

(A free translation of the original in Portuguese)

MD&A

2nd QUARTER OF 2021

Earnings Conference Call

August 17, 2021

English

Time 11:00 a.m. (Brasilia time)
10:00 a.m. (New York time)

Webcast: [Click here](#)

Phones:

+1 (412) 717-9627
+1 (844) 204-8942

Contacts

Investor Relations

✉ gri@irbre.com

🖱 ri.irbre.com

Headquarters - Rio de Janeiro
Av. Marechal Câmara, 171 – 4th floor
Rio de Janeiro – RJ
Zip Code: 20020-9031

1. MESSAGE FROM MANAGEMENT

We recently completed the process that resulted in a new composition of the Company's Board of Directors, elected by IRB-Brasil RE's shareholders on July 28, 2021. This new management will lead and pave the way for the Company's strategic planning for the coming years.

The long-term strategy of IRB-Brasil RE has been built in a very detailed way, with a great reflection of the paths to be advanced and with the aspiration to reaffirm our role in the reinsurance market. We build our strategic planning based on three main pillars:

Pillar of Strategy: to evaluate the relevant scenarios and paths of value creation, identify the focus-markets and develop the strategy to capture opportunities in the different lines of business.



Pillar of Culture and Talents: a new culture in force based on excellence, customer focus, collaboration and sustainable results. Development of the structure, governance and capabilities necessary to sustain the developed strategy.



Pillar of Rebranding: review IRB-Brasil RE's brand, vision and purpose.



With these three pillars, we aim to achieve the strategy for the Company to become the undisputed reinsurer leader of the local market and regional reference, leveraging all market and relationship expertise, while maintaining a lean, sustainable and customer-oriented operation.

IRB, based on its strategy pillar, has been evaluating several scenarios and identifying important opportunities, such as the advance of investments and projects resulting from the new sanitation regulatory framework, which should reach, in the government's calculations, more than R\$700 billion in investment. The new Gas Law, passed in March 2021, likewise, brings high expectations around the legal framework of gas, with the opportunity to explore the transportation of natural gas, including the construction, operation and mainly the maintenance of facilities that fall into the sector of high risks. Another opportunity was the advent of the pandemic itself, which brought the progress of the logistics sector driven via e-commerce, enabling the increase in the

volume of premium issued by the Company in this segment since the end of 2020.

The Oil rig dismantling insurance is another route that could be pursued by the decommissioning of Petrobras offshore rigs, a market of approximately R\$50 billion, according to the National Agency for Oil, Natural Gas and Biofuels (ANP). Furthermore, the 5G bid, with the largest public offering of capacity for the world's fifth generation mobile technology, can kickstart infrastructure investments, while companies return to operating with the same pre-pandemic capacity. All of those opportunities are being mapped, and IRB is prepared to be the preferred reinsurer in all of those segments.

In addition to market opportunities, we also envision opportunities in the regulatory field, with the publication of Circular Letter 634 by SUSEP in July, which regulated CNSP Resolution 412. We can see two main impacts:

- from August 2021, the possibility of increasing financial assets capable of covering technical provisions in the guarantees of international operations, increasing the current sufficiency;
- from December 2021, with the elimination of the liquidity margin requirement of 20% of risk capital, we will be able to define internally the liquidity risk measures. With this, we also have the positive expectation of increasing the current sufficiency.

With more cash to invest in the business, combined with the market growth, we are ready to build our future. To this end, we invest heavily in innovation, spreading *insurtechs* and monitoring the local and Latin American market, observing macro trends such as personalized insurance and positioning ourselves as a digital player.

We have a challenging path to pursue, but we have the strategy defined, the right people and the long-term vision drawn.

We are confident that 2022 will be a year to profit from efforts made since 2020 to leave the Company provided with better controls, well provisioned and prepared to maintain its leadership position.

OTHER HIGHLIGHTS

- **SUSEP Circular Letter 634**

On July 19, 2021, SUSEP Circular Letter No. 634 was published, which regulates CNSP Resolution No. 412 of June 30, 2021. This Circular defines the calculation parameters on technical provisions, assets that reduce the need to cover technical provisions, risk capital based on underwriting, credit, operational and market risks, adjusted equity, minimum capital required, among others.

As more significant changes of the aforementioned Circular Letter that can have consequences for the business and the results of IRB Brasil RE, the following stand out:

1) Elimination of the need for liquidity margin (20% of Risk Capital), and companies can internally define a management mechanism and measure liquidity risk and document it in a policy. That measure will enter into effect from December 1, 2021.

Specifically with respect to IRB Brasil RE, when based on the Financial Statements ended on June 30, 2021, the regulatory requirement would be reduced by a maximum of R\$ 309 million (additional margin of 20.0% on venture capital), and, consequently, the improvement of regulatory liquidity sufficiency will occur from December 2021. In this specific aspect there will be no direct effects on the Company's economic result. (Source: Financial Statements ended on June 30, 2021 - Annex I Note, item 1.1.2)

2) Possibility of increase of the collateral to cover technical provisions in international operations:

Until the disclosure of the new regulations, the collateral abroad were not able to be offered as collateral of technical provisions and it was not possible to register them as reducers of such Provisions. With the change in the regulations, the Company may constitute a *Reinsurance Trust Account* or other modes of deposits abroad, in the manner required by the regulations in force in the country of origin, to support the guarantees of international operations before its grantor partners, limited to the deduction to the volume of the respective technical provisions (PSL, PPNG and IBNR) related to said foreign contracts. These assets may reduce the need to cover technical provisions, and the maximum value of the reduction should be limited to the value of the liability to be covered with assets admitted by the Brazilian regulator.

With respect to the Company and considering the Financial Statements closed on June 30, 2021, one can observe an amount in current account remunerated in dollars with international financial institutions (*Collateral of Standby Letter of Credit* - SBLC), of R\$ 535 million (Source: Financial Statements closed on June 30, 2021 – Explanatory Note 18), which may be gradually converted and considered as reducers.

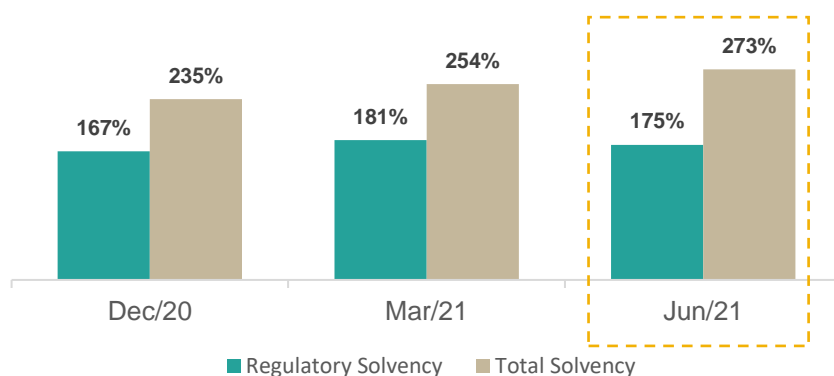
In view that the current guarantees will have to be revised, due to their respective maturities, the mentioned effect will be observed gradually, to the extent that the Company migrates the current guarantees of international operations with its ceded partners, starting from August 2, 2021.

Also in this specific case, there will be no effect on the economic result of IRB Brasil RE, but rather an improvement in the surplus of assets available to guarantee technical provisions. In any case, it is certain that the new possibilities, provided for in the amended regulation, should reduce the Company's financial costs, in relation to those verified in the current guarantees contracted, in the next 12 months from August 2021.

▪ **Regulatory Solvency**

On March 30, 2021, the Company had a regulatory capital surplus of R\$ 1.2 billion, which is equivalent to a regulatory solvency ratio of 175% (adjusted equity / total risk capital), while the Company's total solvency ratio (generally used in other countries) reaches 273% (equity / total risk capital). Both ratios show better indicators than the ones presented at the last quarter of 2020. It should be noted that, according to the European Commission, SUSEP's capital requirement is equivalent to Solvency II, as indicated on www.ec.europa.eu/transparency

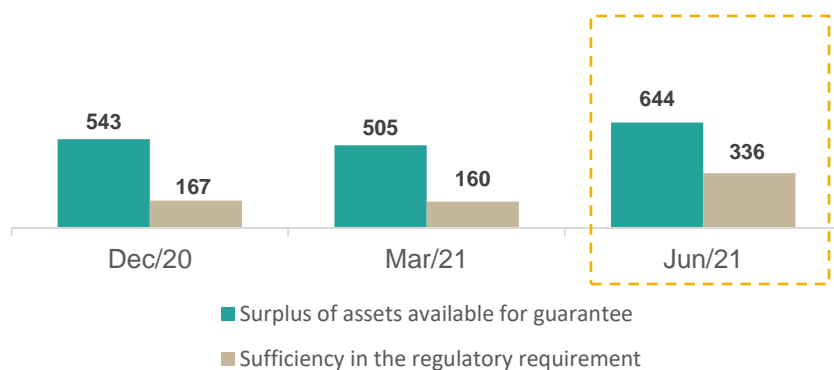
Historical Regulatory Solvency Ratio (%)



▪ Sufficiency for Regulatory Liquidity Compliance

On June 30, 2021, the Company complied with the regulatory requirements, presenting a sufficiency of R\$335.5 million, compared to a sufficiency of R\$167.5 million on December 31, 2020. Excluding the additional margin of 20% on risk capital, we recorded on June 30, 2021 a surplus of eligible assets to guarantee technical provisions, of R\$644.1 million, compared to a surplus of R\$542.6 million on December 31, 2020. The ratios remained positive in the quarter and showed a reversal of the deficiency observed throughout 2020. See Annex I - Note 1.1.2 Regulatory Liquidity Framework in Relation to Risk Capital.

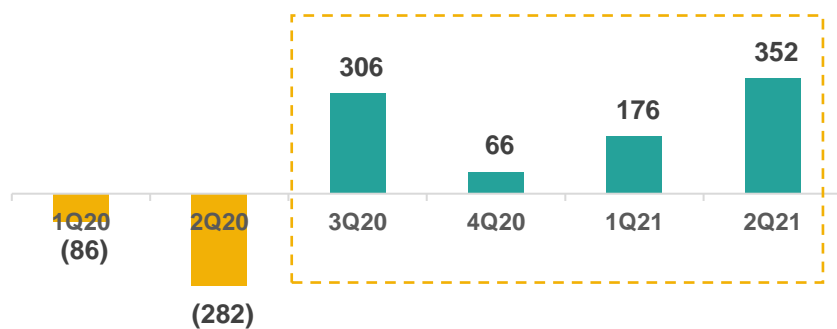
Historical Regulatory Liquidity (R\$ million)



▪ Operating Cash Generation

In the second quarter of 2021, the Company posted a positive operating cash flow of R\$352 million. This is the fourth consecutive quarter in which the Company generates operating cash.

Positive operating cash generation for 4 quarters in a row (R\$ million)



ECONOMIC AND FINANCIAL PERFORMANCE

SUMMARY OF PERFORMANCE

■ Key Indicators

(R\$ million)	Quarter				Variation	Accumulated	
	1Q20	2Q20	1Q21	2Q21	(2Q21/2Q20)	1H20	1H21
Written Premium	1,996.2	2,543.6	1,930.5	2,160.0	-15.1%	4,539.8	4,090.6
<i>Local</i>	880.3	1,164.4	1,044.4	1,240.8	6.6%	2,044.7	2,285.2
<i>Abroad</i>	1,115.9	1,379.1	886.1	919.3	-33.3%	2,495.0	1,805.4
Retained Premium	1,709.5	1,710.5	1,534.3	1,590.1	-7.0%	3,420.1	3,124.4
Earned Premium	1,499.8	1,728.4	1,454.3	1,732.3	0.2%	3,228.2	3,186.6
Retained Claim	(1,147.5)	(2,339.3)	(1,048.9)	(1,658.5)	-29.1%	(3,486.8)	(2,707.5)
<i>OCR</i>	(946.4)	(2,430.0)	(837.8)	(1,691.7)	-30.4%	(3,376.4)	(2,529.5)
<i>IBNR</i>	(201.1)	90.7	(211.1)	33.2	-63.4%	(110.4)	(177.9)
Underwriting Results	47.3	(1,037.7)	74.2	(337.2)	-67.5%	(990.5)	(262.9)
Administrative Expenses	(75.1)	(74.1)	(98.6)	(106.0)	43.1%	(149.2)	(204.6)
Financial and Real Estate Investments	121.0	49.1	103.6	89.2	81.7%	170.1	192.8
<i>Financial Investments</i>	(73.1)	50.2	103.9	90.6	80.3%	(22.8)	194.5
<i>Real Estate Investments</i>	194.1	(1.1)	(0.3)	(1.4)	20.6%	193.0	(1.7)
Net Income (Loss)	35.1	(656.7)	50.8	(206.9)	-68.5%	(621.7)	(156.1)

Ratios (%)	Quarter				Variation	Accumulated	
	1Q20	2Q20	1Q21	2Q21	(2Q21/2Q20)	1H20	1H21
Retrocession Ratio	14.4%	32.8%	20.5%	26.4%	-6.4 p.p.	24.7%	23.6%
Overall Loss Ratio	76.5%	135.3%	72.1%	95.7%	-39.6 p.p.	108.0%	85.0%
<i>Loss Ratio measured by OCR</i>	63.1%	140.6%	57.6%	97.7%	-42.9 p.p.	104.6%	79.4%
<i>Loss Ratio measured by IBNR</i>	13.4%	-5.2%	14.5%	-1.9%	3.3 p.p.	3.4%	5.6%
Commission Ratio	17.9%	21.2%	22.1%	22.4%	1.2 p.p.	19.7%	22.3%
Other Operating Revenues and Expenses Ratio	2.4%	3.5%	0.6%	1.3%	-2.2 p.p.	3.0%	1.0%
Administrative Expense Ratio	5.0%	4.3%	6.8%	6.1%	1.8 p.p.	4.6%	6.4%
Tax Expenses Ratio	0.4%	-0.1%	-0.9%	3.1%	3.2 p.p.	0.1%	1.3%
%CDI*	-	-	146%	163%	n.m.	-	-
Combined Ratio	102.3%	164.2%	100.8%	128.7%	-35.5 p.p.	135.4%	115.9%
Amplified Combined Ratio	94.6%	159.7%	94.1%	122.4%	-37.3 p.p.	128.7%	109.3%

*excluding assets subject to exchange rate variation

Due to the change in accounting practice presented in Note 1.4 of the Financial Statements of June 30, 2021, for a comparison on a comparable basis, the information for the same period in 2020 was also revised. It should be noted that the impacts in the other quarters of 2020 will, in due course, be presented at the time of their disclosures throughout 2021, according to the Company's disclosure calendar.

