



Individual and Consolidated Financial Statements

Banco Cooperativo Sicredi S.A.

**December 31, 2024
with Independent Auditor's Report**

Management Report 2024

We are

Sicredi

*The first cooperative
financial institution of Brazil*



In this document, the management of Banco Sicredi, following the principle of cooperative transparency in management, and in accordance with legal and statutory provisions, discloses the **Financial Statements for the year ending December 31, 2024.**

We are a cooperative financial institution committed to the growth of our members and to the development of the regions where we operate. We have a business model that builds a value chain that benefits the member, the cooperative, and the local community, offering smart solutions for sustainable financial development with a focus on expanding our positive economic, social, environmental and climate impact, and reducing adverse impacts.

With a unique purpose that evolves with collective participation, we are an institution that, in addition to multiplying positive results, is committed to "working together to make a difference". This is what drives us.



Local action and national presence.

- We are physically present in **all** Brazilian states and the Federal District.
- We have branches in more than **2.1 thousand** municipalities.
- **EXCLUSIVE PRESENCE:** We are the only financial institution physically present in more than 200 cities.
- We have over **8.5 million** members.
- We have more than **2.8 thousand** branches and service points.

We offer more than 300 financial products and services:

- Current account
- Investments
- Consortia
- And much more
- Cards
- Insurance
- Card swipe machines

We wish to contribute to the development of a more prosperous society.



R\$ 191,8 bi Total assets
R\$ 115,7 bi Credit portfolio
R\$ 61,8 bi Total deposits
R\$ 43,5 bi Total LCA
R\$ 49 bi Equity
R\$ 140,9 mi Net income

*Consolidated information as of Dec/2024.

Financial performance

In December 2024, our assets reached R\$191.84 billion, an increase of 16.7% compared to December 2023. This increase was driven by the growth in the credit portfolio and interbank onlending. The Bank's equity reached R\$5 billion, with an increase of 3.3% compared to December 2023.

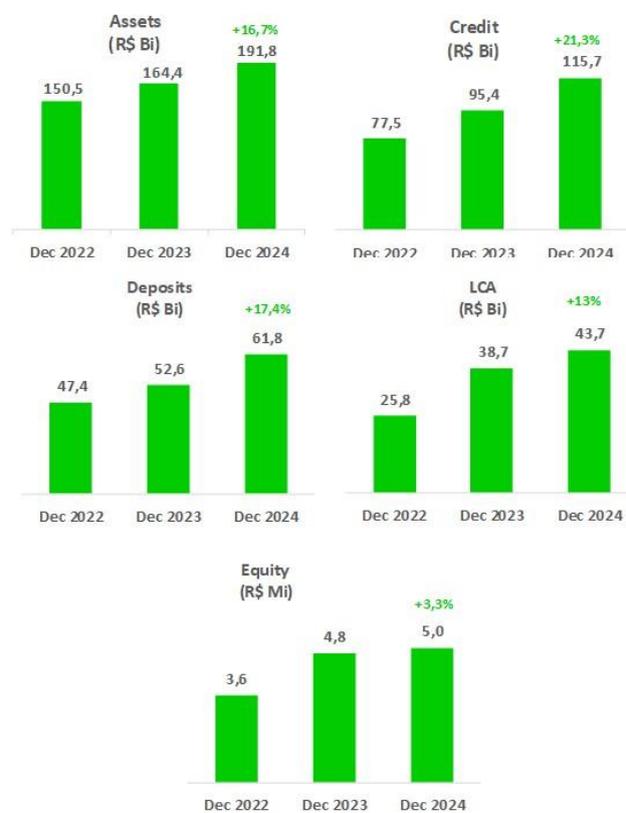
Financial solutions and services

In 2024, we were at the forefront with various innovative and efficient financial solutions and services for our members:

- Innovation and partnerships: we established over 300 partnerships with startups through the "Inovar Juntos" Program, promoting a culture of experimentation and agility. Approximately 65 challenges were proposed, and more than 20 solutions were escalated in 2024.
- Fund Management: Sicredi Asset Management was recognized in the FGV Guide to Investment Funds 2024, consolidating its position as one of the leading asset managers in the country.

Floods in Rio Grande do Sul

Present in various regions in Brazil, we have played a key role in assisting communities affected by the floods in the state of Rio Grande do Sul that occurred in May 2024, with acts of solidarity and support for members and communities affected by the adversities.



We believe we can contribute to the development of a more sustainable society.

As a member of the UN Global Compact, we are committed to contributing to the Sustainable Development Goals. Under our operating model, the funds raised are reinvested locally, reflecting our commitment to the regional sustainable development.

In January 2024, we disbursed US\$30 million from the partnership established with BID Invest at the end of 2023. These resources were directed towards financing micro, small, and medium enterprises (MSMEs) led by women. Of the total amount raised, US\$5 million was specifically allocated to financing women entrepreneurs in the Legal Amazon region.

In the third quarter of 2024, we raised US\$297 million (approximately R\$1.6 billion) from the Development Bank of Latin America and Caribbean (CAF), the Japan International Cooperation Agency (JICA), among other institutions. This funding, carried out through an A/B social loan, involved the participation of CAF as the Mandated Lead Arranger – the structurer of the operation, while BNP Paribas and SMBC acted jointly as Social Loan Coordinators, aiming to ensure that eligible projects provide social benefits in accordance with internationally accepted definitions.

The raised funds were allocated to finance women-led micro small and medium sized enterprises (MPMEs). In addition, a portion of the resources was allocated to credit in municipalities with a Human Development Index (HDI) below the national average, and another portion for financing of rural producers.

We should stress that this funding represents a historic milestone for being the largest international fundraising ever carried out. Furthermore, the partnership evidences the trust and recognition of the international financial community in our commitment to sustainable development and social inclusion.

We value people and diversity

WOMEN AND YOUTH COMMITTEES

We seek to promote diversity and develop new leadership for the cooperate business; our committees bring strength to these initiatives in all the regions where we operate.

“PERTENCER” PROGRAM

We seek to engage our members, establish participation rules, and guide the participatory management model, encouraging participation at meetings and decision-making processes.

“UNIÃO FAZ A VIDA” PROGRAM

We promote citizenship and cooperation values among children and adolescents. In 29 years of existence, the program has impacted over 5.3 million children and adolescents in more than 730 municipalities.

“CRESCER” PROGRAM

We seek to promote a greater understanding of credit cooperatives among current and prospective members.



Environmental Finance Impact Award

2024: Sicredi received an international award for financing small businesses led by women in the category **“Impact initiative of the year: Latin America and Caribbean”**.

Ratings assigned to Sicredi by the world's leading credit rating agencies :

brAAA – S&P Global
AAA br – Moody's
AAA (bra) – FitchRatings

Awards: For over 10 years, we have been featured in some of the most recognized national rankings and awards, such as: Melhores e Maiores (Revista Exame), Valor 1000 (Valor Econômico), Best Companies to Work For (GPTW), Rankings (Central Bank and BNDES). In 2024, we were recognized as the best company to work for in Brazil, in the giant companies category, in the Best Companies to Work For 2024 award.

THE MANAGEMENT

Porto Alegre, February 7, 2025.

Banco Cooperativo Sicredi S.A.

Individual and consolidated financial statements

December 31, 2024

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A free translation from Portuguese into English of Independent Auditor's Report on individual and consolidated financial statements prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN)

Independent auditor's report on individual and consolidated financial statements

To the
Shareholders, Board of Directors and Officers of
Banco Cooperativo Sicredi S.A.
Porto Alegre - RS

Opinion

We have audited the individual and consolidated financial statements of Banco Cooperativo Sicredi S.A. (the "Bank"), identified as Individual and Consolidated, respectively, which comprise the statement of financial position as at December 31, 2024 and the statements of profit or loss, of comprehensive income, of changes in equity, and of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual and consolidated financial position of Banco Cooperativo Sicredi S.A. as at December 31, 2024, and its individual and consolidated financial performance and cash flows for the year then ended in accordance with the accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN).

