7)	19.7
Other revenues (expenses)	623	229	112	(82.0)	(50.9)
Earnings before interest and taxes	9,603	8,880	10,888	13.4	22.6
Net investment income	(172)	8	(425)	147.5	-
Financial income	161	195	171	6.1	(12.4)
Financial expenses	(333)	(187)	(596)	79.1	217.9
Earnings before taxes and profit sharing	9,432	8,888	10,463	10.9	17.7
Taxes	(3,190)	(3,027)	(3,547)	11.2	17.2
Profit sharing	(66)	(128)	(132)	99.1	2.5
Net income	6,176	5,732	6,784	9.9	18.3

Table 68 – Brasildental | Performance ratios

%	Quarterly Flow			Chg. (p.p.)	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Performance ratios					
Loss ratio	43.1	44.2	39.3	(3.9)	(5.0)
Comission ratio	6.4	5.9	5.5	(0.9)	(0.4)
G&A ratio	17.0	17.8	16.5	(0.4)	(1.2)
EBITDA margin	33.6	32.2	38.8	5.2	6.6
ROAA	53.8	51.0	54.8	1.0	3.8

Figure 70 – Brasildental | Clients by segment (thousand)

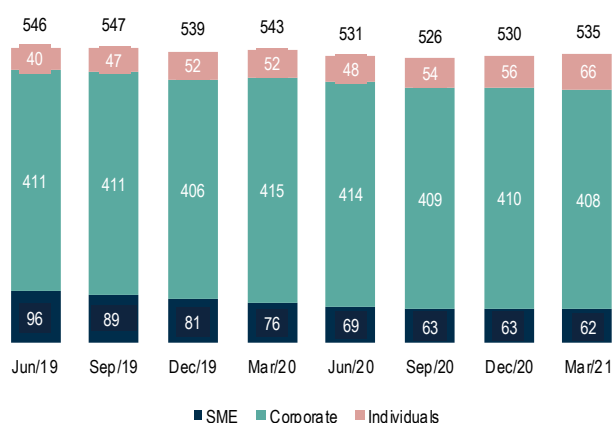


Figure 71 – Brasildental | Clients by segment (%)

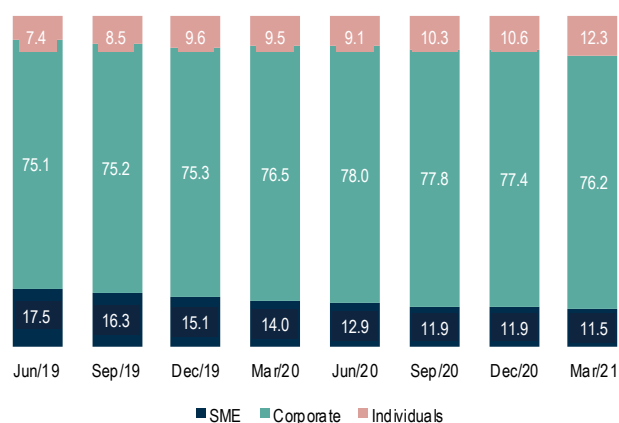


Table 69 – Brasildental | Client base breakdown

	Balance		Chg. %		
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Client segments					
Corporate	415,447	410,393	407,774	(1.8)	(0.6)
SME	76,115	63,215	61,629	(19.0)	(2.5)
Individuals	51,707	56,407	65,563	26.8	16.2
Total	543,269	530,015	534,966	(1.5)	0.9

■ BALANCE SHEET ANALYSIS

Table 70 – Brasildental | Balance sheet

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Assets	48,026	47,155	51,886	8.0	10.0
Cash and cash equivalents	2,307	2,108	1,585	(31.3)	(24.8)
Financial assets	36,244	37,126	42,581	17.5	14.7
Receivables from insurance and reinsurance operations	5,836	5,246	5,033	(13.8)	(4.1)
Tax assets	1,508	1,648	1,767	17.2	7.2
Other assets	2,132	1,026	920	(56.8)	(10.3)
Liabilities	24,677	26,379	24,326	(1.4)	(7.8)
Technical reserves	15,916	17,590	15,634	(1.8)	(11.1)
Tax liabilities	1,936	2,141	2,014	4.0	(5.9)
Other liabilities	6,824	6,647	6,677	(2.2)	0.5
Shareholders' equity	23,349	20,776	27,561	18.0	32.7