■ Quarterly Income Statement

(R\$ million)	Quarterly History				Variation	Accumulated		Variation
	1Q20	2Q20	1Q21	2Q21	(2Q21/ 2Q20)	1H20	1H21	(1H21/ 1H20)
Written Premium	1,996.2	2,543.6	1,930.5	2,160.0	-15.1%	4,539.8	4,090.6	-9.9%
<i>Brazil</i>	880.3	1,164.4	1,044.4	1,240.8	6.6%	2,044.7	2,285.2	11.8%
<i>Abroad</i>	1,115.9	1,379.1	886.1	919.3	-33.3%	2,495.0	1,805.4	-27.6%
Retrocession	(286.7)	(833.0)	(396.2)	(570.0)	-31.6%	(1,119.7)	(966.2)	-13.7%
Retained Premium	1,709.5	1,710.5	1,534.3	1,590.1	-7.0%	3,420.1	3,124.4	-8.6%
Change in the Technical Provision	(209.8)	17.9	(80.1)	142.3	694.5%	(191.9)	62.2	-132.4%
Earned Premium	1,499.8	1,728.4	1,454.3	1,732.3	0.2%	3,228.2	3,186.6	-1.3%
Retained Claim	(1,147.5)	(2,339.3)	(1,048.9)	(1,658.5)	-29.1%	(3,486.8)	(2,707.5)	-22.4%
<i>OCR</i>	(946.4)	(2,430.0)	(837.8)	(1,691.7)	-30.4%	(3,376.4)	(2,529.5)	-25.1%
<i>IBNR</i>	(201.1)	90.7	(211.1)	33.2	-63.4%	(110.4)	(177.9)	61.1%
Acquisition Costs	(268.4)	(367.1)	(321.7)	(388.5)	5.8%	(635.5)	(710.3)	11.8%
Other Operating Revenues and Expenses	(36.5)	(59.8)	(9.4)	(22.4)	-62.5%	(96.3)	(31.8)	-67.0%
Underwriting Result	47.3	(1,037.7)	74.2	(337.2)	-67.5%	(990.5)	(262.9)	-73.5%
Administrative Expenses	(75.1)	(74.1)	(98.6)	(106.0)	43.1%	(149.2)	(204.6)	37.2%
Tax Expenses	(6.2)	1.7	13.4	(53.4)	-3332.3%	(4.5)	(39.9)	785.9%
Financial and Real Estate Investments	121.0	49.1	103.6	89.2	81.7%	170.1	192.8	13.3%
<i>Financial Investments</i>	(73.1)	50.2	103.9	90.6	80.3%	(22.8)	194.5	-952.1%
<i>Real Estate Investments</i>	194.1	(1.1)	(0.3)	(1.4)	20.6%	193.0	(1.7)	-100.9%
Earnings Before Tax and Profit Sharing	87.1	(1,061.1)	92.6	(407.3)	-61.6%	(974.0)	(314.7)	-67.7%
Taxes and Contributions	(52.0)	404.4	(41.8)	200.4	-50.4%	352.3	158.5	-55.0%
Total Net Income (Loss)	35.1	(656.7)	50.8	(206.9)	-68.5%	(621.7)	(156.1)	-74.9%

Due to the change in accounting practice presented in Note 1.4 of the Financial Statements of June 30, 2021, for a comparison on a comparable basis, the information for the same period in 2020 was also revised. It should be noted that the impacts in the other quarters of 2020 will, in due course, be presented at the time of their disclosures throughout 2021, according to the Company's disclosure calendar.

OPERATING PERFORMANCE ANALYSIS

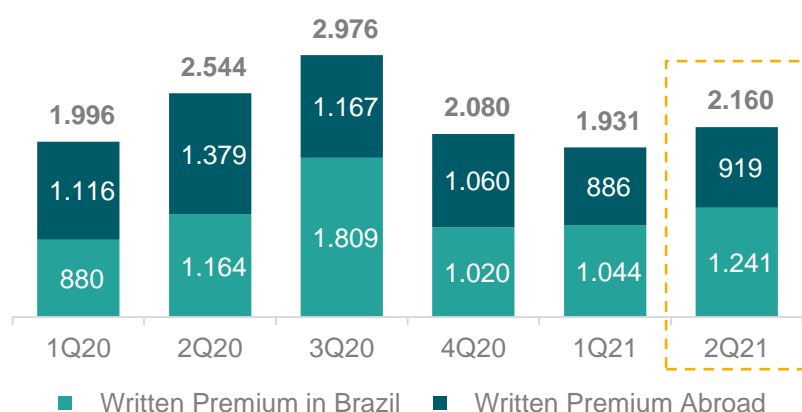
■ Total Written Premium

Note: In the "business vision", the segments are consolidated as follows: (i) Property includes engineering, housing and miscellaneous risks; (ii) Life includes group and individual life risks and personal accidents risks; (iii) Special Risks include oil & gas exploration and production risks and nuclear; (iv) Others include maritime, logistics, auto, financial line, escrow, credit, rental, financial risks and civil liability risks.

- **Written Premium by segment and business lines**

(R\$ million)	Quarter						Variation	Accumulated		Variation
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	(2Q21/ 2Q20)	1H20	1H21	(1H21/ 1H20)
Written Premium Brazil	880.3	1,164.4	1,809.3	1,020.2	1,044.4	1,240.8	6.6%	2,044.7	2,285.2	11.8%
Property	262.1	534.5	474.8	307.8	404.7	421.2	-21.2%	796.6	825.8	3.7%
Life	97.1	116.9	125.3	127.0	145.5	167.1	42.9%	214.1	312.6	46.0%
Agro	236.4	281.5	239.2	262.2	188.0	377.2	34.0%	517.9	565.2	9.1%
Special Risks	43.4	25.3	670.4	75.0	102.3	24.7	-2.5%	68.7	126.9	84.9%
Aviation	15.6	31.3	28.9	17.3	12.9	15.5	-50.6%	46.9	28.4	-39.5%
Others	225.7	174.9	270.7	230.9	191.1	235.2	34.5%	400.6	426.3	6.4%
Written Premium Abroad	1,115.9	1,379.1	1,166.6	1,060.2	886.1	919.3	-33.3%	2,495.0	1,805.4	27.6%
Property	347.6	392.0	402.9	344.0	389.8	375.5	-4.2%	739.5	765.3	3.5%
Life	330.8	350.6	202.2	257.0	101.9	160.5	-54.2%	681.4	262.4	-61.5%
Agro	125.1	341.7	299.1	278.2	137.4	138.0	-59.6%	466.8	275.4	-41.0%
Special Risks	15.8	26.8	34.8	14.8	27.4	28.7	7.3%	42.6	56.1	31.8%
Aviation	151.6	73.5	131.7	59.2	108.8	79.8	8.7%	225.0	188.6	-16.2%
Others	145.1	194.6	95.9	107.1	120.9	136.7	-29.7%	339.7	257.6	-24.2%
Total Written Premium	1,996.2	2,543.6	2,975.9	2,080.4	1,930.5	2,160.0	-15.1%	4,539.8	4,090.6	-9.9%

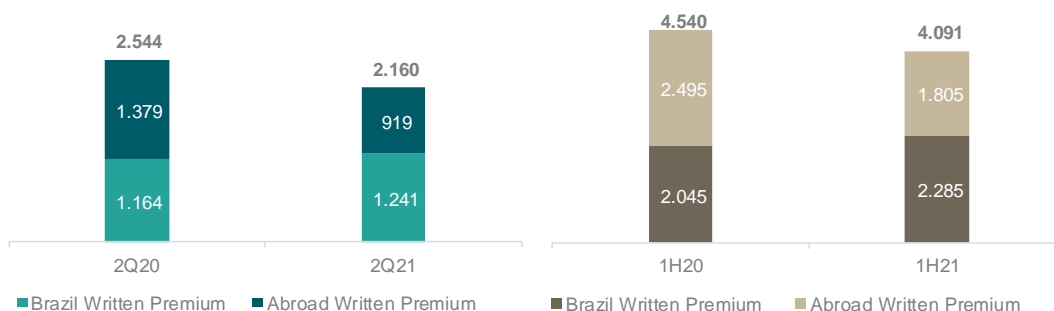
Historical Written Premium (R\$ million)



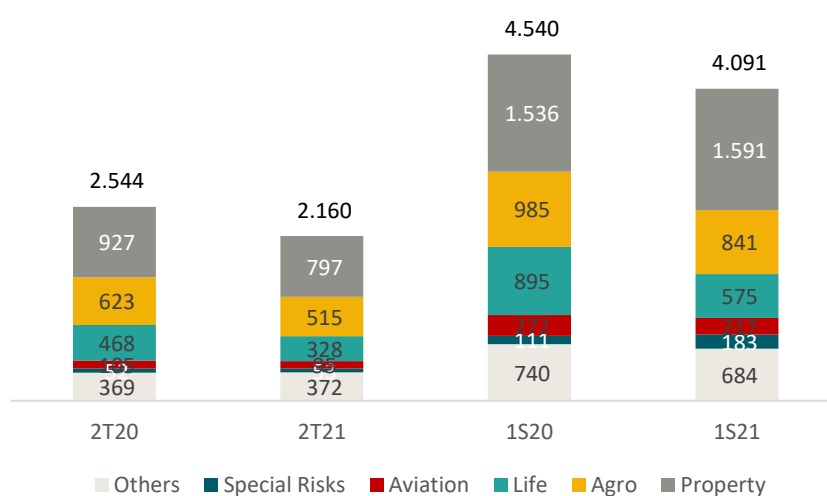
Written Premium in Brazil and Abroad (% share)



Total Written Premium Breakdown - Brazil and Abroad (R\$ million)



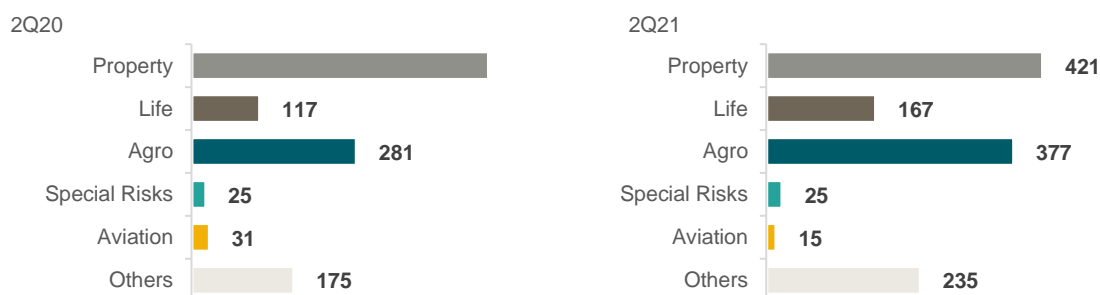
Total Written Premium Breakdown by Business Lines (%)



Quarterly Comparison: 2Q21 x 2Q20

In the second quarter of 2021 (2Q21) the total volume of IRB written premium decreased by 15.1% compared to the second quarter of 2020 (2Q20), totaling R\$2,160.0 million.

✓ Brazil (R\$ milhões)

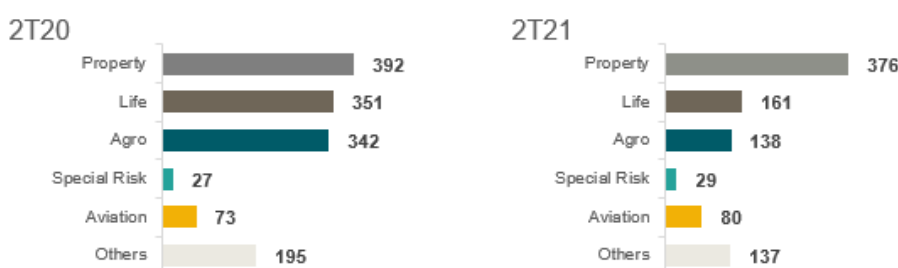


Written premium in Brazil totaled R\$1,240.8 million in 2Q21, which represented an increase of 6.6% in relation to 2Q20. This increase is due to the higher volume of written premium in life (+42.9%), agro (+34.0%) and other (+34.5%) segments, as explained below:

- ✓ **Life:** new business and performance above expected for existing businesses.
- ✓ **Agro:** portfolio performance above the expected, reinforced by the increase in premium stemming from the rural subsidy.

This increase was partially offset by (i) a 50.6% reduction in the **Aviation** segment, due to adjustments resulting from the re-underwriting strategy and (ii) a 21.6% reduction in the **Property** segment, due to the non-renewal in this quarter of an 18-month policy contract issued in 2Q20, whose renewal will occur in 4Q21.