Basis for opinion

We conducted our audit in accordance with the Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of individual and consolidated financial statements section of our report. We are independent of the Bank and its subsidiaries in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants, the professional standards issued by Brazil's National Association of State Boards of Accountancy (CFC), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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Emphasis of matter

Presentation of the consolidated financial statements

We draw attention to Note 2 to the individual and consolidated financial statements, which describes the basis of preparation and presentation of these individual and consolidated financial statements. The consolidated financial statements were prepared in order to enable shareholders, directors, financial institutions and potential investors of Banco Cooperativo Sicredi S.A. to assess the Bank's consolidated financial position as at December 31, 2024 and its consolidated financial performance for the year then ended, in accordance with the accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil. As such, our report on these consolidated financial statements may not be appropriate for other purposes. Our opinion is not qualified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of our audit of the individual and consolidated financial statement as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the individual and consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying individual and consolidated financial statements of the Bank.

Loan and interbank onlending transactions and allowance for expected losses associated with credit risk

As disclosed in Note 8 to the individual and consolidated financial statements, as at December 30, 2024, the gross balance of loans and interbank rural credit onlending totals R\$115,747,519 thousand, for which allowances for expected losses associated with credit risk amounting to R\$123,692 thousand were recognized. Management uses judgment in order to determine the allowance for expected losses associated with credit risk pursuant to the National Monetary Council (CMN) Resolution No. 2682/99.



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This process was considered a key audit matter due to: (i) the significance of the balance of loan and interbank onlending transactions subject to loss assessment; (ii) the guarantees received for the loans granted, which may have an impact on the allowance amount to be considered; (iii) the economic situation of Brazil and of the market in which the borrowers operate; (iv) management's judgment as to the assignment of ratings, which determine, on an item-by-item basis, the minimum allowance amount per transaction, borrower or economic group; and (v) the process for recognizing interest income from loan transactions.

How our audit addressed the matter

Our audit procedures included obtaining an understanding of the process established by management and conducting tests of controls relating to (i) origin of the transactions; (ii) analysis and approval of loan and interbank onlending transactions taking into consideration the hierarchy levels established; (iii) timely update of information on borrowers and onlending parties; (iv) correlation between interbank onlending transactions and the conditions and amounts of the funds raised as onlending obligations; (v) recognition of interest income from transactions in the normal course of business; and (vi) suspension of recognition of revenue from loan transactions overdue for over 59 days.

Our tests of design and operation of controls provided a base that enabled us to continue with the planned nature, timing and extent of our substantive audit procedures. Additionally, based on a sample of loan and interbank onlending transactions, we conducted tests relating to analysis of the supporting documentation for the allowance level defined for the selected items, recalculated the allowance for expected losses associated with credit risk based on the assigned ratings, analyzed the guarantees received, confirmed the balance in order to validate the existence of the selected loan and interbank onlending transactions, recalculated the outstanding balance at the base date of the procedure, conducted tests of addition in order to compare the total data base amount with the accounting records, and recalculated the total allowance for expected losses associated with credit risk.

Based on the audit procedures performed on the portfolio of loan and interbank rural credit onlending transactions, and allowance for expected losses associated with credit risk, which are consistent with management's assessment, we believe that the criteria and assumptions adopted by management to calculate and record these transactions, as well as the disclosures in Note 8 to the individual and consolidated financial statements, are acceptable in the context of the individual and consolidated financial statements as a whole.

Information technology environment

Due to the high volume of transactions and their complexity, the Bank's operations are highly dependent on the proper operation of its IT structure. Accordingly, IT environment was considered a key audit matter.



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How our audit addressed the matter

Our audit procedures included involving specialists in IT general control tests for change management and access management processes referring to the systems considered significant for the preparation of the financial statements. In the course of our audit, we involved our IT specialists to assist us in conducting tests to assess the design and operating effectiveness of IT general controls for the systems considered significant in the context of the audit, with emphasis on change management and user access grant processes. We performed procedures to assess effectiveness of the automated controls considered significant, which support the significant business processes and the operations' book records.

Our tests on the design and operation of IT general controls considered significant for the audit procedures performed provided a basis that enabled us to maintain the planned nature, timing and extent of our substantive audit procedures.

Transactions with related parties

The Bank is an integral part of the Sistema Cooperativo Sicredi structure and carries out transactions with other institutions that are part of this structure and are considered related parties, within the scope of its operations. Due to the large number of related parties, the transacted volume and risk inherent in these transactions, we considered transactions with related parties a key audit matter.

How our audit addressed the matter

Our audit procedures included obtaining an understanding of the Bank's policies and procedures for identifying and mapping transactions with related parties, and obtaining from management a formal representation concerning identification of all related parties of the Bank and of its subsidiaries. We tested transactions with related parties on a sample basis in order to validate the existence, valuation and accrual of the balances recorded in the individual and consolidated financial statements, as well as elimination of the respective effects, when applicable. Based on the tests conducted, we confirmed that transactions with related parties follow market conditions. We also analyzed the adequacy of the disclosures made by the Bank in Note 21 to the individual and consolidated financial statements.

Based on the audit procedures performed on the assessment of transactions with related parties, which are consistent with management's assessment, we consider that the policies and criteria adopted by management for identifying and recognizing transactions with related parties are acceptable in the context of the individual and consolidated financial statements as a whole.



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Other matters

Consolidated financial statements under IFRS

These consolidated financial statements for the year ended December 31, 2024, which were prepared in accordance with the accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN), are being presented additionally, as permitted by article 77 of CMN Resolution No. 5146, to the consolidated financial statements for the year ended December 31, 2024, prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) up to the present date, which have not been prepared and disclosed by the Bank.

Other information accompanying the individual and consolidated financial statements and the independent auditor's report

The Bank's executive board is responsible for such other information, which comprises the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the executive board and those charged with governance for the individual and consolidated financial statements

The executive board is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN), and for such internal control as the executive board determines is necessary to enable the preparation of individual and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, the executive board is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the executive board either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.



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Those charged with governance are responsible for overseeing the Bank's and its subsidiaries' financial reporting process.

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identified and assessed the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's and its subsidiaries' internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board.
- Concluded on the appropriateness of the executive board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the corresponding transactions and events in a manner that achieves fair presentation.



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- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Brasília, February 17, 2025

ERNST & YOUNG
Auditores Independentes S/S Ltda.
CRC SP-015199/F

A handwritten signature in blue ink, appearing to read 'Renata Zanotta Calçada', is written over the printed name.

Renata Zanotta Calçada
Accountant CRC RS-062793/O-8

A free translation from Portuguese into English of individual and consolidated financial statements prepared in Brazilian currency in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN)

Banco Cooperativo Sicredi S.A

Statement of financial position
December 31, 2024 and December 31, 2023
(In thousands of reais)