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5. DISTRIBUTION

The insurance intermediation in Brazil is not required by law, but the brokerage payment is mandatory for all insurance contracts, regardless the involvement of a broker. According to the law 6,317 as of 1975, in case no broker is involved, the amount supposed to be paid as brokerage shall be directed to the Fund for Developing the Insurance Culture, managed by the Foundation National Insurance School – FUNENSEG.

At BB Seguridade the distribution of its affiliates' products – Brasilseg, Brasilprev, Brasilcap and Brasil dental – takes place through a fully owned broker named BB Corretora de Seguros e Administradora de Bens S.A. ("BB Corretora"), which intermediates the sales of insurance, pension plans, premium bonds and dental care plans at Banco do Brasil's distribution network.

BB Corretora is remunerated by the affiliates through the payment of commission per sale, and as a result of the usage of Banco do Brasil's distribution network, including the workforce, IT solutions and facilities, it reimburses the costs incurred by the Bank during the selling and maintenance of insurance, pension plans, premium bonds and dental care products. This reimbursement done by BB Corretora to Banco do Brasil is governed by an agreement, which will be in force until 2033.

Also, BB Corretora sells auto and large risk insurance products which are underwritten by MAPFRE Insurance Company, the partner of BB Seguridade in Brasilseg. This relation is established in a commercial agreement signed by BB Corretora within the partnership reorganization, which provides exclusivity for MAPFRE to access the distribution channel.

The brokerage business in the bancassurance channel is not a complex business model, as it does not incur in the underwriting risk and has low capital needs. In addition to these factors, it is worth mentioning the footprint and the strong franchise of Banco do Brasil, which provides competitive advantages to BB Seguridade.

Beside to the Banco do Brasil's bancassurance channel, Brasilseg can eventually distribute insurance in the affinity channel, which is comprised of BB's business partners. At the Pension Plans and Premium Bonds segments, products can also be sold, at a smaller extent, by partners, notably the ones maintained by Brasilcap to distribute premium bonds in the Post Office ("Correios"), in the Votorantim branches and in real state agencies which sell the product named Cap Fiador, which are premium bonds offered as collateral for rental contracts.

Additionally, seeking to expand the scope of its digital strategy and to explore new alternatives to offer products to the public that is currently unattended by Banco do Brasil, on September 10th 2018, BB Corretora started to hold equity interest in Ciclic Corretora de Seguros S.A., in a joint venture with PFG do Brasil 2 Participações, (a Principal Financial Group subsidiary), aiming to distribute insurance, pension plans and premium bonds through digital channels.

Figure 72 – Distribution | Consolidated premiums written, contributions and collection by channel^{1,2} (R\$ million)

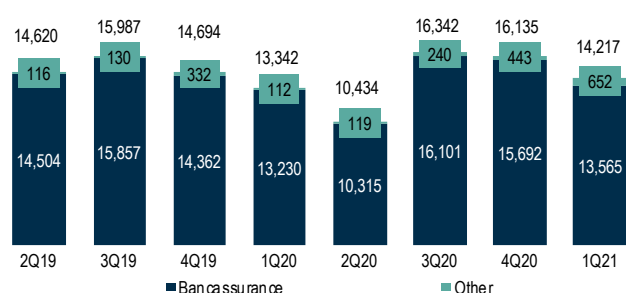
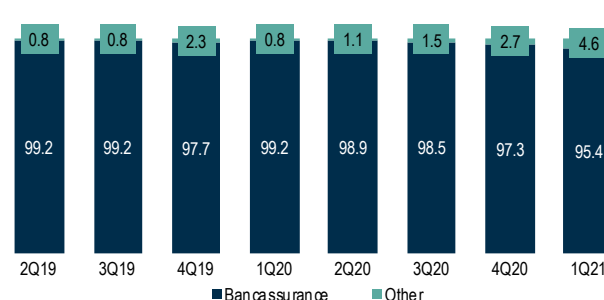


