Janaína Storti:

Good morning, everyone. I am Janaína Storti, Head of Investor Relations at Banco do Brasil. Thank you for participating in another earnings webcast.

As usual, this event will be conducted in Portuguese, with simultaneous translation into English. So, you can choose from three audio options: Original, Portuguese or English.

And to comment on the numbers for this 2Q, I have with me here today our CEO, Tarciana Medeiros; our CFO, Geovanne Tobias; our CRO, Felipe Prince; and the Vice President of Agribusiness and Family Farming, Gilson Bittencourt.

Now, to begin our webcast, I give the floor to our CEO, Tarciana.

Tarciana Medeiros:

Good morning, everyone. Thank you for attending another earnings conference call.

And today's conversation is a continuation of the transparency that has always guided us. We have been quite frank about the size of the challenge we are going through, and, even more so, about our timeliness in this diagnosis and in the responses, with relevant changes for building a future of profitability growth.

In recent days, while we were preparing the disclosure of this result, I talked a lot about staying the course, a word we use a lot where I come from, and which carries even more meaning at this moment, because challenges are not overcome with shortcuts, but with steady course and hard work. And staying the course, for this management, means consistent strategic execution and the strengthening of the value-generation drivers.

The 2Q result was R$ 3.9 billion. A growth of 13.9% in the quarter and 3.3% in the year. The Net Interest Income (NII) continues to evolve, totaling R$ 27.5 billion, sustained by a credit mix that has the best risk-return ratio, by the diversification of funding, and by the sound allocation of our liquidity.

Fee income rose almost 5%, with emphasis on fund management and consortium, businesses that gain strength precisely because of the complementarity of our conglomerate.

Costs remain under control, and here there is constant efficiency work, where we optimize while not giving up on investing in what builds the future: people and technology.

Delinquency remained high in the quarter, influenced especially by the agribusiness segment. Expected loss expenses had a slight reduction in the quarter, being our

main detractor of this result. We have been acting strongly with measures to improve credit and compliance management – and I will talk about them next. Capital remains adequate, closing June at 11.27%.

Credit continues to be our biggest result driver, and when I talk about work, here it is reflected in a more resilient mix, with better guarantees and the qualification of our collection process. The Expanded Loan Portfolio reached R$ 1.3 trillion in June, with an annual increase of 1.5%. And this growth comes with a very clear guideline of discipline appropriate to the risk-return ratio and to the application of our resilience matrix.

In the Individuals credit we seek an increasingly balanced and sustainable composition. Payroll Loans and the Crédito do Trabalhador (worker's payroll loan) recorded relevant growth. And here I highlight the greater risk mitigation in Private Payroll Loans, with the use of the FGTS as collateral, and the automatic re-linking of customers who change jobs, which should be operational starting this August, contributing to the control of delinquency in this line.

In Companies, I highlight the operations with guarantee funds, which grew 32% in one year, with a share that evolved from 25% to 36% of the portfolio.

In Agribusiness, we continue focusing on origination backed by more robust guarantees. 70% of the entire disbursement of the 25-26 Plano Safra (Crop Plan) was already accompanied by fiduciary sale. R$ 90 billion of this portfolio are counting on this guarantee. In addition, we restructured the collection a few months ago and are already reaping important results. We resumed the more adequate level of loss recovery, which, this quarter, reached almost R$ 2 billion, a growth of 51.4% compared to the 1Q.

And in 2026 alone, we have already taken R$ 15.5 billion to court, a volume that already surpasses the entire amount we did in 25. In this process, we began the repossession of more than 130 rural properties.

The enforcement of guarantees remains a strategic and selective measure, always seeking negotiation and regularization through commercial means.

In agribusiness, we remain very close to the producer and, at the same time, with increasingly qualified origination. And this closeness has history. We have almost 600 thousand rural producer customers who take out credit with us, of which more than 84% have been with us for over 10 years. We finance more than 200 crops and are present in 93% of Brazilian municipalities. This capillarity, combined with the deep knowledge we have of the sector and of each customer, is a differentiator for us to get through this cycle.

And, looking ahead, we announced the 26-27 Plano Safra (Crop Plan), of up to R$ 210 billion, with the same closeness to those who dedicate themselves to making Brazil grow.

On July 15, Provisional Measure No. 1,376/2026 was published, which created credit lines to renegotiate agribusiness operations of producers who suffered losses from climate events or market losses, in two or more crops between 2019 and 2025. Our potential portfolio for inclusion in the Measure is up to R$ 100 billion, with up to 113 thousand customers among delinquent ones and those with prorogated or renegotiated compliant operations.

The Central-West concentrates the largest share, with 40% of the potential portfolio, followed by the Southeast, with 24%. Corporate farming accounts for two thirds of the operations, Pronampe for about 30%, and Pronaf for the remainder.

In terms of crops, the greatest concentration is in soybeans, livestock, and corn. It is important to make clear that the contracting depends on the presentation of the reports and will follow our credit policy. We will start with the delinquent operations and, subsequently, we will advance to the others.

Our teams are engaged and in a major campaign so that the contracting begins as soon as the equalization ordinance is published, which should occur in the coming days. With this action, our expectation is to resume, in the coming months, punctuality levels in the range of 90%, supporting, moreover, the convergence of the cost of credit to the guidance range.

One of the most relevant strategies for BB is the improvement of our high-value customer service model, and it is a front that brings diversification of revenue sources and a greater volume of business, sustained by a complete portfolio, high value-added services, and a highly specialized team. Today, 12% of our branch network employees work with a focus on the high-value customer.

The loan portfolio for this public grew 4%. Assets under management grew 12% in a segment where the greatest differentiator is relationship and trust. Altus Liv cardholders increased their spending by 15%, and card revenue with this public evolved at twice the level observed in the other segments.

We are optimizing this network with a 22% expansion in Estilo Investidor branches this quarter, bringing the Bank even closer to those who seek specialized advice and sophisticated investment solutions. We have the ambition to increase the volume of high-value customers by 25% by 2030. Up to June, we have already reached 1/5 of this target with an increase of 4.3%.

We had already been warning about income commitment and about the weight of the high Selic rate, especially for the public with the lowest financial resilience. We are acting consistently with this diagnosis. In total, there were R$ 31 billion in renegotiations. In Desenrola alone, we surpassed R$ 12 billion, with emphasis on more than 440 thousand individuals and 40 thousand companies served.

More than renegotiating debts, we are helping people reorganize themselves with financial education and awareness. At the same time, we continue to seize opportunities with diversification and risk mitigation. A good example is urban mobility operations. Through BB Move Brasil, we have already reached R$ 1.4 billion in contracting, which represents a 40% increase in the June balance of the Vehicles loan portfolio originated by the Bank. There were almost 13 thousand drivers served in more than 1,100 municipalities, contributing to fleet renewal with a focus on sustainability.

And in line with our digital strategy, we entered into a partnership with Uber to offer cashback to drivers who finance with us based on the recurrence of on-time payments.

We are a Bank that never stops transforming itself. And I want to start with what always comes first: people. Every relevant change at Banco do Brasil is born from our people, the true agents of this transformation. BB hires through public examination, and that is why we invest so much in developing our talents. Therefore, we continuously train our teams, preparing them for an increasingly technological, dynamic, and agentic organization.

Artificial intelligence is a business transformation agenda. This requires leadership and commitment. It is not about doing more with technology, but about using technology to unlock people's potential. It does not replace presence; it promotes even greater closeness.

In this semester alone, we expanded the base of analytical and AI models by 28%, which already exceeds more than 2,300. But the figure that makes me most proud is not about machines; it is about people. It is our own employees who create the Bank's AI agents. In this semester, the number of agents developed by them tripled, reaching almost 1,500.

And when people and technology combine, the gains appear. AI, in credit renegotiation, generated 6x more conversion. And we have already freed up almost 1.5 million work hours.