	Note	Individual		Consolidated	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
Assets					
Cash and banks	4	815,142	710,892	815,142	710,892
Financial instruments		189,017,256	162,432,624	189,250,853	162,634,933
Short-term interbank investments	5	19,534,727	11,928,283	19,534,727	11,928,283
Deposits in the Central Bank of Brazil	6	2,098,835	6,930,901	2,098,835	6,930,901
Marketable securities and derivative financial instruments	7	32,644,130	34,166,321	32,877,727	34,368,630
Own portfolio		24,488,607	18,191,843	24,722,204	18,394,152
Subject to repurchase agreements		6,637,354	14,571,497	6,637,354	14,571,497
Subject to guarantees given		966,666	1,368,434	966,666	1,368,434
Derivative financial instruments	7.c	551,503	34,547	551,503	34,547
Interbank onlending	8	77,089,406	67,058,857	77,089,406	67,058,857
Loan transactions	8	37,765,796	27,842,154	37,765,796	27,842,154
Other financial assets	9	20,008,054	14,557,801	20,008,054	14,557,801
Allowance for expected losses associated with credit risk	8.e	(123,692)	(51,693)	(123,692)	(51,693)
Deferred tax assets	20.b	702,074	317,250	827,051	380,396
Other assets	10	477,042	395,968	864,245	603,725
Investments in subsidiaries	11	187,669	174,370	-	-
Other investments		649	1,108	649	1,108
Property and equipment in use	12	15,756	7,794	70,018	61,385
Intangible assets	12	-	2	-	4
TOTAL ASSETS		191,215,588	164,040,008	191,827,958	164,392,443
Liabilities and equity					
Deposits and other financial instruments		185,035,000	158,524,675	185,390,232	158,700,700
Deposits	13	61,784,821	52,644,331	61,778,414	52,638,664
Open market funding	13	9,009,683	14,511,566	9,009,683	14,511,566
Funds from acceptance and issue of securities	14	51,878,606	45,749,516	51,878,606	45,749,516
Borrowings	15	9,422,684	6,395,507	9,422,684	6,395,507
Local onlending obligations - official institutions	15	33,209,275	24,046,308	33,209,275	24,046,308
Derivative financial instruments	7.c	207,597	398,458	207,597	398,458
Other financial liabilities	16	19,522,334	14,778,989	19,883,973	14,960,681
Provisions for civil, tax and labor contingencies	17	26,617	32,311	26,733	32,419
Deferred tax liabilities	20.b	560,155	131,429	683,766	193,908
Other liabilities	18	642,810	558,896	776,212	672,712
Equity		4,951,006	4,792,697	4,951,006	4,792,697
Capital	19	4,870,974	4,670,974	4,870,974	4,670,974
Legal reserve		87,563	80,517	87,563	80,517
Other comprehensive income		(7,531)	41,206	(7,531)	41,206
Noncontrolling interests		-	-	9	7
Noncontrolling interests		-	-	9	7
TOTAL LIABILITIES AND EQUITY		191,215,588	164,040,008	191,827,958	164,392,443

See accompanying notes.

Banco Cooperativo Sicredi S.A.

Statement of profit or loss

Years and six-month periods ended December 31, 2024 and 2023

(In thousands of reais, except for earnings per thousand shares)

	Note	Individual			Consolidated		
		2nd half of 2024	12/31/2024	12/31/2023	2nd half of 2024	12/31/2024	12/31/2023
Trading revenues		8,792,069	16,869,743	16,352,438	8,803,008	16,890,097	16,374,054
Loan and interbank onlending transactions	8.f	5,294,473	10,349,270	8,469,786	5,294,473	10,349,270	8,469,786
Gain (loss) on marketable securities		2,705,487	5,101,986	8,134,182	2,716,426	5,122,340	8,155,798
Derivative financial instruments	7.c	463,033	656,155	(880,761)	463,033	656,155	(880,761)
Gain (loss) on foreign exchange transactions		191,036	355,744	25,667	191,036	355,744	25,667
Gain (loss) on investments in the Central Bank		138,040	406,588	603,564	138,040	406,588	603,564
Trading expenses		(7,848,317)	(14,996,706)	(14,708,466)	(7,848,317)	(14,996,706)	(14,708,312)
Market funding transactions		(5,439,343)	(10,579,165)	(13,473,117)	(5,439,397)	(10,579,165)	(13,472,963)
Gain (loss)/0 on loan and onlending transactions		(2,408,974)	(4,417,541)	(1,235,349)	(2,408,974)	(4,417,541)	(1,235,349)
Trading profit (loss)		943,752	1,873,037	1,643,972	954,637	1,893,391	1,665,742
(Allowance for) expected losses associated with credit risk	8.e	(51,673)	(76,067)	76,497	(51,673)	(76,067)	76,497
Gross trading profit		892,079	1,796,970	1,720,469	902,964	1,817,324	1,742,239
Other operating income		791,827	1,281,506	906,437	1,594,868	2,782,685	2,095,894
Service revenues	23	51,393	100,179	97,384	849,800	1,592,418	1,286,275
Equity pickup in subsidiaries	11	7,458	13,383	14,273	84	84	-
Other operating income	26	732,976	1,167,944	794,780	744,984	1,190,183	809,619
Other operating expenses		(1,549,086)	(2,829,134)	(2,321,094)	(2,359,467)	(4,344,166)	(3,524,981)
Personnel expenses	24	(52,645)	(102,800)	(99,306)	(53,961)	(105,642)	(103,873)
Administrative expenses	25	(1,406,264)	(2,555,808)	(2,036,638)	(2,111,582)	(3,871,288)	(3,075,191)
Tax expenses		(45,611)	(86,183)	(115,982)	(148,864)	(282,169)	(275,514)
Other operating expenses	27	(44,566)	(84,343)	(69,168)	(45,060)	(85,067)	(70,403)
Operating income (expenses)		134,820	249,342	305,812	138,365	255,843	313,152
Income before income taxes and profit sharing		134,820	249,342	305,812	138,365	255,843	313,152
Income and social contribution taxes	20	(49,151)	(83,165)	(61,430)	(52,309)	(88,972)	(67,808)
Income tax		-	-	(68,177)	-	-	(73,230)
Social contribution tax (Realization)/recognition of deferred tax credits, net		(49,218)	(83,776)	57,533	(51,231)	(87,789)	57,871
Reversal of prior year's income and social contribution taxes		67	611	4,526	97	641	4,837
Employee profit sharing		(12,195)	(25,246)	(27,183)	(12,582)	(25,939)	(28,145)
Noncontrolling interests		-	-	-	-	(1)	-
Net income (loss) for the period		73,474	140,931	217,199	73,474	140,931	217,199
Number of shares at end of period	19	4,103,270,757	4,103,270,757	3,939,362,887	4,103,270,757	4,103,270,757	3,939,362,887
Earnings per thousand shares at end of period - R\$		17.91	34.35	55.14	17.91	34.35	55.14

See accompanying notes.

Banco Cooperativo Sicredi S.A.

Statement of comprehensive income

Years and six-month periods ended December 31, 2024 and 2023

(In thousands of reais)

	Individual			Consolidated		
	2nd half of 2024	12/31/2024	12/31/2023	2nd half of 2024	12/31/2024	12/31/2023
Net income for the year	73,474	140,931	217,199	73,474	140,931	217,199
Noncontrolling interests	-	-	-	-	(1)	-
Net income for the year attributable to shareholders	<u>73,474</u>	<u>140,931</u>	<u>217,199</u>	<u>73,474</u>	<u>140,930</u>	<u>217,199</u>
Marketable securities	(39,371)	(47,434)	41,206	(39,371)	(47,434)	41,206
Marketable securities available for sale	(71,583)	(86,243)	74,920	(71,583)	(86,243)	74,920
Taxes on adjustments to marketable securities available for sale	32,212	38,809	(33,714)	32,212	38,809	(33,714)
Hedge	(1,304)	(1,304)	-	(1,304)	(1,304)	-
Variation in cash flow hedge	(2,370)	(2,370)	-	(2,370)	(2,370)	-
Taxes on adjustments of cash flow hedge	1,066	1,066	-	1,066	1,066	-
Total adjustments not included in net income for the year	<u>(40,675)</u>	<u>(48,738)</u>	<u>41,206</u>	<u>(40,675)</u>	<u>(48,738)</u>	<u>41,206</u>
Comprehensive income for the year	<u>32,799</u>	<u>92,193</u>	<u>258,405</u>	<u>32,799</u>	<u>92,192</u>	<u>258,405</u>
Attributable to shareholders						
Net income for the period attributable to controlling interests	32,799	92,193	258,405	32,799	92,193	258,405
Net income for the year attributable to noncontrolling interests	-	-	-	-	(1)	-

See accompanying notes.

Banco Cooperativo Sicredi S.A.