Figure 73 – Distribution | Consolidated premiums written, contributions and collection by channel^{1,2} (%)



1. Insurance premiums written, pension plans contributions, premium bonds collection and dental care revenues.

2. After the partnership restructuring with MAPFRE, the distribution of insurance is exclusively through the bancassurance channel.

Figure 74 – Distribution | Insurance premiums written of Brasilseg¹ by channel (R\$ million)

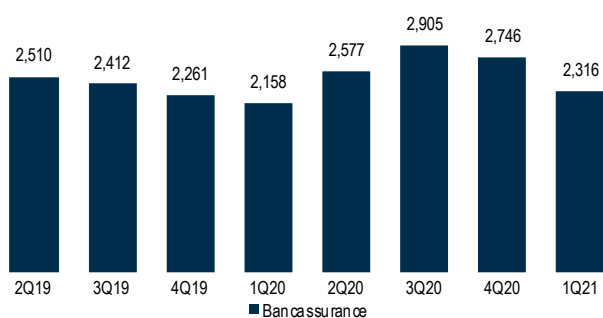
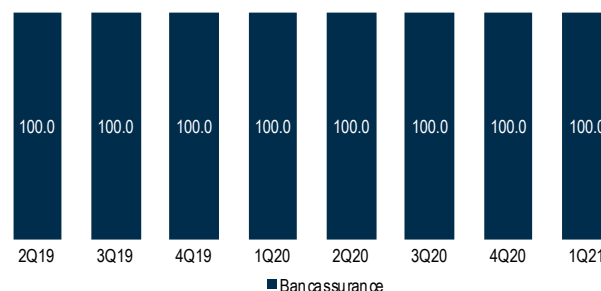


Figure 75 – Distribution | Insurance premiums written of Brasilseg¹ by channel (%)



1. After the partnership restructuring with MAPFRE, the distribution is exclusively through the bancassurance channel.

Figure 76 – Distribution | Brasilprev pension plans contributions by channel (R\$ million)

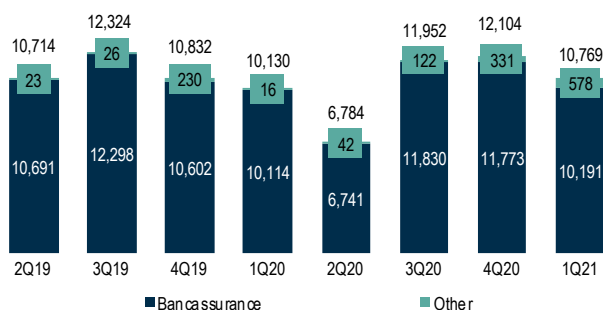


Figure 77 – Distribution | Brasilprev pension plans contributions by channel (%)

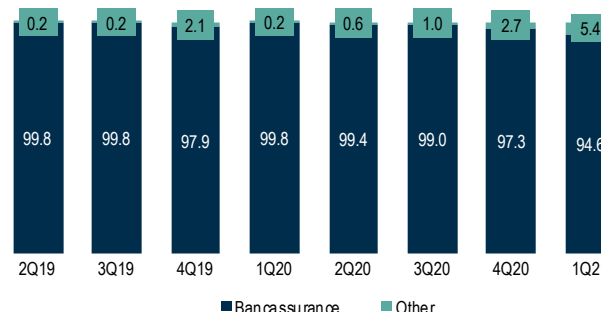


Figure 78 – Distribution | Brasilcap premium bonds collections by channel (R\$ million)