In the digital scaling, we reached almost 70% of the advance planned for 2026 in agile lines and environments. And this closeness translates into the customer experience: 34% of our network already operates in specialized service. 100% of customers have digital human service in the BB app. There are already 35 million

active customers in the digital channels and 47% are heavy users. It is from this closeness that the best business is born. And it is this closeness that will always differentiate Banco do Brasil.

The connection between physical and digital is the translation of our channel strategy. And we are taking another important step with the launch of App 5.0, which we had mentioned at BB Day, and which we will launch during Febraban Tech, a few weeks from now. It was designed based on active listening to our customers to make the digital experience simpler, more modern, and more resolutive.

We are launching a truly customizable application. The experience now adapts to each customer, and each one will have the freedom to organize and personalize the application in the way that makes the most sense in their daily lives.

I want to highlight the brand-new Meu BB pillar, with a social-network look, bringing a familiar environment to the user. In the same intuitive format of the applications they already use every day. Among the main advances, I highlight the embedded artificial intelligence. Conversational journeys supported by an integrated assistant and performance improvements.

When we talk about the strength of Banco do Brasil, we are talking about a conglomerate that goes far beyond banking. We illustrated it at BB Day with our Galaxy: there are more than 80 companies that expand our capacity to serve customers. The conglomerate's companies contribute, on average, 52% of our result. It is the distribution power of our branches that gives scale to the businesses of our companies, and this operation goes beyond the borders of Brazil. We are present in 84 countries, expanding the reach of our operations and connecting our customers in different markets and opportunities.

In the United States, BB Américas already has a mortgage portfolio of more than US$ 2 billion, and in the first 6M26, account opening there grew 3.5%. In Japan, we are also present, with almost 100 thousand customers, and this is our operational hub in Asia. In Europe, we are advancing in business. We launched, in April, the digital account of BB Portugal. Since then, the number of accounts has grown 12%, and 51% of applications and investments already happen through digital means.

All this shows BB's capacity to combine capillarity, specialized businesses, and international reach to be increasingly closer to customers.

I close by returning to what really matters: a bank with the legacy of Banco do Brasil does not cross 217 years by chance. It crosses because, in the moments that most demand of us, it knows how to return to the essential: prepared people, responsible decisions, and hard work. That is why the Banco do Brasil of today is more resilient, more disciplined, more phygital, and more prepared for the opportunities to come.

Because cycles pass, the fundamentals remain. And it is with this steady course that we carry on. Thank you very much.

Questions and Answers Session

Janaína Storti:

Thank you, Tarci. We will now begin our questions and answers session. Questions may be asked in either Portuguese or English.

I will ask each analyst to ask only one question. From my list here, we already have 11 in the queue. And, to begin, I would like to invite Eric Ito, from Bradesco. Hi, Eric!

Eric Ito:

Hi, good morning, everyone. Good morning, Jana, Geovanne, Tarci, Prince, and Gilson. I have a quick question from my side, looking at provisions. I understand that a good part of the expected improvement – you imagine there will be an improvement in loan loss provisions by the end of the year – is explained by the improvement in agribusiness with the Measure. But looking from the Individuals perspective, we saw a worsening in the Over 90 indicator, I think there is a bit of contamination from agribusiness and also, from what you said in the podcast, the greater exposure of the D and E segment, and we saw short-term delinquency in Individuals also in the quarter.

So, I wanted you to give a bit more color here on the moving parts of the loan loss provision improvement by the end of the year. While on one hand you have the Measure, which should help on the agribusiness side, you have the Individuals side, mainly on cards, pressuring.

If you could help us a little here and give a bit more color on this dynamic, it would help a lot. Thank you.

Felipe Prince:

Good morning, Eric. Thank you for being here. A pleasure to see you again with us.

The dynamic is this. We expect a relevant improvement in agribusiness loan loss provisions due to Provisional Measure No. 1,376/2026. So, now we have available to our customers an instrument to promote this renegotiation. We will work very strongly on improving the customer's conditions as a whole, and this also has an impact on the individuals relationship with rural producers.

So, these are renegotiations where operations with a down payment, the linking of guarantees, and the transformation of real estate guarantees via fiduciary sale will be prioritized, and this complete analysis will also lead to an improvement in loan loss provisions in the individuals segment.

So, the trade-off, when you look at a portfolio eligible for renegotiations under 1376 of R$ 100 billion and the impacts related to the relationship with individuals, this leads us to converge in the 2H into the guidance range and even cover some additional need that we may have in the individuals portfolio.

Remembering that we had already foreseen this worsening in the performance of this portfolio. As we told you in the previous quarter, in the expected loss component, we had anticipated this movement, and now what we need to deliver is really this effort to improve the environment in the agribusiness portfolio, which brings reflections in the individuals portfolio and, as you put it, these moving parts coming from agribusiness are much greater than the eventual provisioning need we may have in some of the other portfolios, which channels the guidance, the loan loss provision performance, into the guidance range.

Eric Ito:

All right, thank you, everyone.

Janaína Storti:

Thank you, Eric. Our next question comes from Daniel Vaz, from Safra.

Daniel Vaz:

Thank you, Jana, good morning to all, good morning Tarci, good morning Geovanne, Prince.

Tarciana Medeiros:

Good morning, Daniel.

Daniel Vaz:

Thank you, good morning as well. I wanted to do a follow-up perhaps on Eric's question, on Provisional Measure No. 1,376/2026, thinking about the size of the portfolio you expect to fit within the scope of the Measure. Because, you mentioned, Prince, R$ 100 billion in the program, we can roughly say that Banco do Brasil may have 50% of the program, I think it makes sense, when we think about the size of the pool here within the Bank.

But I wanted to hear from you what size you expect in this program. And then, perhaps a second part of the question is, whether this is enough to solve the problems and whether there is any chance of a capital issue.

Why do I ask this? Because we are seeing some moves by other banks, in parallel to yours; you have a peer that made a move to raise capital via IOC (interest on capital), made a move in an insurance company that allowed them to unlock tangible equity,

and this helped them recover a bit of the tangible capital level to, perhaps in 2027, enter an environment where today we see several economists talking about a possible recession, we have a more aggravated consumption environment, consumer confidence falling at the margin, and to try to understand whether you, with just this Measure, would already be able to say: "well, so there is no capital problem here, nothing else is needed beyond this Measure."

Because Individuals and SME deteriorated recently. I know that Individuals partly comes from agribusiness, but I wanted to hear from you whether just this Measure is already enough thinking about the size you want to have in this program. Thank you.

Felipe Prince:

Well, Daniel, good morning, I'll start here, but it's a quite broad question, I think both Geovanne and...

Geovanne Tobias:

I think Janaína said: "ask only one question" and he asked them all in one!

Felipe Prince:

And Tarci, because it is the management of the Bank as a whole here, which is under the responsibility of all of us. Well, starting specifically with the Measure, and I think in the disclosure, in the transparency with which we always deal with you in the market, we brought here on the slide the potential public. Is this the public we will perform under the Measure? I believe not, it is a much larger public than the one we will focus on.

But, with the intention of giving you transparency, we brought what would be the size of this pool within the eligible agribusiness portfolio. And then we will, in a process that is already very well designed for prioritization to establish these renegotiations – and Bittencourt can comment on it next – tackle it. So, this is a first point.

But we do not expect only an improvement in this agribusiness environment resulting from the Measure. It is natural that, with the crop, with the reduction of the uncertainties surrounding this renegotiation matter, we resume punctuality levels in the range of 90%.

So, it is a set of measures that we have outlined here and on which we have made consultations, tested hypotheses, and projected our performance expectation, which we believe will lead to the guidance specifically for loan loss provisions being reached within the proposed range.