Statement of changes in equity
Years ended December 31, 2024 and 2023
(In thousands of reais)

	Capital	Reserve	Other comprehensive income	Retained earnings	Equity of parent company	Noncontrolling interests	Total
	Subscribed	Legal reserve					
Balances at December 31, 2022	3,488,974	69,657	-	-	3,558,631	(177)	3,558,454
Capital increase	1,182,000	-	-	-	1,182,000	-	1,182,000
Adjustments to market value - marketable securities	-	-	41,206	-	41,206	-	41,206
Adjustment of noncontrolling interests	-	-	-	-	-	184	184
Net income for the year	-	-	-	217,199	217,199	-	217,199
Profit allocation:							
Allocations to reserves	-	10,860	-	(10,860)	-	-	-
Payment of dividends	-	-	-	(86,339)	(86,339)	-	(86,339)
Payment of interest on equity	-	-	-	(120,000)	(120,000)	-	(120,000)
Balances at December 31, 2023	4,670,974	80,517	41,206	-	4,792,697	7	4,792,704
Capital increase	200,000	-	-	-	200,000	-	200,000
Adjustments to market value - marketable securities	-	-	(48,737)	-	(48,737)	-	(48,737)
Adjustment of noncontrolling interests	-	-	-	-	-	2	2
Net income for the period	-	-	-	140,931	140,931	-	140,931
Interest on equity	-	-	-	-	-	-	-
Profit allocation:							
Allocations to reserves	-	7,046	-	(7,046)	-	-	-
Payment of dividends	-	-	-	(118,885)	(118,885)	-	(118,885)
Payment of interest on equity	-	-	-	(15,000)	(15,000)	-	(15,000)
Balances at December 31, 2024	4,870,974	87,563	(7,531)	-	4,951,006	9	4,951,015
Balances at June 30, 2024	4,670,974	80,517	(8,063)	52,457	4,795,885	8	4,795,893
Capital increase	200,000	-	-	-	200,000	-	200,000
Adjustments to market value - marketable securities	-	-	532	-	532	-	532
Adjustment of noncontrolling interests	-	-	-	-	-	1	1
Net income for the period	-	-	-	73,474	73,474	-	73,474
Interest on equity	-	-	-	15,000	15,000	-	15,000
Profit allocations							
Allocations to reserves	-	7,046	-	(7,046)	-	-	-
Payment of dividends	-	-	-	(118,885)	(118,885)	-	(118,885)
Payment of interest on equity	-	-	-	(15,000)	(15,000)	-	(15,000)
Balances at December 31, 2024	4,870,974	87,563	(7,531)	-	4,951,006	9	4,951,015

See accompanying notes.

Banco Cooperativo Sicredi S.A.

Statement of cash flows Years and six-month periods ended December 31, 2024 and 2023 (In thousands of reais)

Note	Individual		Consolidated			
	2nd half of 2024	12/31/2024	12/31/2023	2nd half of 2024	12/31/2024	12/31/2023
Cash flows from operating activities						
Net income before income and social contribution taxes	122,625	224,096	278,629	125,783	229,904	285,007
Adjustments to net income before taxes						
Adjustment to market value - marketable securities and derivatives	(69,320)	(307,440)	207,230	(69,320)	(307,440)	207,230
Allowance for expected losses associated with credit risk	51,673	76,067	(76,497)	51,673	76,067	(76,497)
Depreciation and amortization	932	1,505	1,302	2,596	4,836	4,608
Loss on disposal of property and equipment	383	501	269	382	501	610
Provision for civil, tax and labor contingencies	212	(5,694)	901	215	(5,687)	(1,041)
Interest on hybrid capital instruments	28,863	28,531	4,265	28,863	28,531	4,265
Equity pickup in subsidiaries	(7,458)	(13,383)	(14,273)	(84)	(84)	-
Adjusted net income (loss) for the period	127,910	4,183	401,826	140,108	26,628	424,182
Changes in assets and liabilities						
(Increase)/decrease in assets						
(Increase) in short-term interbank investments	(5,307,589)	(7,710,694)	(1,354,637)	(5,307,589)	(7,710,694)	(1,354,637)
Decrease/(increase) in marketable securities and derivative financial instruments	(479,172)	926,919	(138,648)	(530,666)	834,495	(163,349)
Decrease/(increase) in deposits in the Central Bank of Brazil	(1,206,887)	4,832,066	(1,367,864)	(1,206,887)	4,832,066	(1,367,864)
(Increase) in interbank onlendings	(8,584,068)	(10,030,549)	(11,615,722)	(8,584,068)	(10,030,549)	(11,615,722)
(Increase) in loan transactions	(6,629,583)	(9,927,710)	(6,192,441)	(6,629,583)	(9,927,710)	(6,192,441)
(Increase)/decrease in other financial instruments	(749,185)	(1,335,439)	95,902	(670,085)	(1,155,492)	277,588
(Increase) in other assets and tax credits	(71,095)	(121,230)	(143,250)	(154,906)	(310,179)	(330,018)
(Decrease)/increase in liabilities						
Increase in deposits	7,395,078	9,140,490	5,271,307	7,395,222	9,139,750	5,270,789
(Decrease) in open market funding	(3,557,193)	(5,501,883)	(16,503,579)	(3,557,193)	(5,501,883)	(16,503,579)
Increase in funds from acceptance and issue of securities	2,606,948	6,129,090	13,961,961	2,606,948	6,129,090	13,961,961
Increase in borrowings and onlending obligations	8,420,457	12,190,144	5,809,954	8,420,457	12,190,144	5,809,954
Increase/(decrease) in other provisions, deferred tax obligations and other liabilities	47,731	270,884	(108,208)	92,984	351,607	(89,705)
Net cash flows from operating activities	(7,986,648)	(1,133,729)	(11,883,399)	(7,985,258)	(1,132,727)	(11,872,841)
Income and social contribution taxes paid	-	(893)	(85,239)	(2,068)	(3,890)	(91,965)
Net cash flows (used in) from operating activities	(7,986,648)	(1,132,836)	(11,968,638)	(7,983,190)	(1,128,837)	(11,964,806)
Cash flows from investing activities						
Acquisition of property and equipment for own use	(3,722)	(9,966)	(1,583)	(7,180)	(13,966)	(5,410)
Fixed income investments abroad	604,741	604,741	-	604,741	604,741	-
Dividends received	24	459	-	24	459	-
Acquisition of other investments	-	-	(130)	-	-	(130)
Decrease in available-for-sale securities	9,620,155	4,871,583	5,662,640	9,620,155	4,871,583	5,662,640
(Increase) in held-to-maturity securities	(1,635,519)	(4,395,457)	(2,008,951)	(1,635,519)	(4,395,457)	(2,008,951)
Net cash flows from (used in) investing activities	8,585,679	1,071,360	3,651,976	8,582,221	1,067,360	3,648,149
Cash flows from financing activities						
Subordinated debt	95,933	218,518	202,920	95,933	218,518	202,920
Hybrid capital instruments	600,000	600,000	750,000	600,000	600,000	750,000
Capital increase	200,000	200,000	1,182,000	200,000	200,000	1,182,000
Interest on equity paid	-	(15,000)	(120,000)	-	(15,000)	(120,000)
Dividends paid out	-	(86,339)	(130,534)	-	(86,339)	(130,534)
Net cash flows from financing activities	895,933	917,179	1,884,386	895,933	917,179	1,884,386
(Decrease)/increase in cash and cash equivalents	1,494,964	855,703	(6,432,276)	1,494,964	855,703	(6,432,276)
Cash and cash equivalents at beginning of period	1,415,394	2,054,655	8,486,931	1,415,394	2,054,655	8,486,931
Cash and cash equivalents at end of period	3 2,910,358	2,910,358	2,054,655	2,910,358	2,910,358	2,054,655

See accompanying notes.

Banco Cooperativo Sicredi S.A.

Notes to individual and consolidated financial statements
December 31, 2024 and 2023
(In thousands of reais)

1. Operations

Banco Cooperativo Sicredi S.A. (the “Bank” or “Institution”), a private Brazilian financial institution authorized to operate by the Central Bank of Brazil (BACEN) on March 20, 1996 and commenced its activities on June 3, 1996, established in accordance with Brazilian Monetary Council (CMN) Resolution No. 2193, of August 31, 1995, updated by Resolution No. 5060, of February 16, 2023, currently in force. The Bank is located at Avenida Assis Brasil, 3940 in Porto Alegre, state of Rio Grande do Sul (RS).