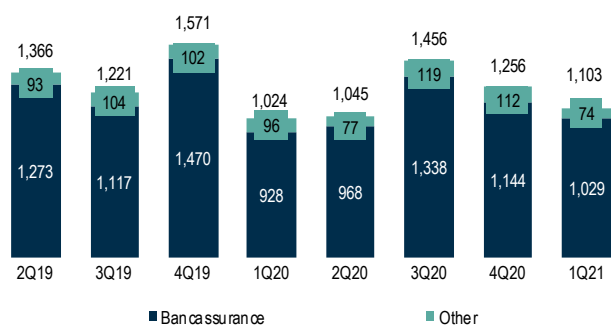


Figure 79 – Distribution | Brasilcap premium bonds collections by channel (%)

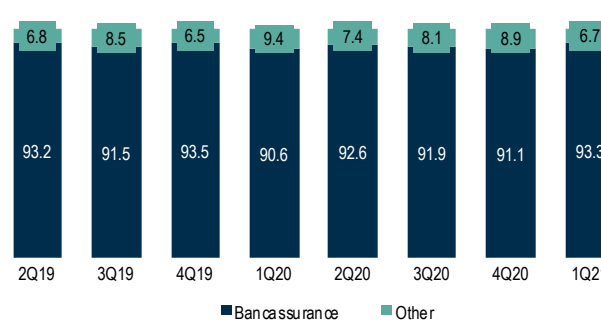


Figure 80 – Distribution | Brasil dental dental insurance revenues by channel (R\$ million)

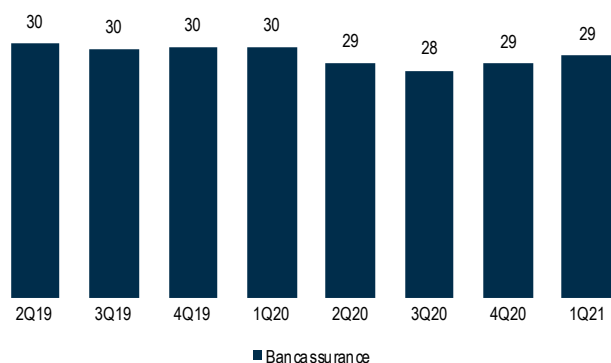
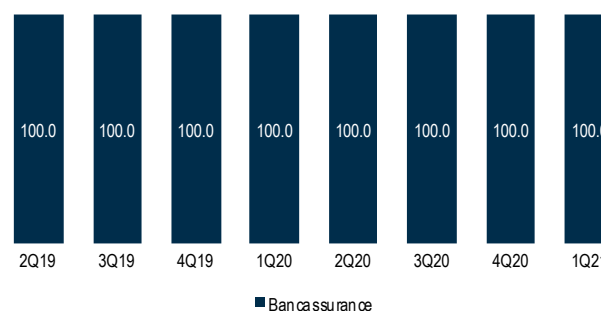


Figure 81 – Distribution | Brasil dental dental insurance revenues by channel (%)



5.1BB CORRETORA

■ EARNINGS ANALYSIS

Table 71 – BB Corretora | Income statement

R\$ thousand	Quarterly Flow			Chg. %	
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Brokerage revenues	882,641	960,827	928,113	5.2	(3.4)
Administrative expenses	(48,401)	(58,529)	(42,704)	(11.8)	(27.0)
Personnel expenses	(10,056)	(11,573)	(9,491)	(5.6)	(18.0)
Other operating income (expenses)	(1,834)	(3,075)	(2,231)	21.6	(27.5)
Tax expenses	(102,979)	(112,016)	(108,363)	5.2	(3.3)
Equity income	(5,087)	(3,156)	(3,762)	(26.1)	19.2
Earnings before interest and taxes	714,284	772,477	761,563	6.6	(1.4)
Net investment income	12,489	10,178	7,594	(39.2)	(25.4)
Financial income	20,553	10,715	10,595	(48.5)	(1.1)
Financial expenses	(8,064)	(537)	(3,001)	(62.8)	459.0
Earnings before taxes	726,773	782,654	769,157	5.8	(1.7)
Taxes	(248,641)	(267,587)	(262,786)	5.7	(1.8)
Net income	478,132	515,068	506,371	5.9	(1.7)