And then I hand it over to Bittencourt to comment a bit on the customer matter and what our expectation is here in this program, and then we close by connecting it with the capital matter.

Gilson Bittencourt:

Good morning, Daniel. So, I think I'll start with what Prince raised. The Measure delimits a public, and the fact of delimiting a public also helps in the compliance process of those who were not included.

Of these R$ 100 billion, included in these R$ 100 billion is the entire Provisional Measure No. 1,314, done with free rates. Many of these producers, in fact, have contracts that exceed the limits set in the Measure. So, they will be able to enter the renegotiation of Measure 1,376, but not all of this R$ 100 billion amount would fall within this controlled rate. A part would be a prorogation with free rates.

Within this public that we understand would fit and should come to seek out the Bank – because not all producers who are in this process had losses or will be able to prove losses, nor will all producers who prorogated and are compliant come to seek a renegotiation, because many of these contracts, in fact, are already at controlled rates – so that is why our initial focus will be mainly on the delinquent producer; then the numbers already show that we have around 30%, which is R$ 36 billion delinquent – this will be the central focus of our action –, followed by those with prorogated operations, with free rates, that fit within the loss percentage and the credit limits. So, this is the central public we will pursue.

Will they all come? No. So, our expectation is, within the controlled rate, to work with something up to around R$ 30 billion, which would already have a quite significant effect in relation to the Bank's delinquent operations.

Geovanne Tobias:

And if I may add here, you talked a bit about this delinquency matter, growth, capital. We are closing with an adequate level of capital, within what we said, and, looking at 27, we do not have that perspective you mentioned that some economists are pointing to of recession. We work with continuity, at a lower growth, of course.

Now, we also have to take into consideration that we are starting a process of gradual reduction of the interest rate. There has already been one cut, we are expecting one more cut. Many economists are already talking about 13.75. And all this phenomenon that we are seeing, that happened specifically of aggravated risk in individuals, a part is being contaminated by the rural side, as Prince well put it, and this Provisional Measure No. 1,376/2026 will, in a way, help to soften the impact

on the margins and cash flows of the farmers who adhere to the Provisional Measure No. 1,376/2026.

But we also had a very specific issue, mainly in the PF D and PF E customers, and there, prudentially, we put on the brakes. We had a new automatic installment program for these bills; we closed this line precisely because we noticed this excess leverage and the environment is more restrictive. So, we are being quite cautious. We are making these adjustments; we are at one of the lowest unemployment levels in Brazil's history, so we believe it is a matter of time for this delinquency to be diluted over time.

You also have the government programs that came to help stretch out, so to speak, to improve the financial situation of individuals, many of them heavily leveraged, others even entangled with the infamous Bets. So, we believe that, for 2027, we do have the tendency, insofar as we have focused growth heavily on public payroll loans and private payroll loans, we will be able to bring this portfolio's delinquency back to the levels we had been seeing before.

So, you see that this jump is very specific to adjustments. We made an arrangement of the risk for this portfolio.

Tarciana Medeiros:

And, Geovanne, observing the other indicators, our result engine continues to work and to work very well. So, a recurring growing margin. We have been careful with the credit mix, I mentioned it a bit earlier. Fee income, our fee income is growing. We maintained our guidance forecast here. Operating efficiency, we have the best efficiency ratio in the market, and we continue to take care of this indicator. And, as we already mentioned here, structural reduction of losses, right, Prince? We have been working hard in this sense, and I think all of this, in the end, ends up contributing, in a more structural way, to our capital.

Daniel Vaz:

Thank you, everyone, for the answer.

Felipe Prince:

Well, closing here, Daniel, at the end, first, individuals strategy, we were always very clear that we would leverage this portfolio to be able to balance profitability. Profitability came, but it came with higher risk, and there we have no problem at all here and we are strongly making this adjustment to be able to channel it into safer lines, preserving risk-adjusted profitability.

Micro and Small Businesses, we returned to leading the guarantee funds process. So, we had stopped gaining traction a bit, even in that de-risking movement we had

been mentioning to you since last year. This quarter, we resumed leadership in the disbursement of government lines aimed at Micro and Small Businesses. So, work also underway.

And this, obviously, with the level of loan loss provisions we have been generating, brings an impact on capital. Now, the management here, in the long-term horizon, has taken all the measures so that we can preserve the sustainability of this capital and so that this capital is sufficient to finance our activities and the growth we want to return to delivering.

So it is: portfolio adjustment; channeling the volume of loan loss provisions into the guidance, this naturally leads us to generate more capital organically and feeds this process back. Inorganic measures we have been taking. You followed along; we renegotiated the schedule for the return of our hybrid instrument. So, we would have to return R$ 1 billion now in July. We renegotiated, we returned R$ 100 million. The schedule is more stretched out, with a larger installment there at the end of 2029. And other measures here, if necessary, we have no problem at all in taking.

But the fact is that, for the coming years, we have this curve very well designed and with all the measures already structured so that we maintain this robust, sustainable capital base that gives us the capacity to generate the organization's business.

Daniel Vaz:

Thank you very much, everyone, for the very complete answer.

Janaína Storti:

Continuing here, the next question is from Renato Meloni, from Autonomous. Hi, Renato!

Renato Meloni:

Good morning, everyone. Thank you for the space for questions. I wanted to continue on the capital conversation. I think the organic generation capacity is limited, so I wanted to understand a bit over what horizon you see a recovery here.

And even though your capital today is sufficient, it does not accommodate a scenario that has been deteriorating. So, I wanted to understand, among the other inorganic capital-generation initiatives, which ones are you looking at? For example, dividend reduction, asset sales, potential capital increase? Whether any of these would be on the table. Thank you.

Geovanne Tobias:

Renato, I just wanted you to explain to me what your reading is, why it does not accommodate? Because I did not understand. Because in our estimates, we will continue in that 11% area. I just wanted to know what element you are using to say that it does not accommodate my generation.

Of course, my organic capital generation today is weakened a lot due to the volume of provisions, but we have been bringing a bit of capital gain organically, and we are already at the minimum payout level allowed by law. So, there is no room for that.

But just so I understand your concern, where are you seeing that you think it will not accommodate?

Renato Meloni:

So, it is similar. Under the same estimates, or even imagining that the Bank reaches the guidance this year, capital remains at the same level, assuming an improvement next year. The capital ratio does not change much either. In comments from peers and comments from economists, there is a chance that the economy will deteriorate next year, and that could lead to a higher delinquency level. And I think here is the risk, because you need a continuous delinquency improvement for the capital ratio to remain at the current level.

If that does not happen, capital could come down further. And I think that is where the concern comes from. In addition, in agribusiness, I think some people also raise the risks of El Niño throughout the rest of this year, and I think that could be another relevant factor here.

Geovanne Tobias:

Thank you for contextualizing your statement here. So, we have in our base scenario a somewhat different view. As I told you, we are working with GDP growth of 1% for next year. After the El Niño matter, Gil can even bring a somewhat more specialized reading of this sector, but, in our view, we will continue delivering this organic return of profit with an improvement starting next year, insofar as 1376 effectively brings good fruits of renegotiation, extension, and reduction of the average risk of this portfolio.

It is no secret to anyone that what is effectively hindering this accumulation of organic capital is basically the result of the agribusiness portfolio, mainly in banking. In parallel, we are leveraging, driving other businesses of the BB conglomerate to help cushion, and, between us, for whoever absorbed R$ 37 billion in provisions in the 1H alone and is delivering this R$ 7 billion profit, fine, which is far below what we can deliver and what we would like to be delivering to our investors, a still low ROI, but we believe that we will get through this storm,

through this meteor that is falling here on agribusiness, and we will, yes, resume this profitability of the Bank, which is our result-generation structure.