The Institution is primarily engaged in performing bank transactions of a commercial nature, including exchange transactions and operates as a multiple bank, by means of its commercial and investment portfolio. By strategic decision of Sistema de Crédito Cooperativo (“Sicredi” or “System”), the Bank operates an instrument of the Credit Cooperatives, enabling these cooperatives to, by means of agreements, operate in the various markets available and perform operations that are supplementary to their nature, thus offering their members access to a full-fledged service portfolio.

As at December 31, 2024, the System is organized into 103 associated Credit Cooperatives, which operate a service network of more than 2,870 points. The structure also relies on five Regional Centrals (“Centrals”) - shareholders of Sicredi Participações S.A. - the Confederation of Sicredi Cooperatives (“Sicredi Confederation”), Sicredi Foundation and the Bank, which controls Corretora de Seguros Sicredi Ltda., Administradora de Consórcios Sicredi Ltda. and Administradora de Bens Sicredi Ltda.

Operations are conducted in the context of the companies that are part of Sicredi, which operate in the market in an integrated manner. The rewards from the services provided between the System’s companies and the costs of the operating and administrative structure are absorbed, together or individually, by these companies.

Most of the Bank’s voting capital belongs to Sicredi Participações S.A. (the “Company”), which is a privately-held corporation, established on October 10, 2008, part of Sistema de Crédito Cooperativo (“Sicredi” or “System”), and primarily engaged in holding controlling interests in the Bank. As at December 31, 2024, the Company holds 91.95% interest in the Bank (91.62% in December 2023).

The Bank and Rabo Partnerships B.V., development arm of Rabobank Dutch Group, entered into an investment agreement on June 07, 2011. This partnership enables the exchange of information and technical knowledge between Sicredi System and Rabobank System, and may expand the portfolio of Sicredi products in the segments in which Rabobank has expertise. This process, formally conducted by means of an investment agreement, was approved by the Central Bank of Brazil (BACEN) on January 27, 2011 and by the Brazilian federal government, through Federal Decree of May 18, 2011, published in the Federal Official Gazette on May 19, 2011. As at December 31, 2024, Rabo Partnerships B.V. holds 8.05% interest in the Bank (8.38% in December 2023).

In October 2012, the Company, through the Bank, entered into an investment agreement with International Finance Corporation (“IFC”), a member of the World Bank and largest global development institution focused on the private sector in developing countries. This partnership is aimed at contributing with Sicredi’s development. This process, formally conducted by means of an investment agreement, was approved by BACEN on May 24, 2013. According to the Shareholders’ Agreement, starting from the 10th anniversary of the first subscription of shares in Sicredi, which took place in May 2023, the IFC may exercise the unilateral right to sell its shares to SicrediPar, either all at once or gradually, until the 20th anniversary. The institution’s interest in the capital of Banco Sicredi ended on September 1, 2023. Until August 31, 2023, IFC held 1.10% interest in the Bank’s shares. As of December 31, 2024, IFC no longer held interest in the Bank’s shares.

Banco Cooperativo Sicredi S.A.

Notes to individual and consolidated financial statements
December 31, 2024 and 2023
(In thousands of reais)

2. Basis of preparation and presentation of the individual and consolidated financial statements

Presentation of the individual and consolidated financial statements

The individual and consolidated interim financial statements were prepared in accordance with the accounting practices adopted in Brazil, with observance of the accounting guidance provided for by Law No. 6404/76, as amended by Laws No. 11638/07 and No. 11041/09 and in consonance with the rules established by BACEN, CMN, consubstantiated in the Chart of Accounts for Institutions of the National Financial System (COSIF) and the new pronouncements, guidance and interpretations issued by the Brazilian FASB (CPC) approved by BACEN (CPC 00 (R2), 01 (R1), 03 (R2), 05 (R1), 10 (R1), 23, 24, 25, 28, 33 (R1), 41, 46 and 47).

These individual and consolidated financial statements were approved by the Executive Board on February 7, 2025.

a) Consolidation criteria

In the consolidation process, intercompany transaction balances were eliminated and net income (loss) and equity referring to noncontrolling shareholders were separately disclosed. The consolidated financial statements were prepared in order to enable shareholders, directors, financial institutions and potential investors of Banco Cooperativo Sicredi to assess the Bank's consolidated financial position as at December 31, 2024 and its consolidated financial performance for the year then ended, in accordance with the accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil, as well as its corporate structure. As such, the consolidated financial statements may not be appropriate for other purposes.

b) Consolidated financial statements

The consolidated financial statements are presented in accordance with the accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brasil, and with the accounting guidance provided for by the Brazilian Corporation Law, and include the individual financial statements of the Bank and of the following subsidiaries:

<u>Entity</u>	<u>Activity</u>	<u>12/31/2024</u>	<u>12/31/2023</u>
Direct equity investment:		%	%
Administradora de Consórcios Sicredi Ltda.	Consortia administrator	99.99	99.99
Administradora de Bens Sicredi Ltda.	Asset Administrator	99.98	99.98
Corretora de Seguros Sicredi Ltda.	Insurance Broker	100.00	100.00

Subsidiaries are fully consolidated as of date of acquisition, which is the date on which control is obtained by the Bank, and are excluded from the consolidated financial statements when such control ceases. The financial statements are prepared for the same reporting period as the parent company, using consistent accounting policies. All intragroup balances, revenues and expenses and unrealized gains and losses deriving from intragroup transactions are fully eliminated.

c) Functional currency

The individual and consolidated financial statements are stated in Brazilian reais, which is the functional currency of the Bank and its subsidiaries.

Banco Cooperativo Sicredi S.A.

Notes to individual and consolidated financial statements
December 31, 2024 and 2023
(In thousands of reais)

3. Accounting policies

Significant accounting practices adopted to prepare the individual and consolidated financial statements are shown below.

a) Determination of profit or loss (P&L)

Profit or loss is computed on an accrual basis, which establishes that revenues and expenses must be included in the calculations of the periods in which these revenues and expenses occurred, always simultaneously when they correlate, irrespective of receipt or payment. Fixed rate transactions are recorded at redemption value, and income and expenses corresponding to future years are recognized as a reduction of respective assets or liabilities.

Financial income and costs are calculated on a *pro rata* per day basis using the exponential method, except those related to discounted securities or those relating to foreign transactions, which are calculated on a straight-line basis. Floating rate transactions or transactions indexed to foreign currencies are restated up to the statement of financial position date.

b) Cash and cash equivalents

These are represented by amounts in domestic and foreign currency, short-term interbank investments, and voluntary deposits with daily liquidity held with the Central Bank of Brazil, with short-term maturity of, for instance, three months from investment date, subject to a low risk of change in value.

c) Short-term interbank investments

These represent fixed-income transactions referring to purchase of securities subject to repurchase agreements and investments in interbank deposits, which are stated at redemption value, net of unrecorded yield amounts corresponding to future periods.

d) Marketable securities

As established by BACEN Memorandum Circular No. 3068/01, marketable securities are classified and subsequently measured as follows:

Securities held for trading – these are acquired for the purpose of being actively and frequently traded, are adjusted to market value, matched against net income for the year and classified in current assets regardless of their maturity;

Securities available for sale – these include those not classified as held for trading or held to maturity and are adjusted to market value, matched against a specific equity account, net of tax effects;

Securities held to maturity – the entity intends or has the financial capacity to hold these securities in its portfolio until maturity. They are valued at acquisition cost plus earnings, and are matched against profit or loss for the year. Financial capacity is defined using cash flow projections and discounting the possibility of sale of these securities.

Banco Cooperativo Sicredi S.A.

Notes to individual and consolidated financial statements
December 31, 2024 and 2023
(In thousands of reais)

e) Derivative financial instruments

The Institution uses derivative financial instruments such as swaps and interest rate futures, currency swaps, exchange futures in foreign currency and interest rate options with a view to meeting its needs to manage the Bank's global exposure, and are classified in accordance with management's intent, at inception date, taking into consideration whether or not these instruments are contracted for hedging purposes, under the terms of Bacen Memorandum Circular No. 3082/02 of January 30, 2002.