ADJUSTED NET INCOME

Figure 82 – BB Corretora | Adjusted net income

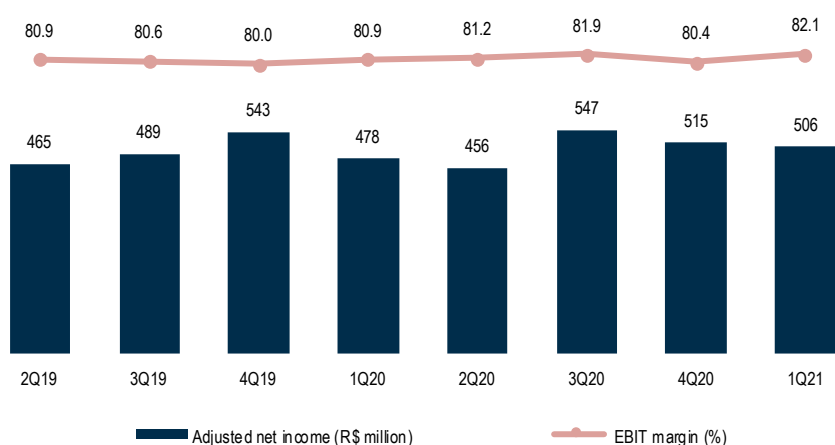
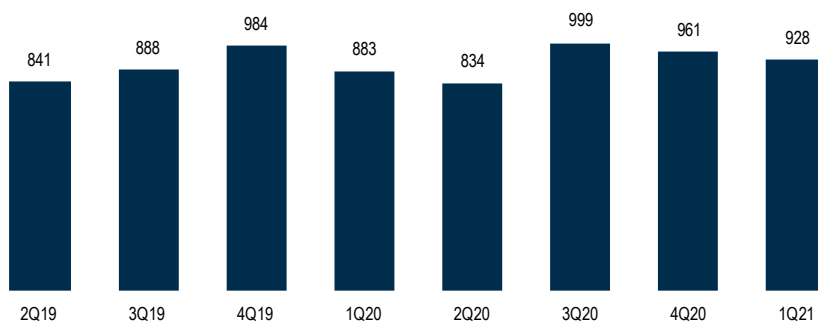


Table 72 – BB Corretora | Managerial performance ratios

%	Quarterly Flow		Chg. (p.p.)		
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
G&A expenses	18.5	19.3	17.5	(1.0)	(1.7)
Tax expenses	11.7	11.7	11.7	0.0	0.0
EBIT margin	80.9	80.4	82.1	1.1	1.7
Income tax rate	34.2	34.2	34.2	(0.0)	(0.0)
Net margin	54.2	53.6	54.6	0.4	1.0

BROKERAGE REVENUES

Figure 83 – BB Corretora | Brokerage revenues (R\$ million)



In the 1Q21, the brokerage revenues were up 5.2% YoY. The increase in the brokerage is explained by:

- the growth of premiums written in the rural insurance, mainly explained by the early release of the working capital loan to finance the crop cycle 2021/2022 by Banco do Brasil with higher available volume than the anticipation held for the crop cycle 2020/2021;
- the increase in term life, with improvement in sales of new policies and the price adjustment in the renovation due to higher inflation rates;
- the solid commercial performance of home insurance, with growth in sales of the product BB Seguro Residencial;
- the higher average ticket of premium bonds that led the growth in collections, combined to a mix with higher average commission due to the increase in duration of the portfolio, and the launch of the new portfolio, in September 2020, with higher commission for products with the same duration as compared to the former portfolio; and
- the growth in brokerage revenues arising from the pension plan segment, as a consequence of the increase in the contribution volume.