Now, eventually, should this more pessimistic scenario regarding El Niño, the slowdown of the Brazilian economy, an increase in unemployment materialize, which would then be, so to speak, a case of a more negative outlook for the Brazilian economy starting in 2027, it is worth remembering here that Banco do Brasil has a structure in its conglomerate of assets that allows us, eventually, to look at where we can either reduce our RWA or generate results that could add more inorganic profit to our capital structure, to preserve this capital base.

So, in our view, it is also important to remember that we will be finalizing all the regulatory adequacy processes. A part of this capital was consumed by prudential adjustments, so it is the regulator itself requiring it of the banks. So, that takes a little while for us to be able to digest.

If we were not facing what we are facing in agribusiness, we would not be having this conversation here. But nothing that despairs us. Quite the contrary, it is within our planning, and we know exactly which variables to move so that, eventually, should we have to improve this capital ratio down the road.

But for 2027, that is not the reading we have. We will not have any capital constraint here for 2027.

Renato Meloni:

Great, thank you.

Janaína Storti:

Thank you, Renato. Our next question comes from Bernardo Guttmann, from XP. You may go ahead here, Bernardo.

Bernardo Guttmann:

Good morning, everyone.

Tarciana Medeiros:

Good morning, Bernardo.

Bernardo Guttmann:

Good morning. Thank you for the space here. I have a question about private payroll loans and also about the Individuals guidance. The Individuals Portfolio grew around 4% in 12 months, against a guidance that stayed and was maintained in the 6% to 10% range, and private payroll loans, which had been a relevant driver, ended

up decelerating significantly in the quarter after a year of quite strong expansion. At the same time, the delinquency of the line also rose.

So, I would like to understand whether there was any adjustment of risk appetite in this portfolio and what sustains the maintenance of the Individuals guidance at the level now observed? Thank you.

Gilson Bittencourt:

Good morning, Bernardo. In the case of private payroll loans, we did grow, yes. It is a very positive opportunity for the Bank with all our experience already in payroll loans for the public sector, and, during this year, a series of measures are being developed or are still in the development process that will contribute very significantly to us reducing this delinquency and, once this delinquency is reduced, will give us margin to grow again.

I would say that the two main ones are in the implementation process: one started now, which was the possibility to link the FGTS as collateral. It started as of now, in the month of July, and this will allow us to have a more effective guarantee, mainly in the cases where there is dismissal and the borrower stops paying, and we can seek this guarantee both in the FGTS, in the normal contributions, and in the severance fines; and the other measure that should come into effect at the end of the month, and perhaps is the most important of them, is the possibility of portability by Dataprev itself of the new job.

What we have verified is that this delinquency, in most cases, is not from an employee who lost their job and remains unemployed. As Geovanne put it, we are at a very low unemployment rate, but with very high turnover. So, insofar as a person leaves a job, goes to a new job, today they do not carry this debt process along with them. There is a whole period of time for you to do this.

With what will be implemented, in principle, starting at the end of this month, the process will be automatic. Insofar as I leave a job, whether dismissed, or because I resigned and went to a new job, the deduction will be calculated automatically within the margin and will already be debited in the payroll-deducted form.

This will tend to reduce our delinquency considerably, allowing, then, with this restructuring, to bring it to a level that we understand is acceptable, considering the employment and unemployment levels and this turnover, allowing us to deliver what is set out in the guidance and continue growing in this important portfolio, which we believe to be very positive for the Bank.

Geovanne Tobias:

And if I may add, right, Gilson, we grew more than 127% in this line. We started from zero, we are the second, the first is Itaú, we have R$ 15 billion in balance, so it is

natural for you to see growth rates reducing given that there is now a much larger base, but, as I said, our focus will continue to be payroll loans, both public and private.

And this matter that Gilson mentioned is much more a problem of the Dataprev system there, which is being adjusted and which effectively, punctually, demonstrated this delinquency peak due to this turnover.

Tarciana Medeiros:

Geovanne, unlike a delinquency where the customer does not have the resources to settle the installment, here it concerns a delinquency where there was no payroll deduction, but at the moment that this payroll deduction migrates to the new employer, the deductions continue to happen normally.

And then, Geovanne, it is worth remembering that we also have the other credit lines that we have been working on expanding. Credit with real estate collateral, we have been working on, and it will be a focus in the 2H; vehicle financing, I just mentioned, we grew almost 50% of the value of our disbursement portfolio just now in the month of July with the Move lines, and this process continues for at least another 60 days.

So, we understand that the vehicle credit portfolio, at least, tends to reach even double what we historically had at the Bank, right, Gilson?

Felipe Prince:

So, these are all these opportunities, Bernardo, that make us continue confident that we will deliver the range of growth of the Individuals portfolio with more quality. So, there will be less risky lines, more collateralized lines, which, moreover, corroborates the improvement in the portfolio's performance.

Bernardo Guttmann:

No, super clear. Thank you, everyone.

Janaína Storti:

Thank you, Bernardo. Moving now to the next question, we have Tito Labarta, from Goldman Sachs. Hi Tito, good morning!

Tito Labarta:

Hi Jana. Good morning, everyone. Thank you for the call and taking my questions.

Following-up a bit on, I guess, provision levels and the potential recovery, you know, because you can see a scenario where you reach the top-end of the provision guidance with modestly lower provisions in the 2H of the year, but a couple

questions on that – and thanks for disclosing the Desenrola renegotiations, but – was there any benefit on the provisions this quarter from Desenrola? Was there any offset to get to the bottom line on that?

And then, thinking about the recovery into next year, can provisions continue to decline in 2027? Just given some of the concerns on the macro, right, and individual NPLs going up, I expect certainly some recovery from where you are today, but just to think about 2027 is also going to be a challenging year, at least from a macro perspective, and we think ROE, we're running into high single digits.

Any visibility on how quickly that can improve, given some of the concerns about the macro for 2027? Thank you.

Geovanne Tobias:

Thank you for the question, Tito. I think the biggest challenge we have for this year is effectively run the Provisional Measure 1376. It will depend on how many clients join this restructuring program. And this is our biggest challenge, and we will look forward to achieving the volumes we want to restructure. And once we achieve that, we believe that for 2027 on, we will be able to account a lower cost of risk.

We know that our cost of risk is above 5%, on average, due to this increasing default in the Agri book, so as long as we focus on growing, less riskier loans in the individual's book, we are able to restructure the rural portfolio under this provisional measure. And we will seek for 2027 on to reduce the cost of risk below the 5-ish level.

We would be aiming at a 3.5 average cost of risk for the full portfolio. On average, our peers are working on that level of cost of risk. But this is something that will depend on how 2027 unfolds. Okay?

But, basically, that's what is in our mind regarding reducing the risk of the whole loan portfolio.

Tito Labarta:

Great. Thanks, Geovanne. Just one quick follow-up on that? Would that come with a lower coverage ratio? Because that's been one of the concerns, right? We've seen coverage come down a little bit. Do you need to consume a little bit more coverage to get to those levels, or do you think coverage can increase next year?

Geovanne Tobias:

No, we don't work with the assumption of reducing coverage ratio. We will try to balance that in order to guarantee a sound coverage for the risk of the loan book.

Ultimately, we believe that as long as we perform well on restructuring the program under this provisional measure, we will be able to bring a normal performance for the whole loan book. And this will become clear by the end of this year. Okay?

Tito Labarta:

Great. Thanks so much. And sorry, just the Desenrola impact, any comment on that?

Geovanne Tobias:

Sorry?

Tito Labarta:

The Desenrola impact on provisions?

Janaína Storti:

In terms of impact on provisions, Tito, it's not material, neither in delinquency as well.

Felipe Prince:

It's a nice program, Tito, for our clients and the development of our individual loans' portfolio. But in terms of provision, there's no impact.

Tito Labarta:

Okay. Great. Thank you.

Janaína Storti:

Thank you. Our next question comes from Gustavo Schroden, from Citi.