✓ **Abroad (R\$ milhões)**



The written premium abroad totaled R\$919.3 million in 2Q21, which represented a reduction of 33.3% in relation to 2Q20. This decrease, which is in line with the re-underwriting strategy widely publicized by the Company and stems from the lower volume of written premium in the Life (-54.2%), agro (-59.6%) and others (-29.7%) segments, as explained below:

- ✓ **Life:** re-underwriting measures that promoted the cancellation of contracts with insufficient technical margin.
- ✓ **Agro:** reduction of some contracts held by the Company, primarily in Asia.
- ✓ **Others:** exit of proportional contracts in the maritime segment.

- **Semi-annual comparison: 1H21 x 1H20**

In the first semester of 2021 (1H21), the total volume of written premium decreased 9.9% compared to 1H20, totaling R\$4,090.6 million.

- ✓ **Brazil**

In the year, the **written premium in Brazil** totaled R\$2,285.2 million, which represented an increase of 11.8%, reflecting the higher volume of written premium in the life (+46.0%) and special risks (+84.9%) segments, as described below:

- ✓ **Life:** new business through innovation and new products offered, as well as performance above expected for existing businesses.
- ✓ **Special Risks:** issuance of new projects to build assets for oil extraction.

- ✓ **Abroad**

The **premium issued abroad** was R\$ 1,805.4 million, with a drop of 27.6% compared to 1H20. The lowest contribution of the premium issued abroad in 1H21 stems mainly from the business lines of life (-61.5%), rural (-41.0%), Aviation (-16.2%) and others (-24.2%).

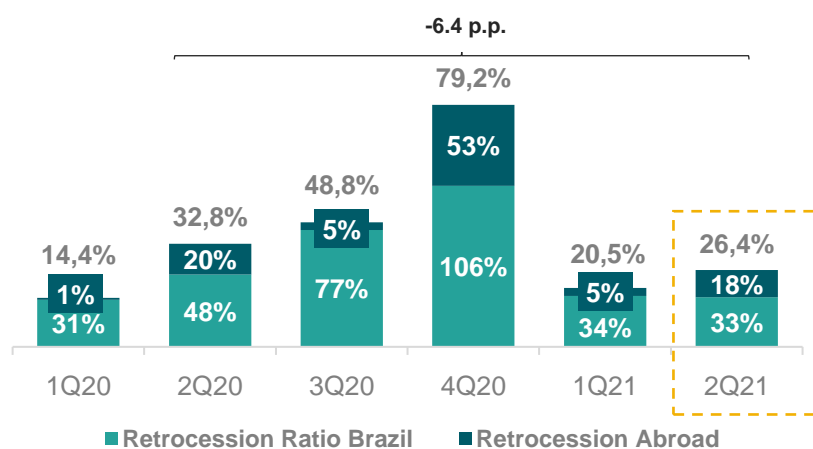
- ✓ **Life:** re-underwriting measures which stimulated the termination of contracts with insufficient reinsurance margin.
- ✓ **Rural:** reduction of some contracts held by the Company, primarily in Asia
- ✓ **Aviation:** reduction of exposure in this segment
- ✓ **Others Abroad:** reduction of exposure with withdrawal of contracts in marine and cargo segments.

▪ Retrocession Expense

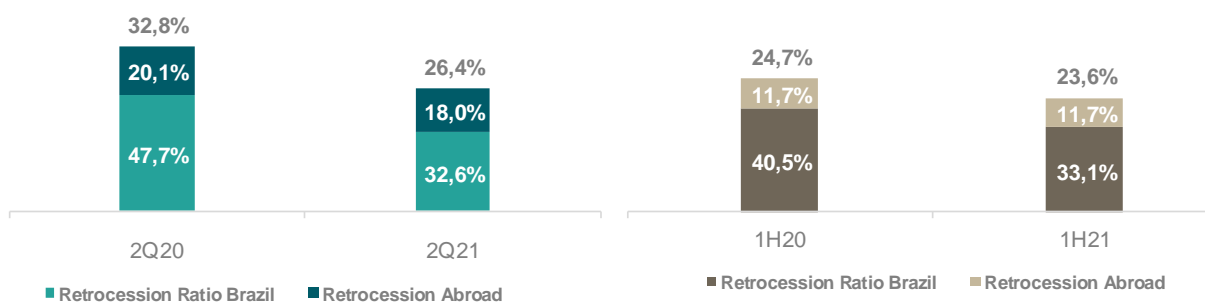
▪ Retrocession Expense by segment and business lines

(R\$ million)	Quarter						Variation	Accumulated		Variation
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	(2Q21/ 2Q20)	1H20	1H21	(1H21/ 1H20)
Retrocession Brazil	(272.7)	(555.2)	(1,391.5)	(1,081.9)	(351.2)	(404.6)	-27.1%	(827.9)	(755.7)	-8.7%
Property	(105.8)	(324.5)	(217.6)	(577.5)	(137.0)	(205.7)	-36.6%	(430.2)	(342.7)	-20.4%
Life	(25.7)	(30.3)	(43.5)	(47.5)	(35.3)	(37.2)	23.1%	(56.0)	(72.6)	29.6%
Agro	(4.3)	(61.9)	(353.1)	(73.6)	(36.9)	(6.6)	-89.3%	(66.2)	(43.5)	-34.3%
Special Risks	(54.8)	(24.5)	(626.9)	(103.4)	(52.5)	(37.3)	52.2%	(79.3)	(89.8)	13.3%
Aviation	(7.6)	(16.8)	(4.3)	(27.7)	(22.0)	(7.5)	-55.0%	(24.4)	(29.5)	20.9%
Others	(74.5)	(97.3)	(146.1)	(252.1)	(67.5)	(110.1)	13.2%	(171.8)	(177.7)	3.4%
Retrocession Abroad	(13.9)	(277.9)	(60.0)	(566.5)	(45.0)	(165.4)	-40.5%	(291.8)	(210.4)	-27.9%
Property	(6.0)	(235.6)	(42.5)	(170.7)	(9.3)	(153.5)	-34.9%	(241.6)	(162.7)	-32.6%
Life	(3.0)	(0.6)	(0.2)	(6.0)	(2.1)	(3.6)	512.8%	(3.6)	(5.7)	56.3%
Agro	(0.7)	(27.2)	(1.0)	(150.9)	(25.6)	(3.5)	-87.1%	(27.9)	(29.1)	4.3%
Special Risks	(0.7)	(3.6)	(10.9)	(102.8)	(0.2)	(0.1)	-97.8%	(4.4)	(0.2)	-94.7%
Aviation	(0.9)	(5.0)	(3.5)	(25.2)	(1.6)	(2.5)	-50.5%	(5.9)	(4.1)	-30.0%
Others	(2.5)	(5.9)	(2.0)	(111.0)	(6.3)	(2.2)	-62.4%	(8.4)	(8.5)	1.5%
Total Retrocession	(286.7)	(833.0)	(1,451.5)	(1,648.3)	(396.2)	(570.0)	-31.6%	(1,119.7)	(966.2)	-13.7%

Historical Retrocession Ratio (%)



Breakdown of the Brazil and International Retrocession Ratio (%)



• Quarterly Comparison: 2Q21 x 2Q20

Total retrocession expense in 2Q21 presented a drop of 31.6% compared to 2Q20, from R\$833.0 million in 2Q20 to R\$570.0 million in 2Q21, while retrocession ratio went from 32.8% in 2Q20 to 26.4% in 2Q21, a reduction of 6.4 p.p..

The drop in retrocession expense in Brazil can be explained primarily by the reduction of the premium retreated in operational agreements, in view of the non-renewal of a contract issued in 2Q20, whose renewal will occur in 4Q21. Abroad, there was also a reduction in retrocession expense due to a significant decrease in retrocession purchases, in line with the successful implementation of the re-underwriting strategy, where a large reduction in risk exposure, with no significant impact on the premium was obtained.

• Semi-annual comparison: 1H21 x 1H20

In **the first half of 2021 (1H21)**, retrocession expense was 13.7% lower, mainly reflecting the Property line, both in Brazil and abroad. It is emphasized that even with the repurchase of protections that were canceled from the rural segment, the retrocession expense did not increase in the period.

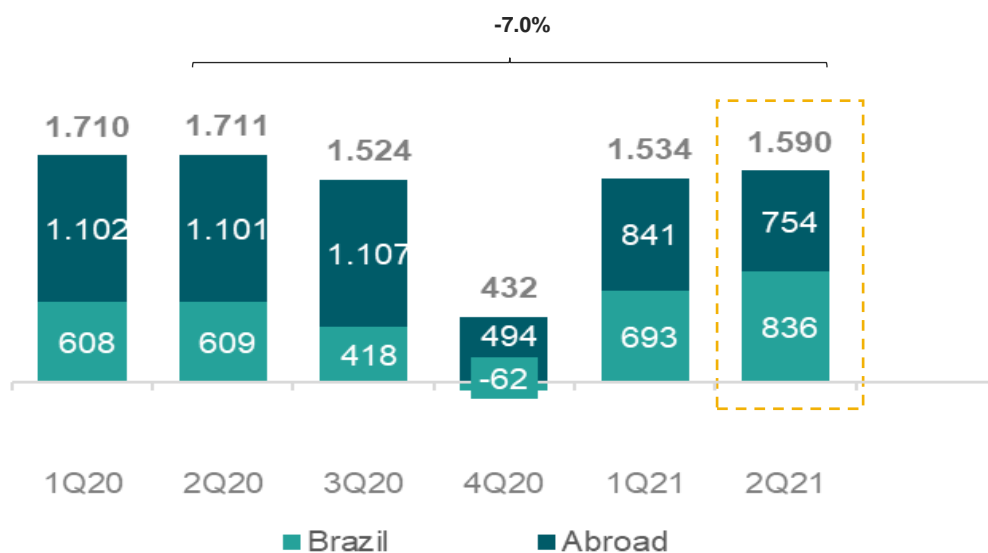
Consequently, the Company's retrocession rate in 1H21 decreased 1.1 p.p., from 24.7% in 1H20 to 23.6% in 1H21.

Retained Premium

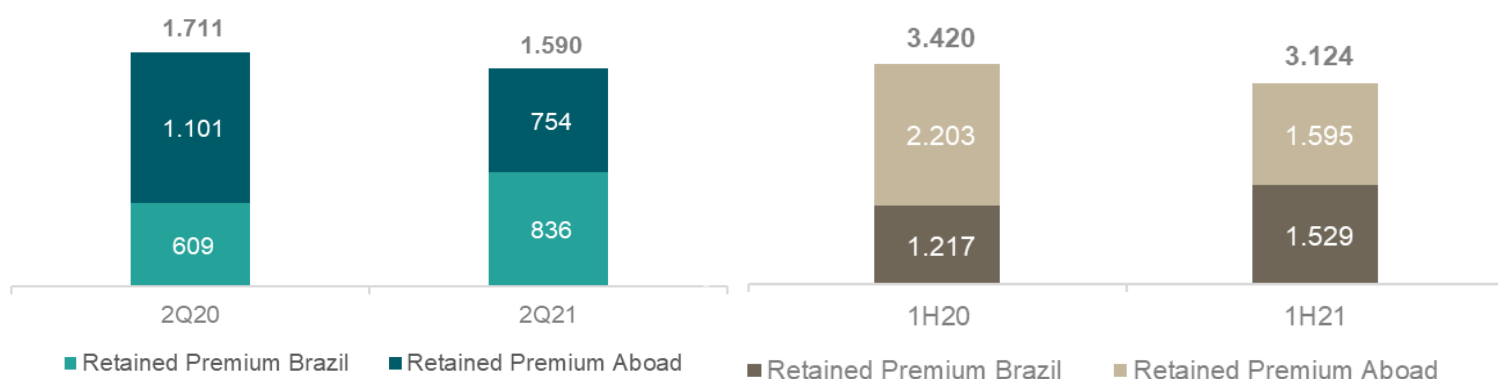
Retained Premium by Segment and Business Lines

(R\$ million)	Quarter						Var.	Accumulated		Var.
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	(2Q21/2Q20)	1H20	1H21	(1H21/1H20)
Retained Premium Brazil	607.5	609.3	417.8	(61.7)	693.3	836.2	37.2%	1,216.8	1,529.5	25.7%
Property	156.3	210.1	257.3	(269.7)	267.7	215.4	2.6%	366.4	483.1	31.9%
Life	71.4	86.6	81.8	79.5	110.1	129.8	49.9%	158.1	240.0	51.8%
Agro	232.1	219.6	(113.8)	188.6	151.2	370.5	68.7%	451.7	521.7	15.5%
Special Risks	(11.4)	0.8	43.5	(28.5)	49.7	(12.6)	1670.4%	(10.6)	37.1	449.7%
Aviation	8.0	14.5	24.5	(10.4)	(9.1)	7.9	-45.4%	22.5	(1.1)	105.1%
Others	151.2	77.6	124.6	(21.2)	123.6	125.1	61.1%	228.8	248.7	8.7%
Abroad Retained Premium	1,102.0	1,101.2	1,106.6	493.7	841.1	753.9	-31.5%	2,203.2	1,594.9	-27.6%
Property	341.6	156.4	360.4	173.3	380.5	222.0	42.0%	497.9	602.5	21.0%
Life	327.8	350.0	202.0	251.0	99.8	156.9	-55.2%	677.8	256.7	-62.1%
Agro	124.3	314.6	298.2	127.3	111.8	134.5	-57.3%	438.9	246.2	-43.9%
Special Risks	15.1	23.2	23.9	(88.0)	27.2	28.6	23.7%	38.2	55.9	46.2%
Aviation	150.7	68.5	128.2	34.0	107.1	77.4	13.0%	219.2	184.5	-15.8%
Others	142.6	188.7	93.9	(3.9)	114.6	134.5	-28.7%	331.2	249.0	-24.8%
Retained Premium Total	1,709.5	1,710.5	1,524.5	432.1	1,534.3	1,590.1	-7.0%	3,420.1	3,124.4	-8.6%

Historical Retained Premium (R\$ million)



Breakdown Retained Premium in Brazil and Abroad (R\$ million)



Total retained premium was R\$1,590.1 million in 2Q21, a 7.0% drop compared to 2Q20, due to the reduction in the premium issued abroad.