Table 73 – BB Corretora | Brokerage revenues breakdown

R\$ thousand	Quarterly Flow		Chg. %		
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Insurance	665,122	708,655	688,876	3.6	(2.8)
Pension plans	131,133	145,975	136,792	4.3	(6.3)
Premium bonds	84,393	103,839	100,401	19.0	(3.3)
Dental insurance	1,239	1,256	1,192	(3.8)	(5.1)
Other	755	1,102	852	13.0	(22.6)
Total	882,641	960,827	928,113	5.2	(3.4)

Figure 84 – BB Corretora | Brokerage revenues breakdown (%)

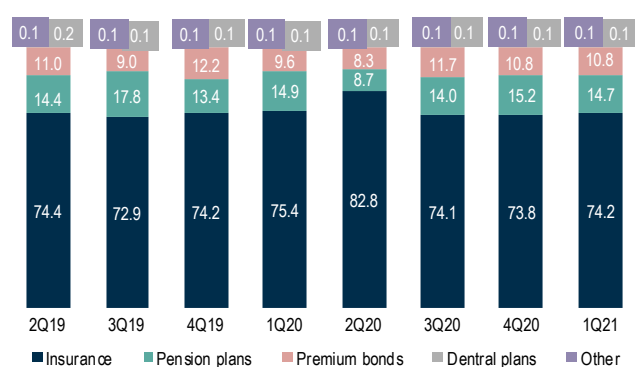
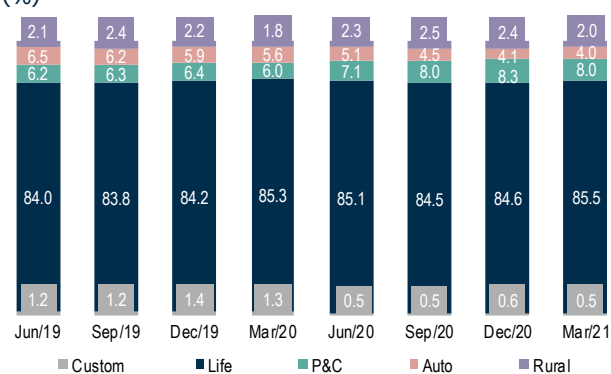
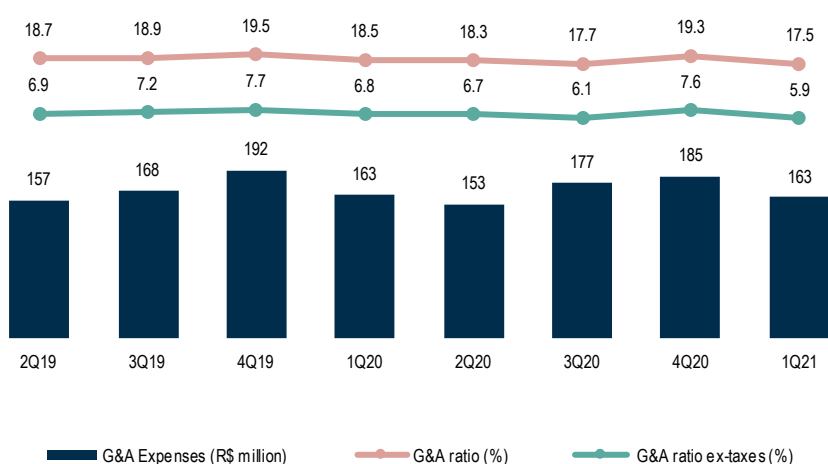


Figure 85 – BB Corretora | Unearned commissions breakdown (%)



GENERAL AND ADMINISTRATIVE EXPENSES

Figure 86 – BB Corretora | G&A expenses



In the 1Q21, the G&A ratio reduced 1.0 p.p., with G&A expenses down 0,3% YoY. The movement is explained by the:

- decrease in the administrative costs of products, which is related to the lower reimbursement of costs incurred for Banco do Brasil in the products' distribution, explained by a sales mix more concentrated in products with a lower unit cost, as well as lower reimbursement expenses of operating support and system maintenance; and
- decrease in personnel expenses, due to the reduction in the number of employees.

On the other hand, tax expenses were up YoY, aligned to the growth in brokerage revenues.