Gustavo Schroden:

Good morning, Jana, good morning, everyone. Thank you for the opportunity. There are two follow-ups here. The first is to help us understand how the Measure can effectively help, let's say, the loan loss provisions of the 2H, given that you are confident?

We have an environment here of an addressable amount of R$ 100 billion, as you put it; Gilson also put it well that, of these R$ 100 billion, the estimate is roughly around R$ 30 billion, which, as I understand it here, can be renegotiated.

How do we think about the mechanics of these R$ 30 billion passing through the result and reducing loan loss provisions in the 2H? Is it via provision reversal? Is it a

reduction in the credit indicators such that the Bank would no longer need to provision at the level it is doing now?

I think it is important even to give a bit more color here to help with confidence in the maintenance of the guidance. I think the numbers are large, but I think it may be worth a bit more detail.

And another point that I think is also worth an explanation; we have been receiving many questions about the increase in credit card delinquency. The NPL+90d came out, from 7.1 to 14.6% in one quarter. That is a lot. And I understand here that there is a part that is related to the rural side.

Can you somehow break down this increase? How much is a genuine worsening in the mass-market, which you mentioned? And how much is related to the rural side? And whether, in this recovery plan of the Measure, this rural part that is in the credit card would also enter? Thank you.

Gilson Bittencourt:

Well, let's go. A quite broad question, Gustavo. The reversal here will occur in two ways: The first is with an expectation of a reduction in delinquency itself that we will verify in these next six months. As we presented in the disclosure of the 1Q, month by month now in 2026, the amount of financings that are maturing, which were already contracted with the new resilience matrix, increases. So, there is still a large percentage contracted, but, as you can verify here, in June, we had 31% already with the new matrix. In August, we are already at 35%, and this number will reach 57% by December. So, the first expectation is that, with the new matrix, we already have a reduction in the normal delinquency of the operations;

Second, the fact of having the Measure and it signaling what enters and what does not enter, will also begin to make explicit, or already makes clearer to the set of producers, which operations will enter the possible renegotiation and which will not, which ones the producer has to seek payment for. The Measure will not include, Gustavo, anything from personal portfolio resources.

But what is the logic? A producer who owes on rural credit and owes on the card, if they manage to regularize their debt on rural credit, they will also seek to regularize their debt on the card, because they cannot remain a debtor and delinquent, because they will not have access to new operations and will not be able to carry out their Plano Safra. So, one thing leads to another.

In terms of how to reverse, as I said before, we are initiating a contact, we already did it even before we effectively started the operations of the Measure, which we are waiting for this equalization ordinance that should come out between today and tomorrow, at least that is our expectation; as soon as we begin, even before starting

to operate, we are already making contact. We have already contacted more than 31 thousand customers who fit within the Measure, seeking to call them to come negotiate. And a large part of these are the delinquent ones.

Insofar as I bring in this delinquent one, especially the short-term delinquency, but also this delinquency that occurred since the beginning of last year and that has been affecting our balance sheet, the expectation is that, with this, I can also reverse something. It will not be everything, because the operation continues and, in order to make some reversal, we will have to advance with the guarantee or with a down payment, depending on the situation, in such a way that I can demonstrate to the regulator, looking operation by operation, that that customer wants to regularize. And, for this, the guarantee or the payment of some down payment shows me this intention.

Even so, a reversal will not be total, but it would help; within those R$ 36 billion of delinquent ones that we have, if an important action from this comes, we can reverse part of this provision. So, there are several actions at the same time.

And I would like here, Gustavo, to reinforce a situation regarding agribusiness. When we look at the last four, five crops, we see an increase in area, we see an increase in production, and we see an increase in productivity. You cannot have an increase in productivity and area if you do not use inputs. To use inputs, you need resources.

So, despite all these delinquency difficulties, agribusiness remains resilient. If we look at the reports that came out in recent years, we will see how much agribusiness capitalized, especially when prices were good. What we have, and this we have been saying since Provisional Measure No. 1,314, is a lack of liquidity, because an important part of this income was immobilized, and then it made things difficult, the producer had to seek more capital and to seek more capital at a higher cost, because it took on a higher SELIC.

But it does not mean that the Brazilian rural producers, we are talking about the whole of them, are decapitalized; they are without liquidity. And the expectation is, first with Measure 1,314, but which had a difficulty, because Measure 1,314, although it gives the term, an important part was at free rates. Now, with Measure 1,376, we bring a lower rate; we are talking about Pronaf rates that range from 5 to 12% for the large producers.

So, we manage to bring a horizon, a more effective improvement in the payment capacity, not only in relation to time, which goes up to 8 or 10 years, but also in the cost of these resources. So, the expectation is that, with this, we make these producers, at least those producers who wish to continue having access to credit, to continue in production – not only with Banco do Brasil, but with the set of

financial institutions – seek to regularize their situation, and we continue with this perspective of area and production growth, that Brazil is a potential and is demonstrating its capacity.

Will we have localized problems? Yes. We will have localized problems. But our expectation for agribusiness, considering the whole history of cycles, is one of resumption, for some faster, for others a bit slower, but we believe in agribusiness, and that is why we want to continue with a portfolio with more care, with more guarantees, with more collateral at this moment, but growing and advancing in this chain, which is fundamental for our GDP.

Felipe Prince:

And then, Schroden, to give you a bit of color and try to help with modeling, first, the execution capacity. I think Measure 1,314 does not have even a year, and this demonstrates all the execution capacity that Banco do Brasil has to put these renegotiations into practice. Second, our strategy. Our strategy is set so that there is an improvement in the credit capacity of this producer. So, they will be operations with a down payment, operations with reinforcement of guarantees so that we can, moreover, make the stage migrations, and then the positive effects begin: an effect of provision reversal, an effect of my being able to return to accruing these operations – remembering that a large part of these operations are already not accruing.

So, however much I renegotiate at a lower rate, I bring the accrual that today I am not perceiving in my profitability. So, this creates a positive effect that will hit the loan loss provision account, converging to the guidance range, consequently to the result account and, finally, which I think is a topic here that we have been discussing with you, and I followed the reports you published from yesterday to today, on capital, because I will generate less DTA and, with this, I will have less capital consumption.

And then, to give you some color, for each billion renegotiated, we have an expectation that this could transit between R$ 150 and 200 million through the bottom line.

Gustavo Schroden:

Perfect. These 150, 200 million, is it considering both the NII improvement with accrual and a reduction in the cost of credit, right?

Felipe Prince:

Perfect. There it is the overall account; then we can help you later to arrive at these numbers in detail, okay? All right.

Gustavo Schroden:

Perfect. Thank you.

Janaína Storti:

Thank you. Continuing here, then, I would like to invite Yuri Fernandes, from JP Morgan.

Yuri Fernandes:

Thank you, Jana. Hi, Tarciana, Geovanne, Prince, Gilson, everyone. Good morning, everyone.

Just to understand, sorry to go back to this question, but, from what I understood, so if you have an upfront payment or you receive more guarantees, perhaps we may see some stage migrations, some provision reversal, it is basically this, right?

Just quickly on this point, because I understood previously that payment was needed, not only the guarantee, but I understood that the guarantee can also help. So, I just wanted to clarify this point.

And my question is about capital. When we look at capital, Geovanne even commented in the podcast, there was a remarking of Previ. If you could explain what happened here, why this happened now, and whether we should see some more impact to shareholders' equity from other similar markings? Thank you.

Geovanne Tobias:

Let's start. You explain that matter of the reversal and everything? Then throw the ball to me.

Felipe Prince:

Yes, yes. It is exactly this, okay? The renegotiations, our strategy is ready, it is just not on the street, but it is set with a down payment, so the down payment fulfills the cure requirements we have in 4966 and the internal requirements here of our proprietary modeling, and, in addition, the linking of additional guarantees.