Changes in the Technical Provision

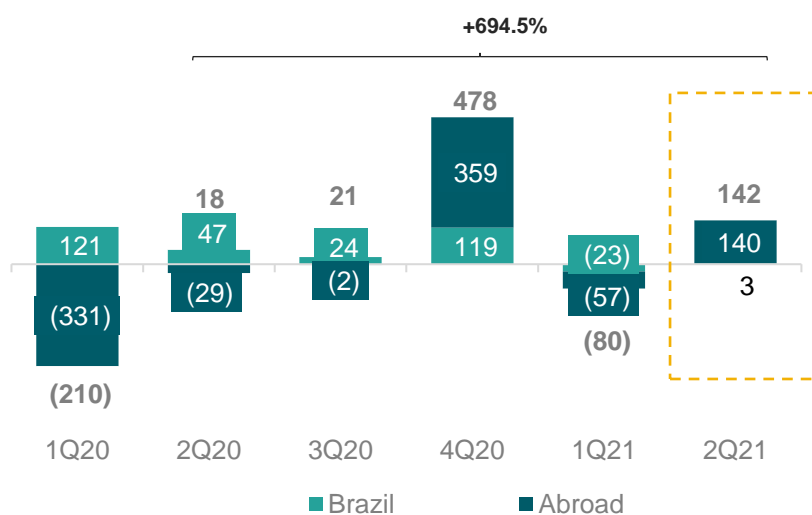
Changes in the Technical Provision Breakdown

(R\$ million)	Quarter						Variation	Accumulated		Variation
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	(2Q21/ 2Q20)	1H20	1H21	(1H21/ 1H20)
Changes in the Technical Provision	(209.8)	17.9	21.2	477.7	(80.1)	142.3	694.5%	(191.9)	62.2	-132.4%
Provision for Unearned Premiums - Reinsurance	51.8	(112.8)	(266.0)	466.7	244.1	291.4	-358.4%	(61.0)	535.5	-978.5%
Effective	26.2	28.4	(351.1)	408.0	195.5	56.5	99.1%	54.6	252.0	362.0%
Estimated	25.7	(141.2)	85.1	58.7	48.6	234.9	-266.4%	(115.5)	283.5	-345.4%
Provision for Unearned Premium - Retrocession	(283.0)	111.5	259.0	34.2	(300.3)	(150.1)	-234.5%	(171.4)	(450.4)	162.7%
Effective	(260.0)	98.5	235.2	51.5	(291.6)	(74.3)	-175.4%	(161.6)	(365.9)	126.5%
Estimated	(23.0)	13.1	23.8	(17.3)	(8.7)	(75.8)	-678.9%	(9.9)	(84.5)	756.2%
Reserve for Technical Surplus	21.4	19.2	28.1	(23.2)	(23.8)	0.9	-95.3%	40.5	(22.9)	-156.6%
Estimated	21.4	19.2	28.1	(23.2)	(23.8)	0.9	-95.3%	40.5	(22.9)	N.A.

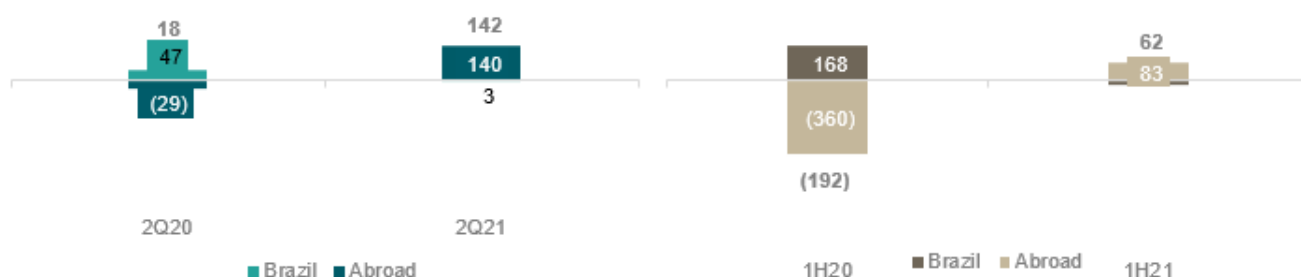
- Change in Technical Provision by segment and business lines

(R\$ million)	Quarter						Variation	Accumulated		Variation
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	(2Q21/ 2Q20)	1H20	1H21	(1H21/ 1H20)
Changes in the Technical Provision Brazil	121.4	46.7	23.6	119.2	(23.2)	2.7	-94.3%	168.1	(20.5)	-112.2%
Property	20.2	(0.7)	(61.0)	79.4	(57.1)	20.3	3,211.5%	19.5	(36.8)	-288.4%
Life	15.4	12.5	4.0	(2.4)	(8.3)	2.0	-84.0%	27.8	(6.3)	-122.5%
Agro	91.2	3.2	109.9	(33.0)	96.3	(62.6)	2,057.1%	94.4	33.7	-64.3%
Special Risks	13.7	17.2	(29.9)	11.9	(32.5)	23.8	38.0%	30.9	(8.8)	-128.4%
Aviation	(2.5)	(7.1)	(11.6)	20.3	(1.0)	1.2	-116.9%	(9.6)	0.2	-101.8%
Others	(16.6)	21.6	12.1	42.8	(20.6)	18.1	-16.5%	5.0	(2.5)	-150.4%
Changes in the Technical Provision Abroad	(331.1)	(28.8)	(2.4)	358.5	(56.9)	139.6	-584.8%	(359.9)	82.7	-123.0%
Property	(165.8)	93.2	(57.4)	144.5	(175.9)	78.4	-15.9%	(72.6)	(97.5)	34.4%
Life	(62.0)	26.5	27.6	49.5	0.7	(23.2)	-187.4%	(35.4)	(22.5)	-36.5%
Agro	6.3	(115.1)	(19.5)	54.8	137.6	70.9	-161.6%	(108.8)	208.5	-291.6%
Special Risks	2.6	(0.1)	6.4	7.5	(5.1)	(6.0)	4114.9%	2.5	(11.1)	-549.6%
Aviation	(45.4)	19.2	36.2	64.7	(12.6)	15.7	-18.2%	(26.2)	3.1	-112.0%
Others	(66.8)	(52.5)	4.3	37.6	(1.5)	3.7	-107.1%	(119.3)	2.3	-101.9%
Changes in the Technical Provision Total	(209.8)	17.9	21.2	477.7	(80.1)	142.3	694.5%	(191.9)	62.2	-132.4%

Quarterly Historical Change in Technical Provision (R\$ million)



Breakdown of Changes in the Technical Provision in Brazil and Abroad (R\$ million)



The main component of the changes in the technical provision is the Unearned Premium Reserve (PPNG), which corresponds to the portion of the premium for risks underwritten by the Company that have not expired yet (goal to prepare for the upcoming loss ratio).

PPNG is calculated for both written premiums and retrocession premiums. The balance between changes in PPNG – Reinsurance (calculated on written premiums) and changes in PPNG – Retrocession (calculated on retrocession premiums) is the change in Retained PPNG, recognized under Changes in the Technical Provisions.

Another component of Changes in the Technical Provisions is the Provision for Technical Surpluses (PET). This provision is periodically made to guarantee the amounts destined as surpluses deriving from technical and operational surpluses, to be distributed to the assignors, as provided for in reinsurance contracts.

Therefore, the variations shown in the previous table refer to differences in the balances of said provisions in the period.

• Quarterly Comparison: 2Q21 x 2Q20

In 2Q21, the changes in technical provision totaled a reversion of R\$142.3 million compared to the reversion of R\$17.9 million in 2Q20. Reversals take place primarily:

- ✓ **Property in Brazil:** movement, predominantly, due to the non-renewal of one main facultative risk.
- ✓ **Rural and Other abroad:** due to higher emissions in the portfolio in 2Q20 when compared to 2Q21.

In 2Q21, there was an increase in the constitution of provisions in the following lines:

- ✓ **Rural Brazil:** reduction of retrocession emissions in 2021, which contributed to the increase in retained PPNG.
- ✓ **Life Abroad:** 2Q20 was strongly impacted by the increase in deferral of premiums referring to contracts that the Company decided not to renew, due to its reunderwriting policy. Additionally, there was a higher level of facultative risk written in 2Q21 compared to 2Q20.

✓ **Semi-annual comparison: 1H21 x 1H20**

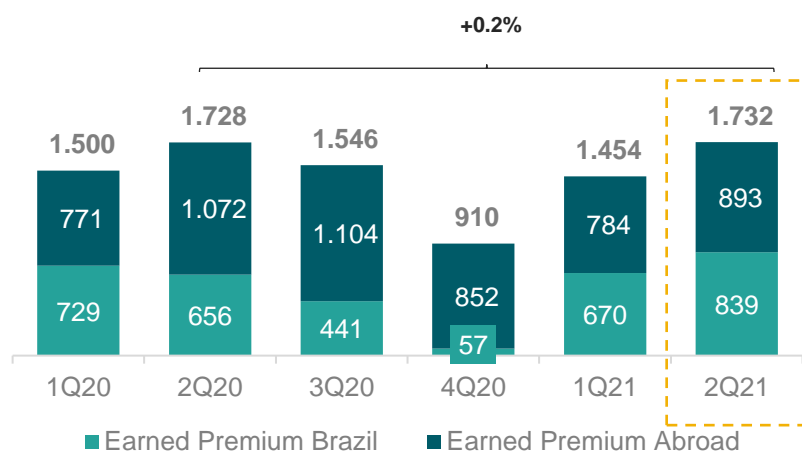
In the six months of 2021, the change in technical provision totaled a reversion of R\$62.2 million compared to a constitution in 1H20 of R\$191.9 million. The positive effect presented in the change of the technical provision in 1H21 is mainly due to the reversal of the technical provision abroad, especially in the Rural line.

▪ Earned Premium

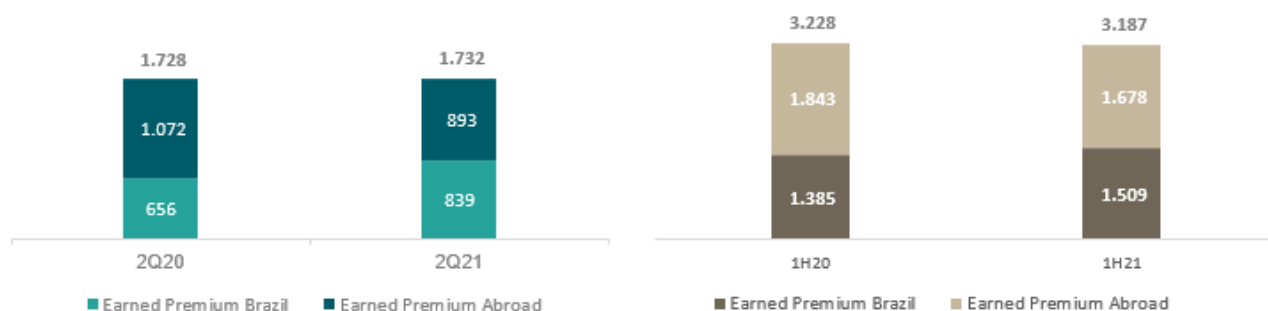
▪ Earned Premium by Segment and Business Lines

(R\$ million)	Quarter						Variation	Accumulated		Variation
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	(2Q21/ 2Q20)	1H20	1H21	(1H21/ 1H20)
Earned Premium Brazil	728.9	656.0	441.4	57.5	670.1	838.9	27.9%	1,384.9	1,508.9	9.0%
Property	176.5	209.4	196.2	(190.3)	210.6	235.7	12.6%	385.9	446.3	15.7%
Life	86.8	99.1	85.8	77.1	101.9	131.8	33.0%	185.9	233.7	25.7%
Agro	323.3	222.8	(3.9)	155.6	247.5	307.9	38.2%	546.1	555.4	1.7%
Special Risks	2.2	18.0	13.6	(16.5)	17.2	11.1	-38.1%	20.2	28.4	40.0%
Aviation	5.5	7.4	12.9	10.0	(10.1)	9.1	23.7%	12.9	(1.0)	-107.5%
Others	134.6	99.3	136.7	21.6	103.0	143.1	44.2%	233.9	246.1	5.2%
Earned Premium Abroad	770.9	1,072.4	1,104.2	852.3	784.2	893.5	-16.7%	1,843.3	1,677.7	-9.0%
Property	175.7	249.6	303.0	317.8	204.6	300.4	20.3%	425.4	505.0	18.7%
Life	265.8	376.5	229.6	300.5	100.5	133.7	-64.5%	642.3	234.2	-63.5%
Agro	130.6	199.4	278.7	182.0	249.4	205.4	3.0%	330.0	454.7	37.8%
Special Risks	17.7	23.0	30.3	(80.5)	22.1	22.7	-1.6%	40.7	44.8	9.9%
Aviation	105.3	87.7	164.5	98.7	94.6	93.1	6.1%	193.0	187.6	-2.8%
Others	75.8	136.1	98.2	33.7	113.1	138.2	1.5%	211.9	251.3	18.6%
Earned Premium Total	1,499.8	1,728.4	1,545.6	909.8	1,454.3	1,732.3	0.2%	3,228.2	3,186.6	-1.3%

Historical Earned Premium (R\$ million)



Breakdown Earned Premium in Brazil and Abroad (R\$ million)



Total earned premium was R\$1,732.3 million in 2Q21, stable compared to 2Q20, due to the lower issued premium abroad, which partially offset with the reversion of the Changes in the Technical Provision line.