Transactions involving derivative financial instruments are recorded at fair value, using the marked-to-market methodologies adopted by Sicredi. The method for recognition of gains and losses resulting from these transactions depends on whether or not the derivative is designated as a hedging instrument, in cases of adoption of hedge accounting.

Instruments designated for hedge accounting may be classified according to their nature into the following categories:

- *Fair value hedge*: derivative financial instruments intended to offset risks arising from exposure to market value changes of the hedged item should be classified as fair value hedge. Gains and losses should be matched against profit or loss for the year;
- *Cash flow hedge*: derivative financial instruments intended to offset variations in the Institution's estimated cash flow should be classified as cash flow hedge, and gains and losses relating to the effective portion should be matched against a specific account in equity less any tax effects and other variations matched against profit or loss for the year.

Derivatives classified as hedge accounting are subject to identification using supporting documents containing detailed information on the transactions and the risks involved, to the effectiveness of the strategy by means of tests of prospective and/or retrospective effectiveness tests, as well as to MtM of the instruments and of the hedged items, as established by Memorandum Circular No. 3082/02.

Derivative transactions in the options and futures market are held in custody on B3 S.A. – Brasil, Bolsa e Balcão ("B3"). The market value of these derivative financial instruments is calculated based on specialized exchange quotes.

f) Loan transactions

These are stated at cost plus income earned. Loan transactions are classified according to management's risk level analysis, considering the economic scenario and the specific risks of these transactions, the debtors and the guarantors, when applicable, under the parameters established in CMN Resolutions No. 2682/99 and No. 2697/00.

Loan transactions overdue within 59 days are accrued under revenues from loans and from the 60th day onwards under unearned revenues. Transactions classified as "H" remain under this classification for six months when they are charged against the existing allowance and controlled for five years in memorandum accounts, and are no longer presented in the statement of financial position.

Banco Cooperativo Sicredi S.A.

Notes to individual and consolidated financial statements
December 31, 2024 and 2023
(In thousands of reais)

g) Allowance for expected losses associated with credit risk

The allowance for expected losses associated with credit and currency risk is based on an analysis of transactions and takes into consideration the economic context, past experience, specific and overall risks of the portfolios, under the accrual criteria defined by BACEN in CMN Resolutions No. 2682/99 and No. 2697/00, associated with management's assessment in determining credit risks.

h) Other current and noncurrent assets

These are stated at realizable values, including, when applicable, earnings, monetary adjustment (on a *pro rata* per day basis) and foreign exchange differences, less the corresponding loss allowances or adjustment to market value and unearned income.

i) Investments

Investments are stated at cost of acquisition and investments in subsidiaries are adjusted by the equity method. Other investments are stated at cost, reduced to the recoverable amount, when applicable.

j) Property and equipment in use

These are stated at cost of acquisition. Depreciation of property and equipment in use is calculated on a straight-line basis using the annual rates mentioned in the table below, which take into account the useful life of the assets.

<u>Property and equipment</u>	<u>Individual</u>	<u>Consolidated</u>
	<u>Annual depreciation rate</u>	<u>Annual depreciation rate</u>
Buildings	4%	2% to 4%
Furniture, fixtures and facilities	10%	2% to 50%
IT equipment and processing systems	20%	7% to 38%
Transportation systems	20%	11% to 25%
Other	10%	8% to 20%

k) Intangible assets

Intangible assets correspond to acquired rights over these assets intended for maintaining the Institution or exercised for that purpose. They are stated at cost and comprise expenses with software acquisition and development, adjusted for accumulated amortization, calculated from the moment when the respective rewards begin to be used, at the ratio of 10 to 20% per year, on a straight-line basis.

l) Impairment of nonfinancial assets

Property and equipment and other noncurrent assets, including intangible assets, are annually reviewed in order to identify evidence of nonrecoverable losses or whenever events or changes in the circumstances indicate that the carrying amount may not be recovered.

When this is the case, the recoverable amount is calculated to identify any loss. In the event of loss, it is recognized in profit or loss for the year at the amount by which the asset carrying amount exceeds its recoverable amount, i.e. the higher of the asset's net selling price and value in use.

Banco Cooperativo Sicredi S.A.

Notes to individual and consolidated financial statements
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(In thousands of reais)

m) Assets and liabilities in foreign currency

Monetary assets denominated in foreign currency are translated into reais using the exchange rates of the Central Bank in effect for the transactions. Differences deriving from currency translation are recorded in profit or loss for the year.

n) Deposits, onlending obligations and other financial liabilities

These are stated at their respective amounts plus charges, monetary and exchange fluctuations through to the statement of financial position date, recognized on a pro rata per day basis.

o) Other current and noncurrent liabilities

These are stated at known or determinable amounts, including, when applicable, charges and monetary adjustments on a *pro rata* per day basis, less the corresponding expenses.

p) Tax credits, taxes and contributions

Provisions for federal contribution taxes on gross revenue for Social Integration Program (PIS) and for Social Security Financing (COFINS) were calculated at the rates in effect, considering, for the respective bases, the prevailing legislation for each tax.

Income and social contribution tax credits are recorded on temporary differences, at the rates of 25% income tax and 20% social contribution tax. These tax credits will be realized when the accrued provisions are realized.

q) Provision for civil, tax and labor contingencies

The accounting practices for recording, measuring and disclosing contingent assets and liabilities are consubstantiated in BACEN Resolution No. 3823/09, to wit:

Contingent liabilities are provisioned when losses thereon are assessed as probable and the amounts involved may be reliably measured. Contingent liabilities assessed as possible loss are disclosed, and contingent liabilities that may not be reliably measured and those assessed as remote loss are not provisioned or disclosed;

Legal obligations are recorded as payables, irrespective of the assessment of the likelihood of a favorable outcome.

r) Accounting estimates

Accounting estimates are determined by management, considering factors and assumptions set up based on judgment, which are reviewed every six months. Significant items subject to these estimates and assumptions include provisions for adjustment of assets to probable realizable values or recoverable amounts, loss allowances, provisions for contingencies, mark-to-market of financial instruments, among others.

Banco Cooperativo Sicredi S.A.

Notes to individual and consolidated financial statements
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(In thousands of reais)

Settlement of transactions involving these estimates may result in amounts significantly different from those recorded in the financial statements due to the uncertainties inherent in their estimation process.

s) Pension plan - defined contribution

The Bank and its subsidiaries are members of a pension plan managed by a private pension entity, which provides the Bank's and its subsidiaries' employees with post-employment benefits under the defined contribution system. A defined contribution plan is a pension plan under which the companies make fixed contributions to a separate entity. The companies have no legal or constructive obligation to make contributions if the fund has no sufficient assets to pay all employees the benefits related with these employees' services in the current and prior year.

For the defined contribution plan, the companies pay contributions to the private pension entity, on a compulsory, contractual or voluntary basis. Regular contributions comprise net costs for the year in which they are due and are, therefore, included in personnel expenses.

t) Earnings per share

Net earnings per share are determined based on the number of shares outstanding at the statement of financial position date.

u) Recurring and nonrecurring income

Recurring income is related with the Bank's typical characteristics, which occur frequently in the present and are foreseen to occur in the future whereas nonrecurring income derives from an extraordinary and/or unpredictable event that tends not to occur again in the future.

4. Cash and cash equivalents

In the statement of cash flows, the following amounts were considered cash and cash equivalents:

	Note	Individual and Consolidated	
		12/31/2024	12/31/2023
Cash and banks (a)		815,142	710,892
Short-term interbank investments (a)		10,217	17,474
Investments in foreign currency		10,217	17,474
Voluntary deposits in the Central Bank of Brazil	6	2,084,999	1,326,289
Total		<u>2,910,358</u>	<u>2,054,655</u>

(a) Cash and cash equivalents and short-term investments are classified as cash and cash equivalents for purposes of presentation in the statement of cash flows, when the requirements of CPC 03 (R2) – Statement of Cash Flows are met.

The balances of these investments may vary substantially between comparative periods due to the strategies adopted for the investments in the open market.