So, it is this composite that can generate the migration of stages and, consequently, the provision reversal, with that additional of my being able to return to accruing the interest of these operations.

Janaína Storti:

Prince, let me just make a complement here as well. Yuri, remembering that when we did the Measure 1,314, we were talking mainly about operations that were not

delinquent, okay? So, the dynamic in loan loss provisions is a bit different from this one that Prince is describing.

Today, we are focusing mainly on these delinquent operations, probably a good part of them here in stage 3, but both the guarantee and the down payment improve this payment capacity of the producer, improve their risk profile, improve elements of the expected loss calculation, improve loan loss provisions, improve LGD.

So, all of this connects with this potential reversal here over time, okay? So, just putting this a bit into perspective. And then I'll hand it over to Geovanne to bring the capital part and here the effect of the actuarial rate.

Geovanne Tobias:

Yes. In reality, Yuri, the Bank, everyone knows, we have post-employment benefits that we have to recognize on our balance sheet and make an estimate. And when you talk about pension plans and also the health plan, we also look at the assets that back these plans.

And in the specific case of Cassi, which is our health plan, it does not have backing assets. When you look at Previ, it is in surplus. And then the issue that we made of this adjustment, it was very specific. Why? The Bank had historically been making all these calculations and bringing them to present value, discounting at a rate where we established a basket of currencies, given the long term of this liability. And all this had been duly shown, calculated, and agreed with the Central Bank, our regulator, some time ago.

But now, under new management, the Central Bank understands differently. It understands that we should be discounting all this based on the 5-year NTN-B. So, there was a whole conversation, technical studies, that go back and forth, and us explaining and everything. We even got to plead to be able, so to speak, to postpone the implementation of this adjustment to the discount rate a bit, starting in January of next year, given the moment we are going through of recovery from the agribusiness losses. But, you know, the word belongs to the regulator, and we have to obey, as I said back in our podcast.

So, they understood that no, that it should be done now, and that is what we did. So, these 18 points that were reduced from our Basel Index in this 1H are the reflection of this whole conversation that has been going on for more than two years, if I'm not mistaken. And then, if you go to explanatory note 28, you will see exactly, we were there with the discount rate of a high nine, and now it is in the range of 8.5, 8-and-a-bit for all our post-employment benefits.

And for those that have backing assets, we make this recognition and, at the time we do the capital calculation, this too, you will see there in note 30, we make this adjustment.

So, basically, this adjustment there was the result, mainly, of our health plan, which does not have backing assets to face the increase of this reserve that I had to put in for this long-term liability. Did I answer your question, Yuri?

Yuri Fernandes:

Yes, super clear, Geovanne, thank you. Thank you, Jana.

Janaína Storti:

Thank you. Our next question comes from Eduardo Nishio, from Genial.

Eduardo Nishio:

Good morning. Good morning to all. Good morning, Janaína, Tarciana, Geovanne, Prince, Gilson.

I wanted to just do a follow-up again on two points that were mentioned, but I think I wanted more details. First, credit card delinquency, which practically doubled, had been on an improving trend, and went from 7 now in the last quarter to 14.6. I wanted you to explain better what happened, why it was so fast and so high, this worsening, and whether it is concentrated in some specific profile? You mentioned agribusiness, the agribusiness profile, but I think it was not measured more clearly during the remarks.

And I wanted you to also be able to shed a bit of light on how the trajectory of this NPL will be, whether we have already hit this peak now in the 2Q, and whether you expect a worsening in relation to this portfolio.

And another follow-up regarding El Niño. You mentioned it, but you did not elaborate on how you expect the super El Niño – according to the projections of the specialists, that it will be a very strong cycle now in 2026, 2027 – to impact your balance sheet. Whether it will be more in 2027, whether there already is now, in the credit models, some estimate of worsening, probably more toward the 4Q, whether it is already embedded in this credit guidance in your expectations regarding the agribusiness segment? Thank you.

Geovanne Tobias:

Nishio, in reality, I'll talk a bit about cards, then I'll pass the ball to the other side of the table for them to talk about the El Niño matter. We have been telling you for a while about a bit of contamination in the individuals segment, mainly cards, as a result of rural producers. But what we effectively had that gives this slingshot, we

were already attentive to the increase in household indebtedness, so much so that the government's Desenrola programs came, but we also had a particularity here in our case, because our strategy to face this loss of value coming from the rural portfolio was to grow in the individuals portfolio.

Our focus was always on payroll loans, but we also adopted strategies focused on growth in the credit card, in the high-end segments, which would be Altus Liv, where we grew revenue, we reached card revenue of R$ 127 billion of our cards in the 2Q, but there was also a specific effect focused on the PF D and E customers. And we implemented a new automatic installment system for these bills.

So, what happened is that, throughout the 1Q, we noticed that customers began to do this automatic installment, and we looked and said: “whoa, there is a risk here.” So, we raised a flag heavily in this D and E segment. So, immediately, we blocked this line; so, to do the installment now, you will have to pay a down payment, understand? And then we kind of had to make these adjustments for those customers who, throughout January, February, March, were doing the automatic installments without payment. We aggravated the risk and we considered it as effectively in arrears.

So, we had to make this adjustment, so give this slingshot. So, basically, the effect is this. It is very specific. We believe that now... it is a delinquency, a fact, because if he only installed without paying, he did not pay. So, we are activating our collection tracks to collect and bring this back. We closed this possibility of the automatic installment payment product on the card, so he necessarily has to pay the down payment, because this is very common, if I'm not mistaken, for our private peers to allow, so we saw that, no, that did not work out. We accelerated here, we already wanted a change in mix focusing more on individuals, but, in the card matter in particular, we put on the brakes, mainly for this D and E segment.

Then, of course, then came the other elements that we already mentioned, but the main one was due to this D and E segment, in this automatic installment modality.

Tarciana Medeiros:

Which, now in the month of July, we already see the normalization curve happening, right, Geovanne, for this line?

Geovanne Tobias:

Yes, exactly. So, this is the explanation, Nishio.

Gilson Bittencourt:

Eduardo, we are, yes, very concerned and monitoring the El Niño matter quite closely. Look, we have 280 professionals from the agricultural sciences area

distributed throughout the country analyzing, in real time, what is happening and generating expectations so that we can make more structured contracting. And there, we are talking about more insurance, whether Proagro or normal insurance, trying to look and encourage, in those where the tendency is drought, investments mainly in irrigation. And then there are the government programs, whether Renovagro or Proirriga itself, which contribute to this, and the expansion of No-Till Farming, which reduces losses, especially when you have a downpour.

But one important thing about El Niño: when we look at the history of the last 20 years, when you have an El Niño, the effective loss in terms of the country's production is very small. It is large when you look at a specific region, a certain product at a certain moment. But when you look at the set of Brazilian agricultural production, what you sometimes have as a loss in one region, you sometimes have as a productivity improvement in others.

But, then, this shows that we are attentive, but not for that reason can we stop financing production, because the more we stop financing production, the greater will be the impact on revenue generation. But this financing, I can assure you with all certainty, we are doing with much more care, looking much more at this perspective of the trend for each of these regions – and where we have these professionals of ours monitoring – so that we can minimize as much as possible the impacts on our financings.

Tarciana Medeiros:

Oh, Gilson, and it is not only our preparation; we have to remember that the producer is a professional and also anticipates the effects of El Niño. When we think about the Central-West region, for example, the forecast is that we will have there a matter of water scarcity in the El Niño period. There is also the producer receiving guidance from Embrapa, receiving our consulting, and also preparing to anticipate planting and probably to anticipate the harvest period.

When you look at the Northeast, for example, which we know that the drought period, with the super El Niño, tends to be an aggravated drought, this producer is also observing the safrinha (second crop) period. Perhaps we will suffer there with corn. So, it is not only a preparation of the Bank observing and anticipating the matters that may come to happen, but the producer themselves also preparing.