Retained Claims

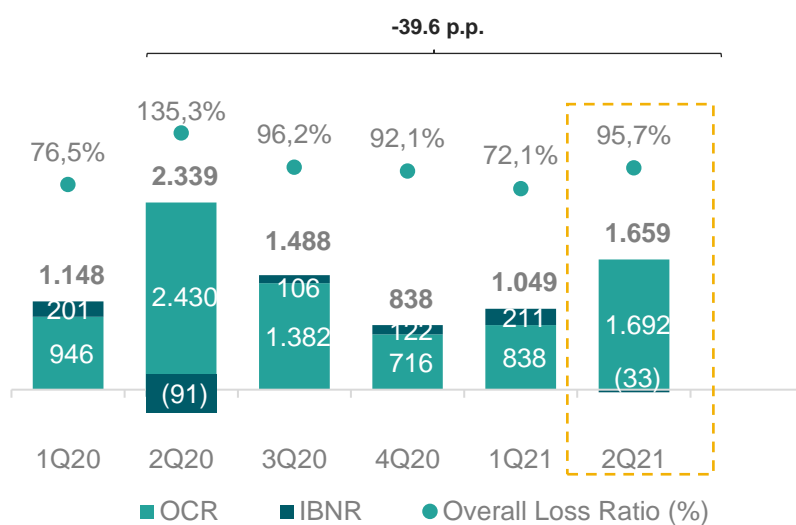
Retained Claims by Segment and Business Lines

(R\$ million)	Quarter						Variation	Accumulated		Variation
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	(2Q21/2Q20)	1H20	1H21	(1H21/1H20)
Claim Brazil	(556.6)	(788.5)	(163.3)	(130.8)	(454.9)	(769.6)	-2.4%	(1,345.1)	(1,224.5)	-9.0%
Property	(106.1)	(228.2)	(101.4)	108.5	(136.9)	(287.5)	26.0%	(334.3)	(424.3)	26.9%
Life	(95.9)	(78.3)	(68.4)	(73.1)	(36.1)	(90.4)	15.5%	(174.2)	(126.5)	-27.4%
Agro	(203.4)	(292.6)	84.9	(154.2)	(181.4)	(230.1)	-21.4%	(496.0)	(411.4)	-17.1%
Special Risks	(16.5)	(7.6)	6.5	9.3	(16.5)	(11.0)	45.5%	(24.0)	(27.5)	14.4%
Aviation	(9.2)	(32.8)	2.4	(0.3)	(16.2)	(12.5)	-61.9%	(42.0)	(28.7)	-31.7%
Others	(125.5)	(149.0)	(87.2)	(21.1)	(67.9)	(138.1)	-7.3%	(274.4)	(206.0)	-24.9%
Claim Abroad	(591.0)	(1,550.8)	(1,324.4)	(707.1)	(594.0)	(889.0)	-42.7%	(2,141.7)	(1,482.9)	-30.8%
Property	(153.9)	(497.7)	(335.4)	(180.4)	(209.3)	(223.4)	-55.1%	(651.7)	(432.7)	-33.6%
Life	(181.5)	(494.5)	(586.3)	(408.4)	(107.4)	(216.5)	-56.2%	(676.0)	(323.9)	-52.1%
Agro	(121.0)	(218.0)	(241.6)	(135.1)	(137.7)	(184.5)	-15.4%	(339.0)	(322.3)	-4.9%
Special Risks	(11.4)	(59.0)	(9.6)	58.6	(16.1)	(5.1)	-91.3%	(70.4)	(21.2)	-69.9%
Aviation	(106.1)	(137.9)	(108.6)	(85.1)	(66.5)	(183.6)	33.1%	(244.0)	(250.1)	2.5%
Others	(17.1)	(143.6)	(42.8)	43.3	(56.9)	(75.9)	-47.2%	(160.7)	(132.8)	-17.4%
Total Claim	(1,147.5)	(2,339.3)	(1,487.6)	(837.9)	(1,048.9)	(1,658.5)	-29.1%	(3,486.8)	(2,707.5)	-22.4%

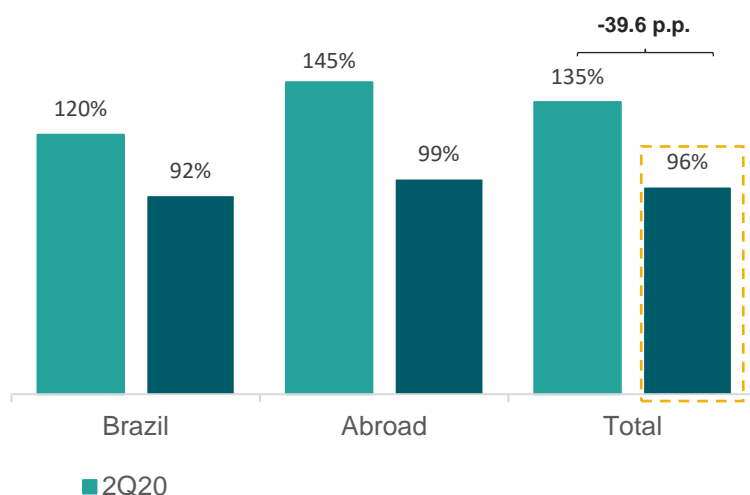
Retained Claims Breakdown

(R\$ million)	Quarter				Quarter		Variation (2Q21/ 2Q20)	Accumulated		Variation (1H21/ 1H20)
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21		1H20	1H21	
Retained Claim Total	(1,147.5)	(2,339.3)	(1,487.6)	(837.9)	(1,048.9)	(1,658.5)	-29.1%	(3,486.8)	(2,707.5)	-22.4%
OCR	(946.4)	(2,430.0)	(1,381.9)	(716.0)	(837.8)	(1,691.7)	-30.4%	(3,376.4)	(2,529.5)	-25.1%
IBNR	(201.1)	90.7	(105.7)	(122.0)	(211.1)	33.2	-63.4%	(110.4)	(177.9)	61.1%
Overall Loss Ratio	76.5%	135.3%	96.2%	92.1%	72.1%	95.7%	-39.6 p.p.	108.0%	85.0%	-23 p.p.
PSL Loss Ratio	63.1%	140.6%	89.4%	78.7%	57.6%	97.7%	-42.9 p.p.	104.6%	79.4%	-25.2 p.p.
IBNR Loss Ratio	13.4%	-5.2%	6.8%	13.4%	14.5%	-1.9%	3.3 p.p.	3.4%	5.6%	2.2 p.p.

Historical Retained Claims (R\$ million) and Loss Ratio (%)



Loss Ratio Brazil and Abroad (%)



- **Quarterly Comparison: 2Q21 x 2Q20**

In the first quarter of 2021 (2Q21), the total retained claims was R\$1,658.5 million, a reduction of 29.1% compared to the same period in 2020 (2Q20). The total loss ratio in 1Q21 presented a reduction of 36.9 p.p. compared to the same quarter of the previous year, from 135.3% to 95.7%. The reduction in the total loss ratio in 2Q21 is a reflection of the reduction in the PSL (Provisions of Claims to Settle) component, which refers to the claims notices that the Company received in the period, which decreased by 30.4% compared to 2Q20.

As in 2Q20, in 2Q21 there was a small reversion in the IBNR line of R\$33.2 million, due to the performance improvement in some lines of business.

Excluding run-off business claims, i.e. those deficit contracts not renewed within the re-underwriting strategy initiated in July 2020, which totaled R\$271.0 million; the 2Q21 loss ratio was 84.7%.

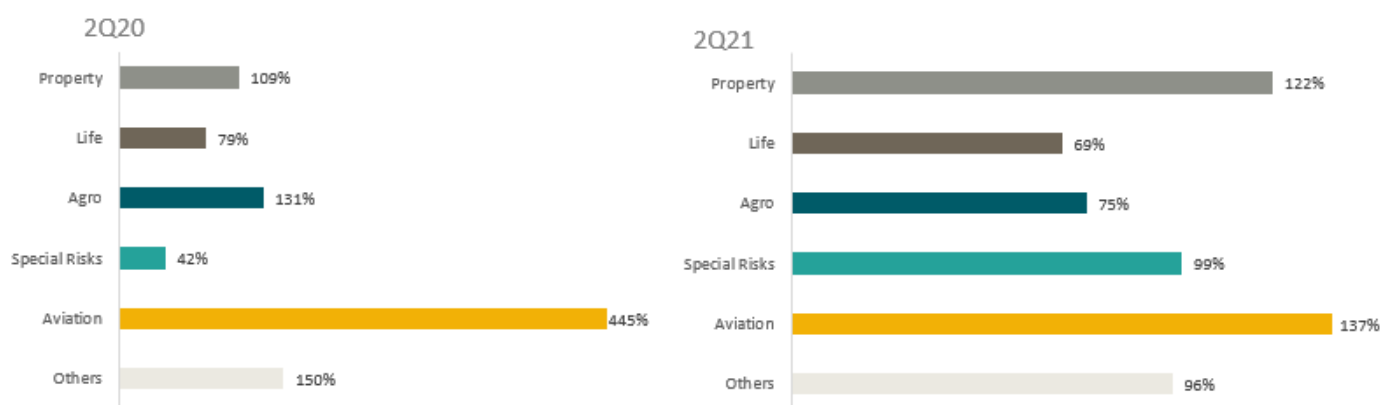
- ✓ **Loss Ratio in Brazil**

When analyzing by segment, it is noted that the loss ratio retained claim in Brazil decreased from 120.2% to 91.7% in 2Q21. In nominal terms, the retained claim presented a reduction of 2.4% from R\$788.5 million in 2Q20 to R\$769.6 million in 2Q21. The main effects are detailed below:

- **Rural Brazil:** loss ratios from 131% in 2Q20 to 75% in 2Q21: better performance in the summer crop harvests, although there may still be an impact in the coming quarters in winter crop harvests, whose risk assessment period will end throughout 3Q21.
- **Aviation Brazil:** loss ratios from 445% in 2Q20 to 137% in 2Q21: reduction of exposure in this segment.

Reduction partially offset by the increase in the loss ratios in the lines of **Property business in Brazil**, whose loss ratios increased from 109% to 122%, due to a loss adjustments in a specific facultative risk; and **Special Risks**, with an increase in the loss rate from 42% to 99%, due to a insurance claim recorded in *Oil&Gas*.

✓ Loss Ratio Brazil (%)



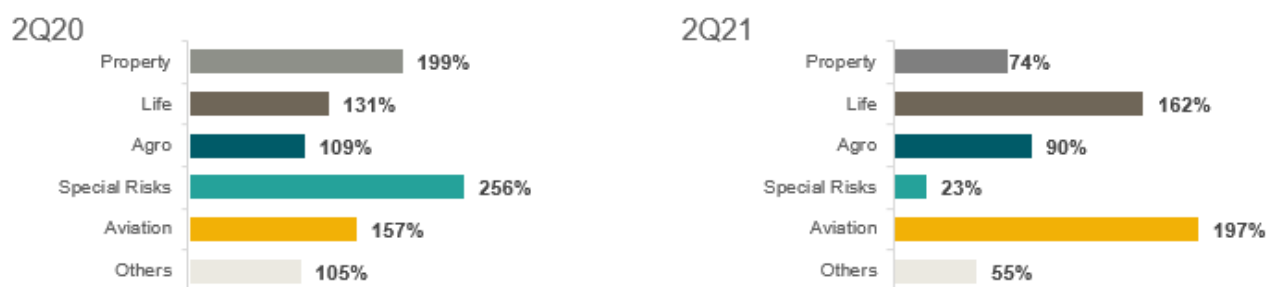
✓ Retained Claim Abroad

Loss ratio decreased 45 p.p., from 144.6% in 1Q20 to 99.5% in 1Q21, with emphasis on the reduction in the loss ratio of the segments below:

- **Property and Rural:** *re-underwriting measures* that promoted the cancellation of contracts with insufficient technical margin, with consequent decrease in the total amount of claims.
- **Special Risks Abroad:** In 2Q21, there were no severe claims on the Oil&Gas line as in 2Q20.

Reduction partially offset by the increase in the accident rate in the business lines of **Life Abroad** and **Aviation Abroad** in 2Q21, still reflecting claims of discontinued contracts.

✓ Loss Ratio Abroad (%)



Semi-annual comparison: 1H21 x 1H20

In the accumulated 2021 (1H21), the total retained claim was R\$2,707.5 million, a decrease of 22.4% compared to the same period in 2020 (1H20). The total loss ratio in 1Q21 decreased by 23.0 p.p., compared to the same quarter of the previous year, from 108.0% to 85.0%.

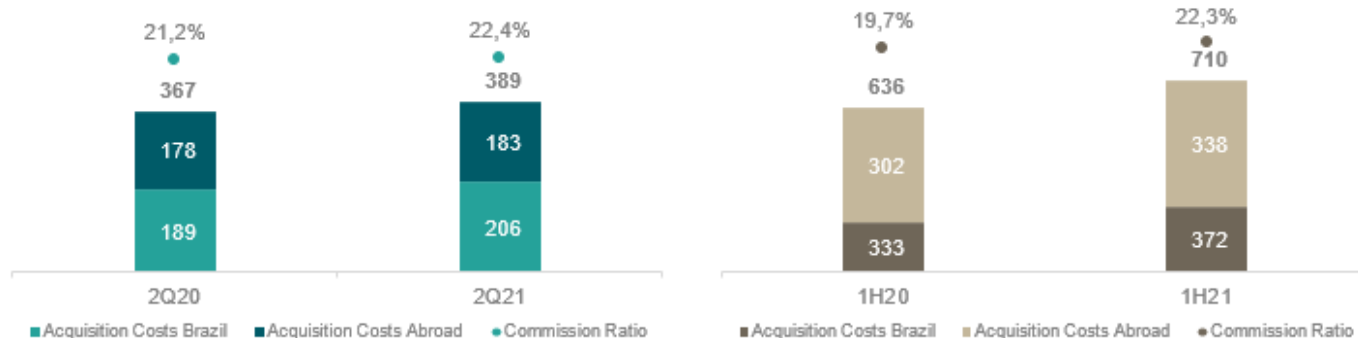
The fall in the claim reflects the impacts of the *re-underwriting* strategy, with a major improvement in the *run-on* ratio of continuing businesses, which stood at 77.8% in the first six months of 2021.