Table 74 – BB Corretora | General & Administrative expenses

R\$ thousand	Quarterly Flow		Chg. %		
	1Q20	4Q20	1Q21	On 1Q20	On 4Q20
Administrative expenses	(48,401)	(58,529)	(42,704)	(11.8)	(27.0)
Administrative cost of products	(24,138)	(26,972)	(23,055)	(4.5)	(14.5)
Operational support	(16,257)	(17,609)	(13,138)	(19.2)	(25.4)
Information technology	(5,065)	(4,430)	(4,149)	(18.1)	(6.3)
Other	(2,941)	(9,518)	(2,362)	(19.7)	(75.2)
Tax expenses	(102,979)	(112,016)	(108,363)	5.2	(3.3)
PIS/PASEP	(14,688)	(15,913)	(15,373)	4.7	(3.4)
COFINS	(67,862)	(73,406)	(70,915)	4.5	(3.4)
ISS	(20,429)	(22,697)	(22,075)	8.1	(2.7)
Personnel expenses	(10,056)	(11,573)	(9,491)	(5.6)	(18.0)
Other operating income (expenses)	(1,834)	(3,075)	(2,231)	21.6	(27.5)
G&A Expenses	(163,271)	(185,194)	(162,789)	(0.3)	(12.1)

NET INVESTMENT INCOME

Figure 87 – BB Corretora | Net investment income (R\$ million)

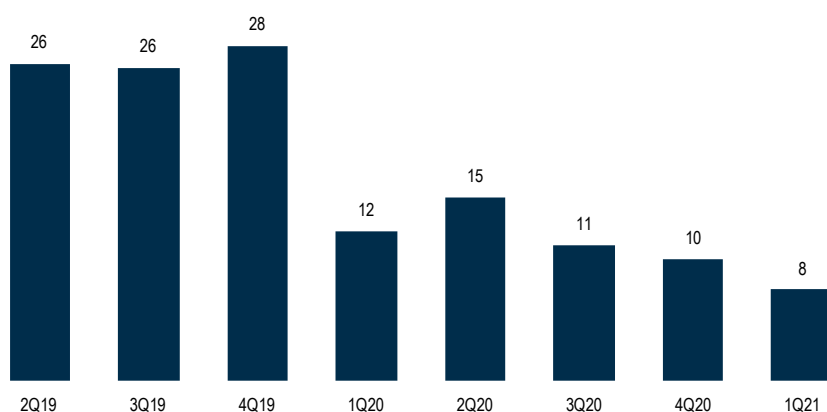


Table 75 – BB Corretora | Quarterly figures – Earning assets average balance and interest rates

R\$ thousand	1Q20			1Q21		
	Average balance	Revenues	Annualized rate (%)	Average balance	Revenues	Annualized rate (%)
Earning assets						
Cash and financial instruments	2,031,606	19,423	3.9	2,064,480	9,866	2.0
Other assets	204,362	1,131	2.3	206,937	729	1.5
Current tax assets	17,071	-	-	17,191	-	-
Total	2,253,039	20,553	3.8	2,288,608	10,595	1.9

Table 76 – BB Corretora | Quarterly figures – Interest bearing liabilities average balance and interest rates

R\$ thousand	1Q20			1Q21		
	Average balance	Expenses	Annualized rate (%)	Average balance	Expenses	Annualized rate (%)
Interest bearing liabilities						
Dividends payable	515,897	(6,770)	5.2	530,139	(2,934)	2.3
Other liabilities	498	(2)	1.9	499	-	-
Total	516,395	(6,773)	6.2	530,638	(2,934)	2.3