When we look at the South, for example, the problem is the opposite. We will have more rain. The tendency is for more water. And we know what happened. The tendency is for us to have a greater water volume for this year as well. So, this producer is also preparing for this period, observing the planting and harvest windows and also choosing crops.

So, we really have a preparation work on all sides, right, Gilson?

Gilson Bittencourt:

And then it is important; this is the moment when, not only because of El Niño, it is the moment where when we notice that the margins of various agricultural activities are more squeezed, especially due to the increase of some inputs, it is fundamental that the producer works with a lot of planning. It is not planting, putting on the fertilizer, and waiting to harvest. It is analyzing economically which area has the highest cost, which area has the lowest cost, where I am going to invest more, where this year, when I am with a lower margin, it is better for me to rethink what to do. And El Niño comes to bring even more responsibility and more need for planning.

Whether this year I am going to have more of this, more rain or less rain, whether or not I am going to plant the safrinha, or a second crop, or a winter crop. So, how much I am going to plant, what are the mitigators that the producer themselves is developing to reduce risks.

And Tarciana puts it very well: it is not a responsibility and an action exclusive to the financier, but of the whole chain involved that works together with agribusiness.

Felipe Prince:

And then we take all these premises, Nishio, and feed the credit engine. Regarding 2026, this is already coupled into the loan loss provision guidance here, and, for 2027, this is part of our process here of preparation for granting. So, obviously the impacts participate there in the definition of our appetite and case by case, and with the projected impacts we regulate this appetite to generate this discipline in the producer, consequently enabling the allocated capital to return and for us to have a lower loan loss provision consumption for 2027.

So, everything is connected. Rest assured that 2026 is contemplated here in the guidance. 2027 is already parameterized in the granting engine and will help us make projections here vis-à-vis the performance of each day. For 2027, 2028 we aim that, both loan loss provisions, profitability, and capital, a horizon of 3 to 5 years in the management of the organization.

Eduardo Nishio:

Perfect, thank you very much, everyone.

Tarciana Medeiros:

Thank you, Nishio.

Janaína Storti:

Continuing here, I am going to call Mario Pierry, from Bank of America. Hi, Mario!

Mario Pierry:

Good morning, everyone.

Tarciana Medeiros:

Good morning, Mario.

Mario Pierry:

Thank you for the opportunity to ask questions. I am going to focus a bit more on the net income guidance. You maintained the guidance of 18 to 22 billion. I know that last quarter you had revised it downward and perhaps did not want to revise it again now, but when we look at your profit in the 1H, R$ 7.3 billion with a tax benefit of R$ 1.4 billion, it gets a bit difficult, I think, to reach the year's guidance.

So, I wanted to understand here what you think the effective tax rate is for the 2H. And also, when we think, a large part of the improvement you are expecting in the 2H comes from Provisional Measure No. 1,376/2026, but we are already here in the middle of August, and the execution has not even started. So, I keep thinking whether the benefits of the Measure will be more important for 2027 and, therefore, whether your capacity to deliver the profit guidance this year might slip more toward next year. Thank you.

Geovanne Tobias:

Mario, thank you for the question. This was a topic that we debated a lot here internally, and we do believe in our capacity, even more so if we look at how we executed Measure 1,314 – and Prince reinforced this here –, we started Measure 1,314 aiming to renegotiate 12, and then we said: "look, the ideal would be 20," and we ended up restructuring more than R$ 30 billion.

There, of course, the focus was mainly on the recomposition of capital, because the CGPA was running out, we needed to somehow enable this reinforcement, because otherwise, then yes, we would be in that scenario that Meloni raised, in a more critical capital situation.

But, looking here, the whole matter... is because I cannot pin down for you exactly what we will be able to execute, because it depends on the customer adhering. And we know that, it is practically the 2Q, what happened was a moral hazard. The punctuality levels fell because they were all in a wait-and-see mode, awaiting the discussions that were happening within Congress about a restructuring Bill, and these discussions dragged on and the government saw fit, then, to issue this Provisional Measure No. 1,376/2026.

We are just awaiting specific finalizations, so, we believe that we will have basically a piece of August and September to accelerate. We are there in a wait-and-see mode.

So, we chose "let's first see how we are going to execute." If we execute as well as we executed Measure 1,314, and we have this execution track record, it would not be necessary to make this adjustment now. Because, as Prince also well remembered, we will have an important portion of this portfolio, which today stopped accruing interest, we will return bringing this interest to the margin. This has a beneficial effect of generating more profit.

And then, of course, in terms of tax rate, we too, given the volume of provisions, are recording tax losses. This here is a point that we are already taking initiatives to look at. The rate will continue positive, there is no way around it, given the situation we are living through. Now, it is a fact that this guidance is much more toward the low end, effectively, just as the provision guidance is bumping up there against the 70. That is how we are working.

We are going to work so as not to have to make this guidance adjustment. So, this conversation is a conversation that we will be having when we are looking at the 3Q result, okay, Mario? But it is even important to remember, folks, this here is as if it were a compass, a north, it is a commitment of ours of where we want to reach, and this is also very important to help in the induction of our network. And it is this that we are working on and it is this that we will want to deliver to you.

So, expect provisions there at the high end, profit at the low end. Is there a risk of eventually us missing it? Yes. In the worst-case scenario, what? A deviation of 5%, 6%? It is still early to try to estimate that, but we will maintain this guidance and it is for this that we will work, to deliver this to you.

Janaína Storti:

And, Mario, I think just also in terms of dynamics, it is as you put it, we are already here in August, so perhaps we will be able to feel the impact of the measures more in the 4Q. So, the 3Q still comes a bit loaded, and we see a greater reduction happening there in the 4Q.

Mario Pierry:

Thank you, everyone.

Janaína Storti:

Thank you. Continuing then, the next question is from Henrique Navarro, from Santander.

Henrique Navarro:

Good morning, everyone. Good to see you.

Geovanne Tobias:

Good morning.

Tarciana Medeiros:

Good morning.

Henrique Navarro:

Thank you for the opportunity. So, I think there are several quite important technical points that my colleagues have already covered. I am going to ask a more conceptual question. Analyzing the 2Q, there was a deterioration in various segments of delinquency. Despite this deterioration, the coverage ratio falls and we do not see a very big change in stages, stages being worsened, and I imagine that this is grounded in Banco do Brasil's expectation that really the provisions that will be needed in the 2H will be smaller, that is, because things are going to improve. And much of this improvement grounded in the Provisional Measure No. 1,376/2026 that should improve a bit, grease the receipts, etc.

My question is the following: if we analyze the Provisional Measure No. 1,376/2026, it cannot be treated as a subsequent event of the 2Q, because it was published on July 15; to this day, a month past, it still has not happened. There is no tangible positive impact yet that we can really rely on for a structural improvement because of the Measure. So, we have not gotten there yet.

And also, there are other deteriorations in other segments that are not related to agribusiness. You explained this contamination matter very well, that agribusiness also contaminates other portfolios and that an improvement in agribusiness can, yes, promote an improvement in a general way. But my point, my question is: given what we are seeing today and by the accounting principle of conservatism, the correct thing – and there are several of your peers who do this – would it not have been to recognize the deterioration and make a provision to consider this impact and, there being a positive impact down the road – because everything is still very conceptual, what may happen, etc. –, there being a positive impact down the road, then, to make a provision reversal further ahead?

My question is more in this sense of the accounting principle of conservatism and what was the decision that guided you to not make a provision that contemplated all the deterioration that we see in delinquency. That's it, thank you, everyone.