Acquisition Cost

Acquisition Cost by Segment and Business Lines

(R\$ million)	Quarter						Variation	Accumulated		Variation
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	(2Q21/2Q20)	1H20	1H21	(1H21/1H20)
Acquisition Costs Brazil	(144.8)	(188.6)	(149.0)	(148.7)	(166.8)	(205.5)	9.0%	(333.4)	(372.4)	11.7%
Property	(18.8)	(29.6)	(21.5)	(31.3)	(38.5)	(32.4)	9.3%	(48.4)	(70.9)	46.5%
Life	(5.3)	(31.3)	(11.2)	(22.1)	(13.0)	(36.4)	16.4%	(36.6)	(49.4)	35.1%
Agro	(80.5)	(91.9)	(72.8)	(61.5)	(72.5)	(93.2)	1.4%	(172.5)	(165.7)	-3.9%
Special Risks	(1.1)	(3.8)	(1.4)	(2.0)	(3.5)	(2.3)	-40.9%	(5.0)	(5.7)	15.8%
Aviation	(1.5)	(2.4)	(2.8)	(2.5)	(1.1)	(3.4)	44.0%	(3.8)	(4.5)	18.5%
Others	(37.6)	(29.6)	(39.4)	(29.3)	(38.2)	(37.9)	27.8%	(67.2)	(76.1)	13.2%
Acquisition Costs Abroad	(123.6)	(178.5)	(232.7)	(208.4)	(154.9)	(183.0)	2.6%	(302.1)	(337.9)	11.9%
Property	(49.7)	(72.5)	(106.8)	(97.2)	(71.1)	(92.2)	27.2%	(122.2)	(163.3)	33.7%
Life	(15.2)	(29.4)	(18.0)	(18.6)	(5.9)	(2.9)	-90.1%	(44.5)	(8.8)	-80.2%
Agro	(25.8)	(28.8)	(45.7)	(39.9)	(25.8)	(28.8)	0.0%	(54.6)	(54.5)	-0.1%
Special Risks	(3.2)	(4.2)	(5.9)	(4.2)	(4.0)	(3.9)	-6.6%	(7.5)	(8.0)	7.0%
Aviation	(10.6)	(13.6)	(30.6)	(17.0)	(21.7)	(26.7)	96.2%	(24.2)	(48.4)	100.3%
Others	(19.1)	(30.1)	(25.7)	(31.5)	(26.3)	(28.6)	-5.0%	(49.2)	(54.9)	11.5%
Acquisition Costs Total	(268.4)	(367.1)	(381.8)	(357.1)	(321.7)	(388.5)	5.8%	(635.5)	(710.3)	11.8%

Historical Acquisition Cost (R\$ million)



The acquisition cost in 2Q21 totaled R\$388.6 million, an increase of 5.8% in relation to 2Q20. When we analyze the ratio, acquisition cost over the earned premium in the period, it went from 21.2% in 2Q20 to 22.4% in 2Q21. This increase in the acquisition cost, recorded in 2Q21, has emphasis on the business lines: Property and Life in Brazil, and Property, Aviation and Others abroad, mainly, reflecting the increase in the share of written premium from proportional contracts, which have higher commissions.

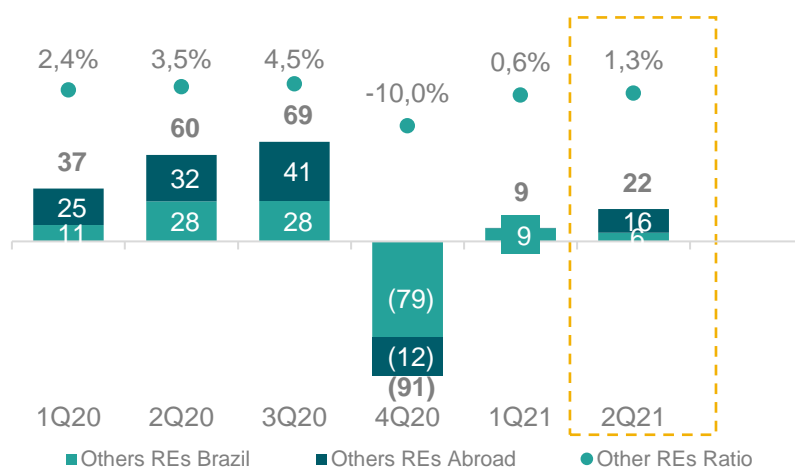
The acquisition cost in 1H21 totaled R\$710.3 million, an increase of 11.8% in relation to 1H20. This increase can be explained by the higher commissions of older contracts, negotiated before *hardening*. Therefore, the ratio acquisition cost over the earned premium in the period, it went from 2.6% in 1H20 to 22.3% in 1H21.

Other Operating Revenues and Expenses

Other Operating Revenues and Expenses by Segment and Business Lines

(R\$ million)	Quarter						Variation	Accumulated		Variation
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	(2Q21/2Q20)	1H20	1H21	(1H21/1H20)
Others Brazil	(11.2)	(27.7)	(27.9)	78.8	(9.1)	(6.1)	-78.0%	(38.9)	(15.2)	-60.9%
Property	(1.1)	(22.4)	(10.5)	6.8	(5.4)	(3.8)	-83.2%	(23.5)	(9.1)	-61.1%
Life	(7.1)	(2.4)	(6.3)	(2.9)	(2.9)	(0.3)	-86.3%	(9.5)	(3.2)	-65.7%
Agro	(1.3)	(3.1)	3.7	1.4	0.8	(1.0)	-67.8%	(4.5)	(0.2)	-94.5%
Special Risks	(0.4)	0.7	(1.8)	5.5	(3.4)	(0.6)	191.8%	0.3	(4.1)	1384.4%
Aviation	(0.7)	(1.6)	(1.2)	0.6	0.8	0.7	146.3%	(2.3)	1.5	165.4%
Others	(0.7)	1.2	(11.8)	67.4	1.1	(1.1)	192.6%	0.5	0.0	-95.3%
Others Abroad	(25.3)	(32.1)	(40.9)	12.4	(0.3)	(16.3)	-49.2%	(57.4)	(16.6)	-71.1%
Property	(11.4)	(14.0)	(18.6)	6.4	(2.7)	(9.2)	-34.5%	(25.4)	(11.9)	-53.2%
Life	(1.3)	(6.4)	(4.6)	5.7	(0.8)	2.2	134.7%	(7.6)	1.4	119.0%
Agro	(3.6)	(5.2)	(6.1)	4.5	5.4	(5.9)	13.3%	(8.8)	(0.5)	-94.8%
Special Risks	(0.2)	(0.3)	(0.5)	(0.5)	(0.1)	0.0	108.4%	(0.5)	(0.1)	-80.1%
Aviation	(2.5)	(0.4)	(7.3)	0.9	(1.7)	(1.8)	354.2%	(2.9)	(3.5)	18.3%
Others	(6.3)	(5.9)	(3.8)	(4.6)	(0.4)	(1.7)	-71.3%	(12.1)	(2.1)	-82.6%
Other Rds Total	(36.5)	(59.8)	(68.8)	91.1	(9.4)	(22.4)	-62.5%	(96.3)	(31.8)	-67.0%

Historical Other Operating Revenues and Expenses (R\$ million)



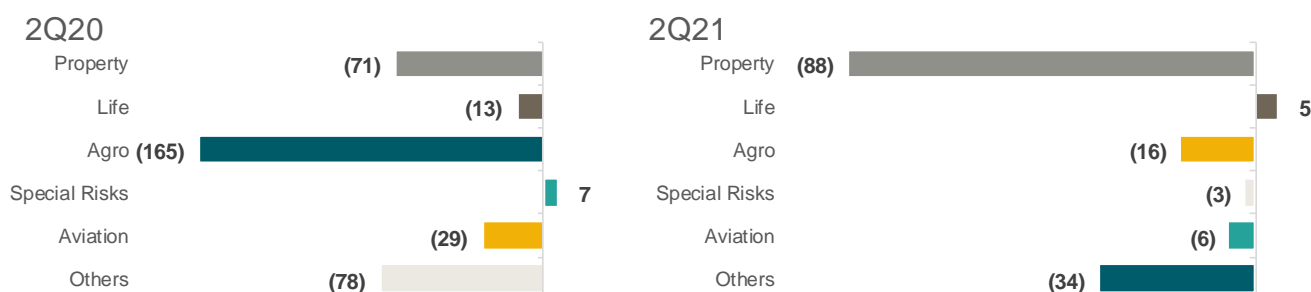
Other operating income and expenses recorded an expense of R\$22.4 million in 2Q21, compared to an expense of R\$ 59.8 million in 2Q20. As in the quarter, in the accumulated year (1H21), other operating income and expenses also decreased 67.0% compared to 1H20. This reduction in the periods is mainly due to the reversal of PDD, improvements in the collection process, and consequent clearing of financial pendings.

Underwriting Result

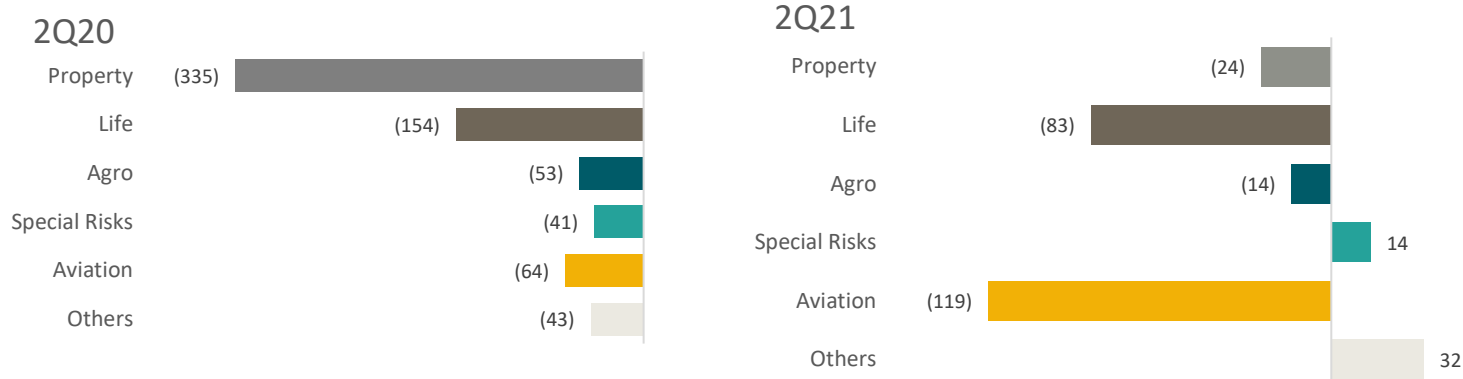
Underwriting Result by Segment and Business Lines

(R\$ million)	Quarter				Variation		(2Q21/ 2Q20)	Accumulated		Variation (1H21/ 1H20)
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21		1H20	1H21	
Underwriting Result Brazil	16.3	(348.8)	101.2	(143.2)	39.2	(142.3)	-59.2%	(332.5)	(103.2)	-69.0%
Property	50.5	(70.8)	62.8	(106.4)	29.8	(87.9)	24.1%	(20.3)	(58.1)	185.7%
Life	(21.5)	(12.9)	(0.0)	(21.0)	49.9	4.7	-136.3%	(34.3)	54.6	-258.9%
Agro	38.0	(164.9)	12.0	(58.6)	(5.7)	(16.4)	-90.1%	(126.9)	(22.0)	-82.6%
Special Risks	(15.7)	7.3	16.9	(3.7)	(6.2)	(2.8)	-137.7%	(8.4)	(8.9)	6.0%
Aviation	(5.8)	(29.4)	11.4	7.7	(26.7)	(6.1)	-79.3%	(35.2)	(32.7)	-7.1%
Others	(29.1)	(78.2)	(1.8)	38.7	(2.0)	(33.9)	-56.6%	(107.3)	(35.9)	-66.5%
Underwriting Result Total	31.0	(688.9)	(493.8)	(50.9)	35.0	(194.8)	-71.7%	(658.0)	(159.8)	-75.7%
Property	(39.3)	(334.5)	(157.8)	46.6	(78.6)	(24.3)	-92.7%	(373.9)	(102.9)	-72.5%
Life	67.9	(153.7)	(379.3)	(120.8)	(13.6)	(83.4)	-45.7%	(85.8)	(97.1)	13.1%
Agro	(19.8)	(52.5)	(14.7)	11.6	91.3	(13.8)	-73.8%	(72.3)	77.5	-207.1%
Special Risks	2.9	(40.5)	14.3	(26.6)	1.9	13.6	-133.6%	(37.6)	15.5	-141.2%
Aviation	(14.0)	(64.2)	18.0	(2.5)	4.7	(119.0)	85.3%	(78.2)	(114.4)	46.3%
Others	33.3	(43.4)	25.8	40.8	29.5	32.1	-173.9%	(10.1)	61.6	-709.6%
Underwriting Result Total	47.3	(1,037.7)	(392.6)	(194.1)	74.2	(337.2)	-67.5%	(990.5)	(262.9)	-73.5%

✓ Underwriting Result Brazil (R\$ million)



Underwriting Result Abroad (R\$ million)



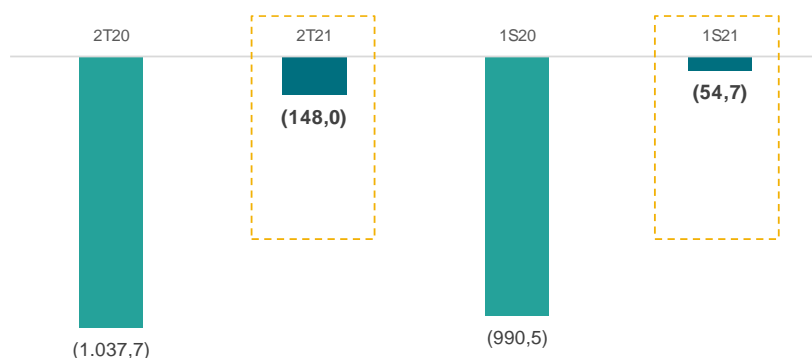
In 2Q21, the Company presented a negative underwriting result of R\$337.2 million, compared to a negative underwriting result in the same period of 2020 of R\$1,037.7 million, reflecting the trend of improvement in the results expected by the Company for the year 2021.

