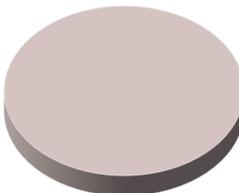


Offshore
0%

The local market continues to present a poor performance when compared with abroad. In addition to an inflation that continues to surprise upwards, the fiscal problem has gained a new chapter: the the 2022 budget. In order to meet the budget, the government proposed a limit to the court-order debt payments and a change in the ceiling for social programs. Due to the fiscal loosening, the interest rate curves and the exchange rate reacted, and the Brazilian Central Bank intervened in the exchange market and also, increased the interest rate in order to control inflation.



October had a strong result, after the September correction, with price adjustments on Equities and Fixed Income. The Central Banks were the highlight, with the announcements regarding the tapering (FED, BoE, BoC and RBA), which caused a flattening of the yield curves. The good equity return was justified by a less pessimistic scenario regarding the slowdown in China, optimism with the approval of the Biden fiscal package and more positive data on producer price index (PPI).

Local
100%

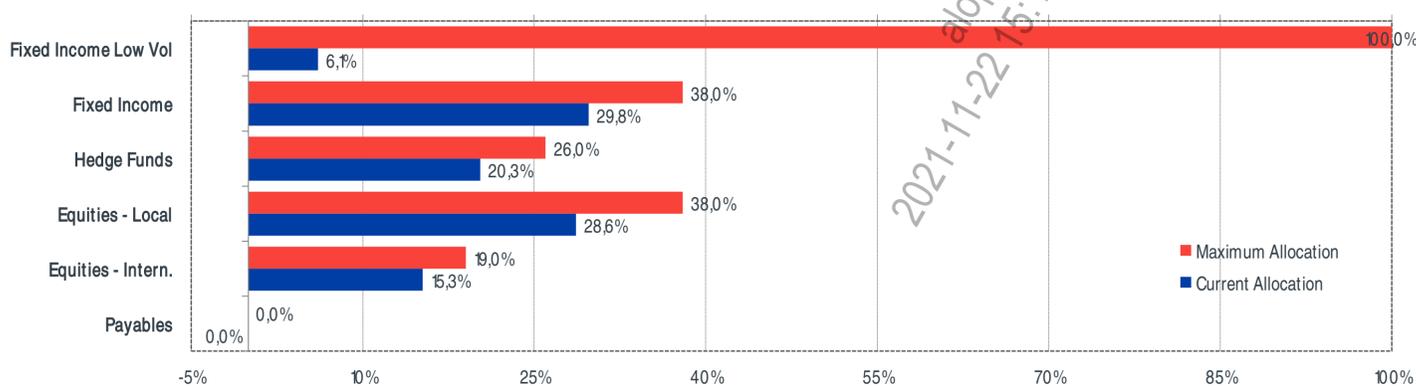
BA&ES local portfolio returned -3.6% mtd, below its benchmark. International Equities contributed with 9.0%. On the other hand, once again Brazilian Equities class had a negative performance (-11.8%), below its benchmark IBX, -6.8%. This discrepancy between these results was due to the fact that in our invested managers in Brazilian Equities have are not positioned in Petrobras (PETR4) nor in bank stocks, which performed better than the benchmark (IBX).

PORTFOLIO PERFORMANCE - LOCAL (in Brazilian Reais - R\$)

ASSET CLASS	MTD	YTD	12M	24M	36M
Fixed Income Low Vol	0,6%	3,3%	3,7%	3,3%	4,3%
Fixed Income	-3,1%	-7,4%	-2,2%	-0,8%	5,4%
Hedge Funds	-1,5%	1,6%	6,9%	5,2%	6,2%
Equities - Local	-11,8%	-15,4%	-1,1%	7,4%	14,9%
Equities - Intern.	9,0%	29,5%	37,2%	43,1%	35,5%
Payables	0,0%	0,0%	0,0%	0,0%	0,0%
Total	-3,6%	-3,0%	6,1%	9,0%	11,7%

BENCHMARK	MTD	YTD	12M	24M	36M
CDI	0,5%	3,0%	3,3%	3,3%	4,3%
IRF Comp.	-2,9%	-6,4%	-1,4%	0,2%	6,2%
IHF Comp.	-0,7%	1,3%	7,1%	4,6%	6,0%
IBX	-6,8%	-12,4%	10,4%	-0,9%	7,1%
MSCI (BRL)	9,1%	29,7%	37,5%	43,5%	36,0%
Inflation IPCA	1,2%	8,2%	10,7%	7,3%	5,7%
BENCHMARK	-2,0%	-1,9%	9,4%	6,7%	9,8%

ASSET ALLOCATION - LOCAL



ASSET CLASS	Allocation (R\$)
Fixed Income Low Vol	258.592
Fixed Income	1262.695
Hedge Funds	860.729
Equities - Local	1.215.975
Equities - Intern.	647.282
Payables	(954)
Total	4.244.318

GROWTH AND CURRENT ACCOUNT - LOCAL PORTFOLIO (In R\$ Thousands)

GROWTH	2016	2017	2018	2019	2020	2021	ACC.
NOMINAL	0,1%	8,7%	7,0%	19,0%	-5,8%	-4,7%	24,3%
REAL	-0,1%	5,5%	3,2%	14,1%	-9,9%	-11,8%	-1,4%
IPCA	0,2%	2,9%	3,7%	4,3%	4,5%	8,0%	26,0%

CURRENT ACCOUNT	2016	2017	2018	2019	2020	2021
INITIAL	0	3.416	3.712	3.972	4.728	4.452
Subscriptions	3.415	0	0	0	0	0
Withdrawals	0	0	0	0	-952	0
Account Costs	0	-64	-32	-53	-48	-80
FINAL	3.416	3.712	3.972	4.728	4.452	4.244
ACCOUNT COSTS	0,0%	-1,7%	-0,8%	-1,2%	-1,0%	-1,7%
SPENDING RATE	0,0%	0,0%	0,0%	0,0%	-18,5%	0,0%
Nominal Return	0,1%	10,5%	8,0%	20,9%	17,4%	-3,0%
Inflation IPCA	0,0%	2,9%	3,7%	4,3%	4,5%	8,2%
Real Return	0,1%	7,4%	4,1%	15,9%	12,3%	-10,4%

The difference between the portfolio performance and the portfolio growth is that the latter considers the impacts of transactions and taxes.