Felipe Prince:

Go ahead, Navarro. Let's go. I think there is a temporal matter here that, eventually, may be confusing you, okay? There is no provision that stopped being made. Quite the contrary. What we said is that, in the 1Q, we had a specific case, I mean in the large companies portfolio, and we anticipated, based on the expected loss models, which already indicated to us a deterioration in the individuals portfolio in the 2Q.

So, if you add up the semester, you will net it out and see that the new delinquency is being duly covered. In agribusiness, moreover, we have coverage beyond that of the formation of the new delinquency. Coverage exists precisely so that it gives us the possibility to face adverse moments like this one, which we are facing, without the need to keep generating volatility on the balance sheet.

So, all the losses are duly recognized, the models are adequately calibrated, and the reduction in the coverage of the new delinquency, specifically in the Individuals portfolio, it happened because I already recognized it in the 1Q. So, we are with the flow ahead and not behind.

Whatever comes from the Measure, we are dealing with it via guidance. This is in our prospective modeling depending on our performance. Performance which we have already proven. If you look at Measure 1,314, we did R$ 38 billion of renegotiation in four months. So, we have this capacity to allocate these renegotiations in these four months, three and a half months remaining in 2026.

But in no way is this applied in any process of reversal or alteration of our modeling. This is applied in the perspective of the balance to be accounted for in terms of provision with reflection exclusively in the guidance. There is no interference in our day-to-day provisioning process and, much less, do we reverse anything now with the expectation of having a future result.

What happened was: we proactively identified the deterioration of this portfolio and made the additional provisioning back in the 1Q. And from here on it is this way that you will see it.

Where can there be a change? Exactly in what I already mentioned in the previous questions. Execution of Provisional Measure No. 1,376/2026 in the molds that we are setting, where it privileges the down payment, privileges the aggregation of guarantees, and the complete solution of the payment capacity of this producer.

This is submitted to an evaluation process and, if we understand “ah, all right, this producer recovered the payment capacity,” I make the reallocations to the stages, consequently, a reversal or not of an eventual provision and a return to the accrual in the result. But this is a quite rigorous process where we already have the whole evaluation metric ready, and from it derives the execution strategy.

But, in terms of accounting here, we do not have to talk about a subsequent event or anything of that sort, because no benefit was recognized; we do not count on any egg without the hen having laid it, rest assured of that.

Henrique Navarro:

Perfect, thank you.

Janaína Storti:

Thank you, Navarro. Our next question comes from Pedro Leduc, from Itaú.

Pedro Leduc:

Good morning to all, thank you, Janaína. A question now on Companies, which was not so discussed here. We saw some portfolio growth more concentrated in the government parts. The first part of the question, how do you see the dynamic here for this Companies portfolio. And then, within it, we have the disclosure of the Over 90 delinquency, which rises a little bit, but we do not have much granularity of what it was, whether it was in SME, whether it was in large.

Then I wanted a bit of your help to understand how this SME portfolio is performing, within and outside the grace periods of the government programs, and what we expect here going forward for the 2H, again, both in portfolio and in NPL and provisions dynamics. Thank you.

Felipe Prince:

Pedro, a pleasure to see you, thank you for the question. First, we do not have deterioration here in the large companies segments. So, the segment has been trading adequately in the risk-return ratio, and one of the reasons, moreover, for this rise in delinquency is that we have there even a small reduction in the relationship, in the volume of balance with large companies.

What is this a result of? Exactly of a process here that we have been doing, of maximizing risk-adjusted return. That is, we are channeling these large tickets into the capital markets operation, generating fees and consuming less capital. So, this is part of our strategy.

What traded differently from what we had projected? We expected a stronger capital markets engine this semester, even in this 3Q, already anticipating a bit, due to the election period. But, as has been widely reported by the media, and anticipated also by our peers, it is a market that came in below what we expected.

So, large companies: risk accommodated, balance resulting from this process of management, of capital allocation and profitability. The delinquency in Micro and Small Businesses, we had already been with that process of risk accommodation,

which we have been telling you about since the beginning of 2025. And what changed there? We understood that we sacrificed, moreover, part of this portfolio, including in the government lines. So, we changed the profile, we were with 30% of the portfolio anchored in government lines, and we return to having 40% of this portfolio collateralized by guarantee funds.

So, we drove very strongly both the FGI and the FGO in the 2Q, we returned to being leaders in disbursement in both these lines so that we can finish this process of accommodating this risk.

And then, where does delinquency grow? Exactly at the top there of Micro and Small Businesses and in the low middle, as we call it. So, these are companies with revenue between R$ 50 and 200 million, which have been suffering quite a bit due to the macro scenario; the level of judicial reorganization requests in this segment was a record in the 1H, and it is there today that this slight growth in Companies portfolio delinquency is concentrated, when comparing the 1Q to the 2Q.

We do not expect any additional surprise, also because the monetary easing process has begun, and we are acting very proactively, together with these customers, offering liability management processes where we can guarantee profitability, but also mitigate risk, closing the equation of the adequate risk-adjusted return.

So, large and corporate: management there name by name of each of the cases, always respecting the best risk-return equation. In the middle: this process of monitoring very strongly so that we have the stabilization of this risk that rose a bit, but I think the environment will help. And Micro and Small Businesses: a very strong focus on government programs, which we returned to giving here.

Janaína Storti:

And making a complement here as well, Leduc, just remembering that last quarter, we had a resolution of a large case, of a wholesale customer. So, that is why we see, from December to March, a large reduction, and then that case we had, moreover, zero effect on expected loss, but there was a movement between provision and discount there, and it makes the indicator fall a lot last quarter.

Now, it returns to a slightly more normalized level. So, remember also that there was this case last quarter.

Pedro Leduc:

Thank you, Jana. Thank you, Prince.

Janaína Storti:

Thank you. Now, moving here already toward the end of our webcast, I am going to call Carlos Gomes-Lopez, from HSBC. Hi, Carlos! Good to see you.

Carlos Gomes-Lopez:

Hello, and good to see you, and thank you for your generosity with your time and always for your transparency in your numbers.

So, I have a question about the adjustment of assumptions for Cassi. It's a very large impact, calculated about R$ 13 billion gross. Is there anything else that you have to negotiate with the authorities that might have something of this order of magnitude in the future, something we should know about? Do you need to adjust this in the future? And finally, is this directly impacting capital or there is any particular dispensation regarding this adjustment?

And one more thing on capital, can you give us the impact, the capital impact of MP 1.314 as of the 2Q? Thank you.

Geovanne Tobias:

Thank you, Carlos. Basically, it was just the adjustment of the discount rate. In order to bring value of this liability, the Central Bank required us to adjust the rate we were using. Instead of 9.70 something, we are now using 8.5, and that's it.

Janaína Storti:

It should run, Carlos, close to the NTNB from now on. So, you should monitor that, okay?

Carlos Gomes-Lopez:

So it has to be adjusted every six months?

Janaína Storti:

Yes, and the window of change is every six months, correct.

Geovanne Tobias:

And the impact is directly in the equity, okay?

Janaína Storti:

On the impact from MP 1.314, we had roughly 100 bps in capital considering the two quarters where we have disbursed the operations. So, close to 100 bps here in positive effect in CT1. Not now...

Geovanne Tobias:

Yeah, but not in the 2Q, Carlos, only in the 1Q, as we mentioned in the previous call, I think.

Carlos Gomes-Lopez:

So, correct me if I'm wrong: initially, in December, it was 144 basis points, if I recall correctly?

Janaína Storti:

Yes, total was 140. So, began in December and ended in the 1Q.

Carlos Gomes-Lopez:

Thank you.

Janaína Storti:

Well, I would like to thank you here on behalf of Banco do Brasil, on behalf of the IR team, to put ourselves at your disposal and close our Questions and Answers session. Thank you very much to all, and have a good day!

Felipe Prince:

Good morning, everyone.

Geovanne Tobias:

Good morning.