Additionally, excluding the effect of the contracts from the discontinued businesses (run-off) for the period of R\$189.1 million, the Company would have presented a negative underwriting result of R\$148.0 million in 2Q21.

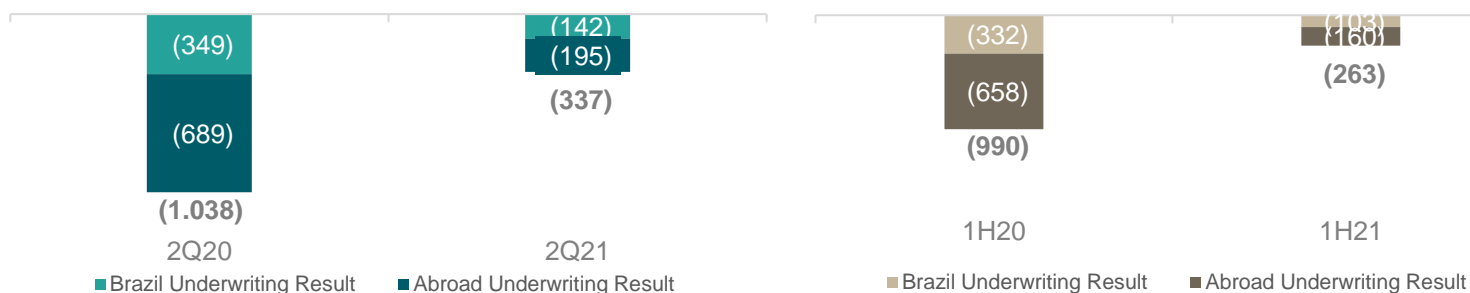
As widely publicized, the potential impact of the portfolio clean-up will represent a gradual improvement in the Company's underwriting result.

In the 1H21, the negative underwriting result of R\$262.9 million already improved compared to the 1H20, negative of R\$990.5 million, but still below what the Company estimates for the coming years, due to the tail of the discontinued contracts (*run-off*).

✓ Underwriting Result run-on normalized (R\$ million)



Underwriting Result: Brazil x Abroad (R\$ million)

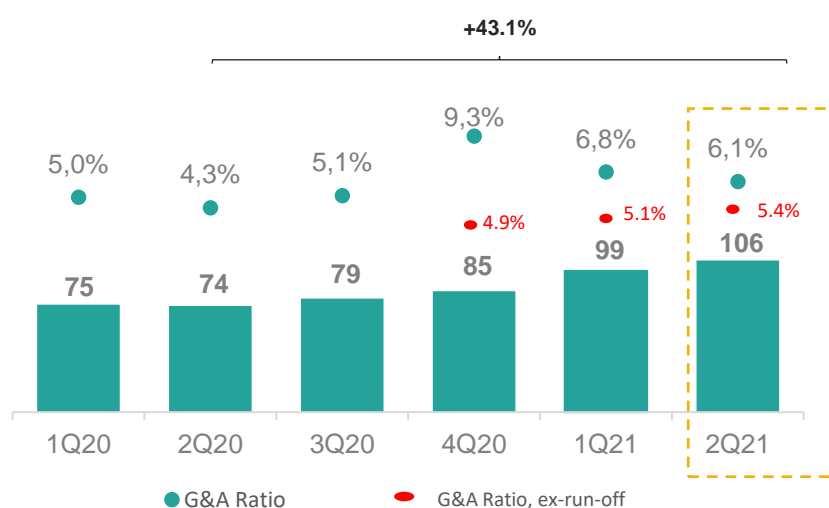


General and Administrative Expenses

General and Administrative Expenses Breakdown

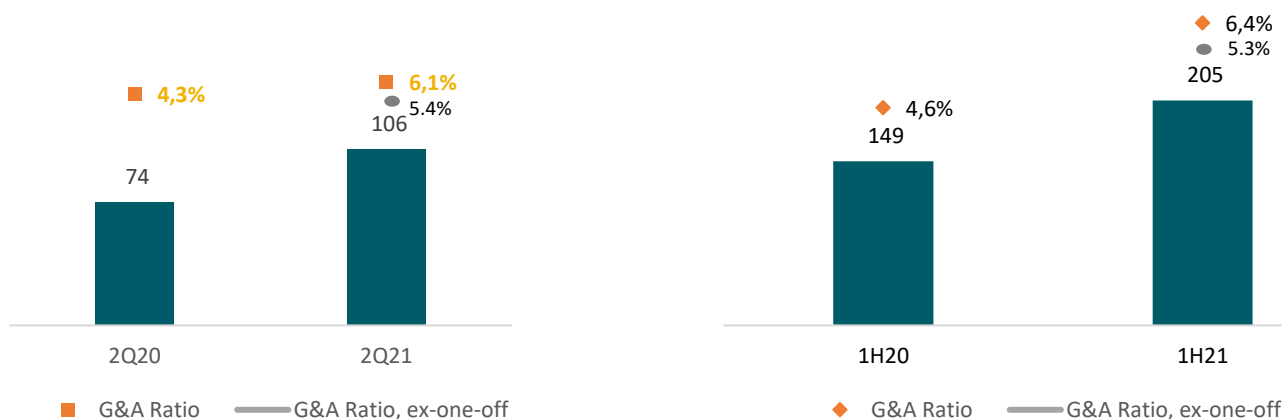
(R\$ million)	Quarter						Variation	Accumulated		Variation
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	(2Q21/2Q20)	1H20	1H21	(1H21/1H20)
Overhead Expenses	(75.1)	(74.1)	(79.3)	(84.5)	(98.6)	(106.0)	43.1%	(149.2)	(204.6)	37.2%
Own personnel	(42.9)	(33.7)	(38.9)	(36.0)	(45.6)	(37.5)	11.2%	(76.6)	(83.0)	8.3%
Third-party services	(5.7)	(15.0)	(13.5)	(18.9)	(14.6)	(9.7)	-35.1%	(20.7)	(24.4)	17.7%
Others	(17.5)	(18.7)	(23.0)	(23.2)	(31.3)	(51.6)	176.4%	(36.2)	(82.9)	129.3%
PREVIRB Impact	(9.0)	(6.7)	(3.9)	(6.3)	(7.1)	(7.2)	7.2%	(15.7)	(14.3)	-8.6%

Historical General and Administrative Expenses (R\$ million)



Note: 4Q20 excludes the LPT operation, 1Q21 and 2Q21: excludes non-recurring impacts.

Efficiency Index (%)



General and administrative expenses in 2Q21 totaled R\$106.0 million, an increase of 43.1% in relation to 2Q20. The administrative expense ratio was 6.1% in 2T21. In the first six months of 2021, administrative expenses increased by 37.2%, totaling R\$204.6 million, with an administrative expense ratio of 6.4%. This increase is mainly due to the following non-recurring effects (*one-off*):

- Payment of a PIS (Social Integration Program) and COFINS (Contribution for the Financing of Social Security) fine, related to the regularization of taxes, resulting from the re-filing of the financial statements, made by credit compensation and without cash outflow;
- Payment of indemnity of key personnel and provision of retention bonuses for the Company's Management;
- Provisions for labor judicial processes;
- Expenses with previous costs with IRB transformation (IFRS17 project, strategic planning consulting);

By excluding the non-recurring effects (*one-off*), the administrative expenses ratio in 2T21 would be 5.4% and in 1H21, 5.3%, mainly due to a change in the accounting of the special reserve related to the social security contribution plan, which negatively impacted the Others line.

▪ Tax Expenses

▪ Tax Expenses Breakdown

(R\$ million)	Quarter				Variation	Accumulated		Variation
	1Q20	2Q20	1Q21	2Q21	(2Q21/ 2Q20)	1H20	1H21	(1H21/ 1H20)
Tax Expenses	(6.2)	1.7	13.4	(53.4)	-3,332.3%	(4.5)	(39.9)	785.9%
PIS	(0.6)	(0.3)	2.2	(4.8)	1,677.1%	(0.9)	(2.6)	184.4%
COFINS	(1.6)	4.6	15.4	(27.2)	-695.2%	3.0	(11.8)	-494.4%
Inspection fee	(0.7)	(0.7)	(0.7)	(0.7)	0.0%	(1.5)	(1.4)	-0.9%
Others	(3.2)	(1.9)	(3.4)	(20.8)	979.6%	(5.1)	(24.2)	369.8%

In the comparison between 2Q21 and 2Q20, the tax expense of R\$53.4 million is primarily due to the higher PIS and COFINS of business abroad (which are not deferred).

The non-recurring negative impact of R\$17.5 million in 2Q21 refers to judicial provisions of taxes (ILL). If there were no such effect, the tax expense would be R\$ 35.9 million.

As informed in Note 1.4. - Change in accounting practice of the Financial Statements - of June 30, 2021, the Company is entitled to credit of PIS and COFINS on claims paid in the period but was not recording the deferred credits on claims provisions. During this semester, the Company analyzed the practices adopted in the insurance market in relation to the constitution of these tax credits and decided to change its accounting practice.

For this reason, as of 1Q21, the Company started to record the PIS and COFINS tax credits originating from the claims' provisions, less the provisions for claims recoveries. Contributions for PIS are provisioned at the rate of 0.65% and for COFINS at the rate of 4%.

For the purposes of calculating the bases of these contributions, the amounts are deductible when paid or received. This change in accounting practice generated a positive net income tax and social contribution effect of R\$49.6 million on the result for the semester ended June 30, 2021. As a result, the Company adjusted its information from previous periods to maintain the comparability of the information disclosed.

Financial and Real Estate Result

Financial and Real Estate Investments Breakdown

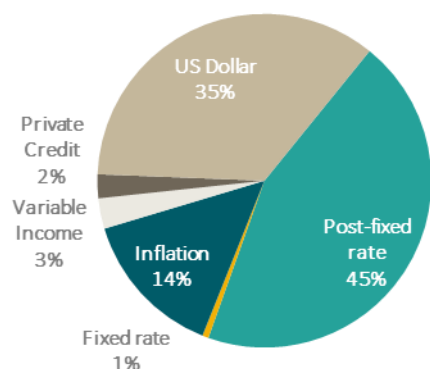
(R\$ million)	Quarter				Variation			Accumulated		Variation
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	(2Q21/ 2Q20)	1H20	1H21	(1H21/ 1H20)
Financial and Real Estate Result	121.0	49.1	115.3	(160.3)	103.6	89.2	81.7%	170.1	192.8	13.3%
Financial Result	(73.1)	50.2	115.8	(178.0)	103.9	90.6	80.3%	(22.8)	194.5	-952.1%
Real Estate Result	194.1	(1.1)	(0.4)	17.7	(0.3)	(1.4)	20.6%	193.0	(1.7)	-100.9%
Fin Assets Portfolio (R\$ million)	4.9	4.8	7.4	8.3	9.1	9.1	89.7%	4.8	9.1	89.7%
% CDI*	-	-	-	N.A.	146%	163%	-	-	-	-

*excluding assets subject to exchange rate variation

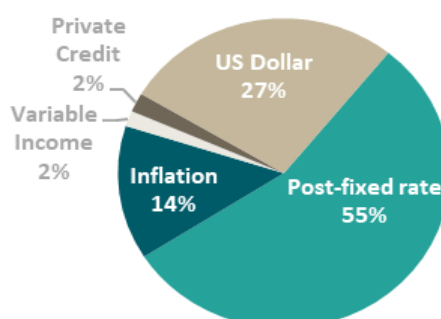
In 2Q21, the financial and real estate result was positive by R\$89.2 million, showing an increase of 81.7% in relation to the same period of 2020. The increase stems from the positive contribution of the Financial Result that presented a financial revenue in 2Q21 of R\$90.6 million, an increase of 80.3%, due to the following factors:

- Higher investment amounts, due to the fundraising events held in 2020 through the capital increase (R\$ 2.3 billion) and issuance of debentures (R\$ 826 million). Positive operating cash flow for the fourth consecutive quarter is also highlighted;
- Increase of the SELIC rate, from 2.25% p.a. in June/2020 to 4.25% p.a. in June/2021, mainly reflecting the remuneration of government securities and assets linked to CDI in the Company's investment portfolio;
- Diversification of investments, with greater exposure in variable income in 2021;
- Risk reduction with passive exchange variation, through the guarantor assets in foreign currency.