■ BALANCE SHEET ANALYSIS

Table 77 – BB Corretora | Balance sheet

R\$ thousand	Balance			Chg. %	
	Mar/20	Dec/20	Mar/21	On Mar/20	On Dec/20
Assets	3,124,242	4,406,679	3,451,631	10.5	(21.7)
Cash and cash equivalents	439,472	1,887,215	1,494,525	240.1	(20.8)
Securities	1,189,234	450,588	303,046	(74.5)	(32.7)
Equity investments	12,461	14,483	10,721	(14.0)	(26.0)
Current tax assets	104,932	29,292	29,967	(71.4)	2.3
Commission receivable	1,171,402	1,817,078	1,404,448	19.9	(22.7)
Other assets	206,740	208,023	208,923	1.1	0.4
Liabilities	2,599,202	4,359,771	2,898,352	11.5	(33.5)
Dividends payable	-	1,060,278	-	-	-
Provision	16,135	16,786	17,135	6.2	2.1
Current tax liabilities	284,116	681,928	227,227	(20.0)	(66.7)
Unearned commissions	2,250,828	2,544,608	2,557,375	13.6	0.5
Other liabilities	48,124	56,171	96,615	100.8	72.0
Shareholders' equity	525,040	46,908	553,279	5.4	1,079.5

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6. DEFINITIONS

COMMON RATIOS

Quarterly adjusted ROAA annualized = (adjusted net income / average total assets) x 4;

Average volume = net change – average rate;

Average rate = (current period interest / average current period balance) x (average previous period balance) – (previous period interest);

Net change = current period interest – previous period interest;

Assets annualized rate = interest revenues / average earning assets balance;

Liabilities annualized rate = interest expenses / average interest bearing liabilities.

INSURANCE

Loss ratio = claims incurred / earned premiums;

Commission ratio = retained acquisition costs / earned premiums;

Technical margin = (earned premiums + policies issuance revenue + incurred claims + retained acquisition costs + result with reinsurance) / earned premiums;

G&A Ratio = (administrative expenses + tax expenses + other operating income (expenses)) / earned premiums;

Combined ratio = (policies issuance revenue + incurred claims + retained acquisition costs + result with reinsurance + administrative expenses + tax expenses + other operating income (expenses)) / earned premiums;

Expanded combined ratio = (policies issuance revenue + incurred claims + retained acquisition costs + result with reinsurance + administrative expenses + tax expenses + other operating income (expenses)) / (earned premiums + net investment income).

INSURANCE MANAGERIAL

Earned premiums = premiums written – raw premiums ceded to reinsurance – changes in technical reserves – changes in expenses with reinsurance provisions;

Retained claims = incurred claims – recovery of indemnity claims – recovery of claims expenses – changes in provisions for claims IBNR – salvages and reimbursed assets – changes in provision for claims IBNER provisions for claims to be settled – changes of expenses related to IBNR – changes in estimates for salvages and reimbursed assets – provisions for claims to be settled;

Retained acquisition costs = acquisition costs – commission return + revenue with reinsurance commissions

Commission = acquisition costs – commission return;

G&A expenses = administrative expenses + tax expenses + other operating income (expenses);

PENSION PLANS

Quarterly adjusted ROAA annualized = (adjusted net income / average total assets excluding VGBL) x 4;

Commission ratio = acquisition cost / income and premiums contributions

Cost to income = (changes in other technical reserves + expenses with benefits, redemptions and claims + acquisition costs + administrative expenses + tax expenses + other operating income (expenses)) / (net revenues with contributions and VGBL premiums + revenues with management fee + earned premiums)

PREMIUM BONDS

Commission ratio = acquisition costs / revenue with load fee quote;

G&A ratio = (administrative expenses + tax expenses + other operating income (expenses)) / revenue with load fee quote;

Reserve quote = change in provision for redemption / premium bonds collection

Lottery quote = expenses with constitution of provisions for lottery / premium bonds collection

Bonus quote = expenses with constitution of provisions for bonus / premium bonds collection

Load fee quote = revenue with load fee quote / premium bonds collection

Premium bond margin = result with premium bonds / net revenue with premium bonds;

Spread = average yield on interest earning assets – average yield on interest bearing liabilities

BROKERAGE

Adjusted operational margin = operational results / brokerage revenues;

Adjusted net margin = adjusted net income / brokerage revenues.