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5. Short-term interbank investments

	Individual and Consolidated				12/31/2023
	12/31/2024				
	Falling due			Total portfolio	
Up to 3 months	3 to 12 months	Over 12 months	Total portfolio		
Open market investments	-	-	2,500,008	2,500,008	-
Resale pending settlement – Own funds Financial Treasury Bills (LFT)	-	-	131,107	131,107	-
Resale pending settlement - Financed position Financial Treasury Bills (LFT)	-	-	2,368,901	2,368,901	-
Investments in interbank deposits (a)	1,965,738	6,285,659	8,773,105	17,024,502	11,910,809
Investments in foreign currency	10,217	-	-	10,217	17,474
Total - 2024	<u>1,975,955</u>	<u>6,285,659</u>	<u>11,273,113</u>	<u>19,534,727</u>	
Total - 2023	<u>150,271</u>	<u>3,348,556</u>	<u>8,429,456</u>		<u>11,928,283</u>
Total - current				<u>8,261,614</u>	<u>3,498,827</u>
Total - noncurrent				<u>11,273,113</u>	<u>8,429,456</u>

(a) Changes in investments in interbank deposits are due to the Central Bank Resolution No. 379 of May 2024, under which Banco Sicredi ceased to make compulsory deposits in the Central Bank and allocated part of those funds to Singular Cooperatives in the Rio Grande do Sul region in view of the floods that occurred in the second quarter of 2024, through investments in interbank deposits (DI) and loan transactions (interbank onlending).

6. Deposits in the Central Bank of Brazil

	Individual and Consolidated	
	12/31/2024	12/31/2023
Compulsory reserves - deposits in savings accounts (a)	13,222	5,604,612
Voluntary deposits in the Central Bank of Brazil	2,084,999	1,326,289
Rural credit – PROAGRO receivable	614	-
Total - current	<u>2,098,835</u>	<u>6,930,901</u>

a) Deposits in savings accounts refer to amounts mandatorily deposited in Rural Savings Accounts and in the Brazilian Savings and Loan System (SBPE) in domestic currency in the Central Bank of Brazil.

Voluntary deposits refer to liquidity resources registered in the Bank Reserve account, on a voluntary basis, according to BCB Resolution No. 129/202 and Notice No. 38288/2022, with a duration of one business day and daily yield defined by the Central Bank of Brazil (BCB), on an annual basis considering 252 business days.

On May 13, 2024, the Central Bank of Brazil issued BCB Resolution No. 379, which suspended the compulsory deposit on savings funds due to the state of emergency referred to in Legislative Decree No. 36, of May 7, 2024. As a result, Banco Sicredi ceased to make such deposits in the Central Bank and allocated part of the funds to Singular Cooperatives in the Rio Grande do Sul region through investments in interbank deposits (DI) and interbank onlending (loans).

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7. Marketable securities and derivative financial instruments

a) Portfolio breakdown

	Individual				12/31/2023	Consolidated				12/31/2023
	12/31/2024					12/31/2024				
	Up to 3 months	3 to 12 months	Over 12 months	Total portfolio	Total portfolio	Up to 3 months	3 to 12 months	Over 12 months	Total portfolio	Total portfolio
Own portfolio										
Financial Treasury Bills (LFT)	-	-	17,997,245	17,997,245	15,367,480	-	-	17,997,245	17,997,245	15,367,480
Financial Bills (LF)	50,967	34,760	45,384	131,111	72,164	50,967	34,760	45,384	131,111	72,164
National Treasury Bills (LTN)	-	-	3,523,707	3,523,707	-	-	-	3,523,707	3,523,707	-
National Treasury Notes (NTN)	-	-	79,698	79,698	1,147,849	-	-	79,698	79,698	1,147,849
Financial bills and subordinated debts	-	-	2,142,475	2,142,475	1,604,350	-	-	2,142,504	2,142,504	1,604,379
Investments abroad (a)	-	604,741	-	604,741	-	-	604,741	-	604,741	-
Agricultural futures (CPR)	-	-	9,630	9,630	-	-	-	9,630	9,630	-
Fixed-income investment funds	-	-	-	-	-	233,568	-	-	233,568	202,280
Subject to repurchase agreements										
Financial Treasury Bills (LFT)	-	1,308,343	3,110,722	4,419,065	10,546,217	-	1,308,343	3,110,722	4,419,065	10,546,217
National Treasury Bills (LTN)	-	-	2,218,289	2,218,289	3,978,281	-	-	2,218,289	2,218,289	3,978,281
National Treasury Notes (NTN)	-	-	-	-	46,999	-	-	-	-	46,999
Subject to guarantees given										
Financial Treasury Bills (LFT)	-	-	966,666	966,666	1,368,434	-	-	966,666	966,666	1,368,434
Subtotal	50,967	1,947,844	30,093,816	32,092,627	34,131,774	284,535	1,947,844	30,093,845	32,326,224	34,334,083
Derivative financial instruments	22,732	4,728	524,043	551,503	34,547	22,732	4,728	524,043	551,503	34,547
Total - 2024	73,699	1,952,572	30,617,859	32,644,130		307,267	1,952,572	30,617,888	32,877,727	
Total - 2023	95	622,170	33,544,056		34,166,321	202,375	622,170	33,544,085		34,368,630
Total - current				2,026,271	622,265				2,259,839	824,545
Total - noncurrent				30,617,859	33,544,056				30,617,888	33,544,085

(a) In December 2024, notes issued by the Official Credit Institute (ICO) – Spain. The investment in variable securities totaled R\$600 million, maturing in December 2025, not subject to exchange differences.

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In accordance with BACEN Memorandum Circular No. 3068/01, marketable securities classified as held for trading are presented in current assets, regardless of maturity.

b) Classification of marketable securities

	Individual		Consolidated	
	12/31/2024		12/31/2024	
	Restated cost	Market value	Restated cost	Market value
Held for trading				
No maturity	-	-	233,568	233,568
Subtotal	-	-	233,568	233,568
Available for sale				
Falling due within 12 months	85,458	85,727	85,458	85,727
Falling due after 12 months	7,782,342	7,612,177	7,782,342	7,612,177
Subtotal	7,867,800	7,697,904	7,867,800	7,697,904
Held to maturity				
Falling due within 12 months	1,955,204	1,945,574	1,955,204	1,945,574
Falling due after 12 months	22,439,519	21,834,778	22,439,548	21,834,778
Subtotal	24,394,723	23,780,352	24,394,752	23,780,352
Total - 2024	32,262,523	31,478,256	32,496,120	31,711,824
Total - 2023	33,907,665	32,568,753	34,109,974	32,771,033

Based on the understanding of BACEN Memorandum Circular No. 3068/01, securities recorded as held to maturity are measured for the respective costs of acquisition plus yield earned, whereas securities held for trading and available for sale are adjusted to market value.

In compliance with the provisions of article 8 of BACEN Memorandum Circular No. 3068/01, the Institution represents that it has the financial capacity and intent to maintain until maturity the securities classified as held to maturity.

Until December 31, 2024, no marketable securities were reclassified.

As at December 31, 2024, unrealized income (loss) from securities classified as available for sale presented a net loss of R\$319,310 (loss of R\$281,348 in December 2023), a portion of which is recorded net of tax effects in equity under 'Equity adjustments', amounting to loss of R\$7,531 (gain of R\$41,206 in December 2023). The other portion is classified in the institution's P&L under "Open market funding transactions" as this item is under a hedge accounting structure.

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Resolution No. 3181 of the Central Bank of Brazil, issued on March 29, 2004, allowed the rollover mechanism for institutions. The regulation establishes that the transactions involving the disposal of federal public securities classified as "held to maturity" do not change the financial institution's intention to hold them until maturity, provided that new securities of the same nature are simultaneously acquired, with a longer maturity period and in an amount equal to or greater than that of the securities disposed of.

In October 2024, the Bank used the rollover mechanism on its Treasury Financial Treasury Bills (LFTs) portfolio classified as "held to maturity," with a view to increasing the institution's liquidity remuneration. In 2024, LFTs totaling R\$6,965,085 with maturities on 09/01/2026 and 03/01/2027 were disposed of, along with a simultaneous purchase of LFTs in the amount of R\$7,123,276, maturing on 09/01/2028, 03/01/2029, 09/01/2029, and 03/01/2030. The sale of the LFTs was carried out at a unit price higher than the unit price on the market curve, as there was an appreciation of the assets due to a decrease in the discount rate. Such appreciation totaled R\$25,724 in December 2024.