June 2021



June 2020



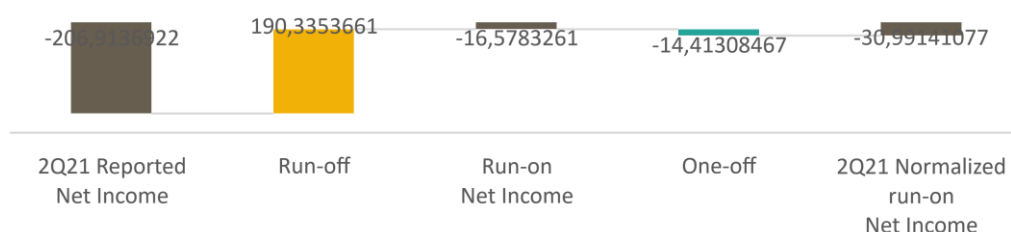
In the year (1H21), the financial and equity results increased 13.3%, totaling R\$192.8 million, primarily due to the increase in the financial result in the period. It is emphasized that in 1H20 it was recognized the capital gain from the sale of participation in shopping malls.

▪ **Net Income (Loss)**

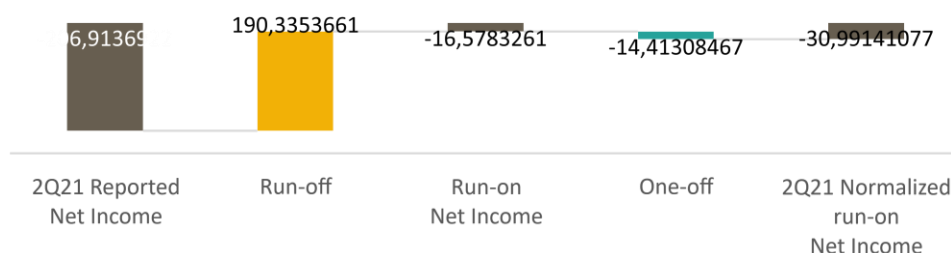
In 2Q21, the Company reported a net loss of R\$206.9 million, compared to a net income of R\$656.7 million in 2Q20, which represents a reduction of 68.5% in the period.

The Company's net loss in 2Q21 was negatively impacted by: (i) *discontinued business (run-off)*, with effect of R\$190.3 million, partially offset by the non-recurring effect (*one-offs*) in the order of R\$14.4 million (tax and administrative expenses that were offset by tax credit). By excluding such *run-off* and *one-off* effects, the Company would have shown a net loss of less than R\$31.0 million in 2Q21, as shown in the chart below:

(R\$ million)



In the six months of 2021, net loss totaled R\$156.1 million, compared to a net loss of R\$621.7 million in 1H20. By excluding *the run-off* and *one-off* effects of the year-to-date, the Company recorded a Net Income of R\$57.1 million, demonstrating a positive trend for its continued business (*run-on*), as can be seen below:



▪ **Combined Ratio**

In the 1Q21, the Company presented a combined index of 128.7% compared to 164.2% in the 2Q20,. The combined index of remaining trades reached 118.7% in 2Q21. In the six months, the combined index of the remaining business totaled 109.9%.

The combined index of 2Q21 totaled 122.4%, an improvement of 37.3 p.p. compared to 2Q20. In the six months to 2021, the combined expanded business index reached 109.3%, while the combined expansion of the remaining totaled 103.3%.

▪ **Branch Abroad**

IRB Brasil RE has carried out studies in relation to operations, credits and other issues related to its London subsidiary, in strict compliance with local laws and regulations, with a view to supporting strategic decisions of the Company's deliberative bodies in relation to that subsidiary, which will be duly communicated to the Company's shareholders and other stakeholders, in the time and mode required by the applicable regulations.

▪ **Other Highlights**

▪ **Deliberations of the Extraordinary General Meetings**

At an Ordinary and Extraordinary General Meeting held on April 30, 2021, the Federal Union, as the owner of the Golden Share, elected Mr. Antônio Cássio dos Santos to the position of President of the Board of Directors and Mr. Jorge Lauriano Nicolai Sant'Anna, to the position of substitute of the Chairman of the Board of Directors.

The Extraordinary General Meeting of July 28, 2021 approved the election of the list of candidates to the Board of Directors for the unified term of office of two (2) years, which is composed of:

- André Marcelo da Silva Prado
- Antonio Francisco de Lima Neto
- Ellen Gracie Northfleet
- Henrique José Fernandes Luz
- Hugo Daniel Castillo Irigoyen
- Ivan Gonçalves Passos
- Marcos Pessoa de Queiroz Falcão
- Regina Helena Fabregas Ferreira

In continuation of the same Extraordinary General Meeting, which occurred in a second call on August 6, 2021, approved an amendment to the Company's Bylaws. Such changes improve the corporate governance process, in line with good market practices.

From the formation of the new Board, sworn in in July 2021, and the changes introduced in the Bylaws, the next issues to be decided soon by the Company's higher collegiate will be the process of choosing the CEO and the disclosure of projections for the Company's results (Guidances).

▪ Share Repurchase Program

The Company has a Share Repurchase Program that was approved on February 19, 2020, effective to August 18, 2021. During the period in which it was open, the Company repurchased 7,850,000 shares. The number of treasury shares, as of June 30, 2021, totaled 12,603,800 nominative common shares.

In order for the Company to keep the Share Repurchase Program open, it must have available reserves, which exceed the financial amount subject to the said Program. According to CVM Instruction No. 567/2015, available reserves are:

- (i) retained earnings, less;
- (ii) constitution of the Legal Reserve;
- (iii) profit reserves to realize;
- (iv) special reserve of mandatory dividend not distributed;
- (v) tax incentives; and more
- (vi) the result already achieved of the current fiscal year.

Verifying the position on 06/30/21, the Company does not yet have the regulatory conditions to support the financial value of the Program. The calculation of these reserves can be checked below:

Balance line (R\$ thousand)	Amount on 30/06/21
Retained earnings	833,753
<u>less</u>	
(-) constitution of the Legal Reserve	(167,698)
Profit reserves	(574,024)
(-) special reserve of undistributed mandatory dividend	(91,025)
(-) tax incentives	-

<u>plus</u>	
(+) result already realized of the current fiscal year	(156,145)
(=) Resources available for the Repurchase Program	(155,139)

Consequently, the Company will not renew the Share Repurchase Program at this time, in compliance with current regulations.

▪ Lawsuit against former administrators

The Company filed lawsuits against those involved in the irregularities discovered in the Company in 2020. These processes are ongoing in the planned normal course and involve sensitive information. As soon as there is news that can be disseminated and shared, since the processes run in secrecy of justice, the Company will inform the market. The IRB reported what was determined to the competent authorities and regulatory bodies and believes that it has completed this step.

BALANCE SHEET ANALYSIS

Assets - R\$ Million	June 30, 2021	Mar. 31, 2021	Dec. 31, 2020	% Var.	Var. Nominal Var.
Current liabilities	14,510.1	16,403.6	15,423.2	-5.9%	(913.1)
Cash	29.7	58.5	14.6	104.1%	15.2
Cash and cash equivalents	29.7	58.5	14.6	104.1%	15.2
Investments	4,598.1	5,057.5	3,852.3	19.4%	745.8
Credits from reinsurance and retrocession transactions	4,913.8	6,067.9	5,764.4	-14.8%	(850.7)
Transactions with insurers	3,785.5	4,390.0	4,193.8	-9.7%	(408.3)
Transactions with reinsurers	1,153.6	1,600.0	1,496.5	-22.9%	(343.0)
Other operating credits	32.9	137.7	139.2	-76.3%	(106.2)
(-) Provision for credit risks	(58.2)	(59.8)	(65.1)	-10.6%	6.9
Retrocession assets - technical provisions	4,578.8	4,835.6	5,093.4	-10.1%	(514.7)
Premium - retrocession	897.1	1,107.3	1,352.8	-33.7%	(455.7)
Claims - retrocession	3,670.8	3,717.1	3,732.9	-1.7%	(62.1)
Other provisions	10.9	11.2	7.8	41.1%	3.2
Bills and credits receivable	229.4	219.1	571.5	-59.9%	(342.0)
Bills and credits receivable	80.2	78.3	389.1	-79.4%	(309.0)

Tax and social security credits	149.3	140.8	182.3	-18.1%	(33.1)
Prepaid expenses	43.8	31.3	7.5	480.3%	36.2
Deferred acquisition costs	116.5	133.8	119.4	-2.4%	(2.9)
Non-current liabilities	7,662.4	7,020.5	7,456.4	2.8%	205.9
Long-term assets	7,424.3	6,774.0	7,206.3	3.0%	218.0
Investments	4,496.0	4,002.7	4,461.6	0.8%	34.4
Retrocession assets - technical provisions	84.7	89.3	68.4	23.9%	16.3
Premium - retrocession	84.7	89.3	68.4	23.9%	16.3
Bills and credits receivable	2,830.4	2,666.5	2,664.8	6.2%	165.7
Bills and credits receivable	469.3	524.2	523.1	-10.3%	(53.8)
Tax and social security credits	1,726.1	1,524.8	1,525.9	13.1%	200.2
Tax credits	212.8	193.3	233.8	-9.0%	(21.0)
Deferred tax assets	1,513.4	1,331.5	1,292.1	17.1%	221.2
Court and taxes deposits	635.0	617.5	615.7	3.1%	19.3
Deferred acquisition costs	13.1	15.5	11.6	13.7%	1.6
Investments	109.9	112.6	111.6	-1.5%	(1.7)
Equity interest	20.7	23.4	22.3	-7.1%	(1.6)
Investment property	89.0	89.0	89.1	-0.2%	(0.2)
Other investments	0.2	0.2	0.2	1.9%	0.0
Property and equipment	65.2	70.4	72.6	-10.2%	(7.4)
Intangible assets	63.0	63.4	65.9	-4.4%	(2.9)
Total assets	22,172.5	23,424.2	22,879.6	-3.1%	(707.1)

Liabilities and Shareholders' Equity – R\$ Million	June 30, 2021	Mar. 31, 2021	Dec. 31, 2020	% Var.	Var. Nominal Var.
Current liabilities	16,312.7	17,302.2	16,826.5	-3.1%	(513.8)
Accounts payable	645.8	652.5	690.4	-6.5%	(44.6)
Obligations payable	452.1	447.2	450.6	0.3%	1.5
Taxes and social charges payable	24.0	35.8	39.0	-38.5%	(15.0)
Labor provisions	14.2	11.8	11.1	28.5%	3.2
Provisions for post-employment benefits	44.0	44.8	43.9	0.2%	0.1
Taxes and contributions payable	101.2	98.1	141.7	-28.6%	(40.5)
Provisions for investment devaluation	0.0	0.0	0.0	-	0.0
Loans and Financing	10.3	14.8	4.2	148.5%	6.2
Debts from reinsurance and retrocession transactions	1,819.5	2,228.1	2,569.7	-29.2%	(750.1)
Transactions with insurers	3.9	8.0	4.5	-13.3%	(0.6)
Transactions with reinsurers	1,546.7	1,914.7	2,336.4	-33.8%	(789.7)
Reinsurance and retrocession brokers	177.8	213.3	181.4	-2.0%	(3.6)
Other operating debts	91.1	92.1	47.4	92.0%	43.7
Third-party deposits	260.3	478.7	317.4	-18.0%	(57.1)
Technical provisions - reinsurance and retrocession	13,587.0	13,942.9	13,249.0	2.6%	338.1
Property and casualty and group life insurance	13,587.0	13,942.9	13,249.0	2.6%	338.1
Provision for unearned premiums	2,627.5	3,139.7	3,278.6	-19.9%	(651.1)
Unsettled claims	7,258.3	6,772.6	6,417.1	13.1%	841.3
Provision for claims incurred but not	3,462.9	3,785.4	3,341.4	3.6%	121.5
Other provisions	238.3	245.2	211.9	12.5%	26.4
Non-current liabilities	1,648.0	1,726.1	1,638.3	0.6%	9.7
Long-term liabilities	1,648.0	1,726.1	1,638.3	0.6%	9.7

Accounts payable	1,254.6	1,274.0	1,297.9	-3.3%	(43.3)
Provisions for post-employment benefits	431.8	449.6	474.1	-8.9%	(42.3)
Borrowings and Financing	817.8	817.1	816.5	0.2%	1.3
Obligations payable	5.0	7.3	7.3	-31.2%	(2.3)
Debts from reinsurance and retrocession	0.8	0.8	0.8	0.0%	0.0
Other operating debts	0.8	0.8	0.8	0.0%	0.0
Technical provisions - reinsurance and retrocession	314.0	390.1	283.0	11.0%	31.0
Property and casualty and group life insurance	314.0	390.1	283.0	11.0%	31.0
Provision for unearned premiums	314.0	390.1	283.0	11.0%	31.0
Other debts	78.6	61.1	56.7	38.7%	21.9
Civil and labor contingencies	60.8	60.7	56.7	7.2%	4.1
Tax liabilities	17.8	0.4	0.0	-	17.8
Total liabilities	17,960.7	19,028.3	18,464.8	-2.7%	(504.1)
Shareholders' Equity	4,211.8	4,395.8	4,414.8	-4.6%	(203.0)
Capital	4,253.1	4,253.1	1,953.1	117.8%	2,300.0
Capital increase to be approved	0.0	0.0	2,300.0	-100.0%	(2,300.0)
Expenditure for share issue	(33.6)	(33.6)	(33.6)	0.0%	0.0
Profit reserves	832.7	832.7	832.7	0.0%	0.0
Equity valuation adjustments	(401.6)	(424.5)	(354.7)	13.2%	(46.9)
Treasury shares	(283.8)	(283.8)	(283.8)	0.0%	0.0
Retained earnings	1.0	1.0	1.0	0.0%	0.0
Accumulated Profits/Losses	(156.1)	50.8	0.0	-	(156.1)
Total liabilities and shareholders' equity	22,172.5	23,424.2	22,879.6	-3.1%	(707.1)

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