The Financial Capacity Model confirmed the possibility of extending these assets, and the rollover allowed the average life of the securities to be increased to levels similar to those observed at the initial purchase of the securities. The substitution was made with the same nature and issuer in accordance with the rules of the mentioned Resolution, so that no additional risks were added to the Bank.

Market value of government securities was calculated based on the quotation obtained from the National Association of Financial and Capital Market Institutions (ANBIMA).

The official fund share amount is adjusted on a daily basis and sent to the Brazilian Securities and Exchange Commission (CVM) and ANBIMA.

c) Derivative financial instruments

Pursuant to BACEN Memorandum Circular No. 3082/02 of January 30, 2002, derivative financial instruments are classified at the date of acquisition in accordance with management's intention as to whether to use such instruments for hedging purposes. Transactions that use financial instruments entered into at the request of customers, on its own account, or that do not meet the hedging criteria (mainly derivatives used to manage the overall risk exposure) are accounted for at fair value, with realized and unrealized gains and losses recognized directly in the statement of profit or loss. The Bank uses swap derivatives to hedge its transactions in foreign currency. The use of these derivative financial instruments mainly aims at hedging against risks arising from currency fluctuations, and the instruments' maturity is linked to the maturity of borrowings.

Swap derivatives as well as hedged borrowings are adjusted to market value, except when held to maturity in matched transactions with the same counterparty (instrument and item). Market value of these transactions is calculated using modelling techniques such as the discounted cash flow method, and approved by the Bank management.

Fixed-income marketable securities classified as held for trading and available for sale are transacted together with derivative contracts, and future DI contracts are the instrument used to hedge against rate oscillations. The purpose of this instrument is to hedge against fluctuation of the rates pegged to fixed-income government securities.

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Hedging government securities are adjusted to market value under market price assumptions obtained by means of quotations for assets and liabilities with the same or similar characteristics. In case these assumptions are not available, pricing models approved by the entity's management such as the discounted cash flow method are used. Financial instruments under custody of B3 are daily adjusted based on futures transactions that are recorded in asset or liability accounts, depending on the nature of the adjustment, and settled on D+1.

Difference amounts and adjustments of derivative financial assets and liabilities are recorded in asset and liability accounts in accordance with each transaction method, and matched against the respective profit or loss accounts.

Sicredi adopted hedge accounting for swap derivatives, whose hedged items are funds obtained in foreign currency, as well as future DI transactions, whose hedged items are fixed-income government securities available for sale or fixed-income corporate bonds. Future DI transactions also hedge fixed loan transactions not in default and issues of fixed income financial assets, when they present pre-defined characteristics. The differences and adjustments deriving from (de)valuation of these instruments and items are matched against profit or loss, irrespective of their classification pursuant to Memorandum Circular No. 3068/01, in compliance with Memorandum Circular No. 3082/02, which provides for the recognition of hedge accounting transactions in profit or loss accounts, when classified as market risk.

As at December 31, 2024 and 2023, derivatives are adjusted to market value, except specific derivative financial instruments that are only adjusted based on the curve, recorded and valued in accordance with BACEN Circular No. 3082/02, and the respective notional values are recorded in memorandum accounts, as follows:

	Individual and Consolidated				12/31/2023
	12/31/2024				
	Net position of contracts falling due				
	Up to 3 months	3 to 12 months	Over 12 months	Total	Total
<u>Memorandum account</u>					
Futures contracts	1,067,681	5,767,165	7,402,388	14,237,234	36,300,870
Swap contracts	925,954	1,202,659	4,934,733	7,063,346	4,544,165
Forward contracts	56,527	54,185	213,930	324,642	195,757
Total - 2024	<u>2,050,162</u>	<u>7,024,009</u>	<u>12,551,051</u>	<u>21,625,222</u>	
Total - 2023	<u>23,249,169</u>	<u>4,679,268</u>	<u>13,112,355</u>		<u>41,040,792</u>
<u>Swap contracts</u>					
Long position	19,072	-	510,410	529,482	27,768
Short position	(25,334)	(56,875)	(86,117)	(168,326)	(398,458)
<u>Forward contracts</u>					
Long position	3,660	4,728	13,633	22,021	6,779
Short position	(887)	(1,913)	(36,471)	(39,271)	-
Total - 2024	<u>(3,489)</u>	<u>(54,060)</u>	<u>401,455</u>	<u>343,906</u>	
Total - 2023	<u>(28,521)</u>	<u>(7,616)</u>	<u>(327,774)</u>		<u>(363,911)</u>
Total - current				<u>(57,549)</u>	<u>(36,137)</u>
Total - noncurrent				<u>401,455</u>	<u>(327,774)</u>

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	12/31/2024		12/31/2023	
	Notional amount	Cost - amount receivable/received (payable/paid)	Market value	Market value
Futures contracts	14,237,234	19,223	-	-
Purchase commitments	(1,438,480)	(6,195)	-	-
Future DI	(1,422,884)	(5,042)	-	-
Future WDO	(15,596)	(1,153)	-	-
Sale commitments	15,675,714	25,418	-	-
Future DI	15,611,982	25,395	-	-
Future DOL	63,731	23	-	-
Swap contracts	7,063,346	361,156	336,363	(385,348)
Long position	3,816,422	529,482	504,689	24,512
Foreign currency	3,816,422	529,482	504,689	24,512
Short position	3,246,924	(168,326)	(168,326)	(409,860)
Foreign currency	3,246,924	(168,326)	(168,326)	(409,860)
Forward contracts	324,642	(9,939)	(17,250)	6,779
Long position	188,537	18,170	22,021	6,779
Foreign currency	188,537	18,170	22,021	6,779
Short position	136,105	(28,109)	(39,271)	-
Foreign currency	136,105	(28,109)	(39,271)	-

Daily adjustments of futures transactions are recorded in asset or liability accounts, depending on the nature of the adjustment, and settled on D+1. As at December 31, 2024, the balance recorded under "Securities trading" amounts to R\$25,998 (R\$6,698 in December 2023) in assets and R\$6,775 (R\$5,996 in December 2023) in liabilities, individual and consolidated.

As at December 31, 2024, the Bank recorded gains on derivatives amounting to R\$656,154 (losses of R\$880,761 in December 2023).

As at December 31, 2024, the financial position of securities given as collateral for transactions on stock exchanges was R\$388,932 (R\$796,280 in December 2022).

Banco Sicredi uses hedge accounting to match losses and gains from derivatives for hedging (hereinafter instrument) to losses and gains from assets and liabilities that are hedged items (hereinafter hedged item or item), generating benefit of predictability and reduction of volatility in the statement of financial position. The internal hedge accounting rules for use in Banco Sicredi establish the rules for changing the recognition of the hedged item and the hedging instrument in the financial statements.

Notional value, hedged items and financial instruments referring to transactions classified as hedge accounting are shown below.

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Fair value hedge: Aims to avoid losses resulting from changes in the market value, including exchange, of the hedged item. Changes in the prices of derivatives used for fair value risk hedging, as well as of the hedging instruments, should flow through the Institution's P&L directly.

- I. **Fixed rate risk:** the hedged item has a fixed yield or payment rate and any oscillation in the market value could result in financial gains or losses due to the changes in the fair value of the hedged item:
- Federal government securities hedge;
 - Corporate bond hedge.

		Individual and Consolidated			
		Fixed rate risk			
		12/31/2024		12/31/2023	
		Curve value	Market value	Curve value	Market value
<u>Hedged items</u>	<u>Index</u>				
Government securities		5,900,570	5,741,996	3,011,260	3,160,127
Corporate bonds	Fixed interest rate	177,721	154,759	159,801	161,708
Subtotal		<u>6,078,291</u>	<u>5,896,755</u>	<u>3,171,061</u>	<u>3,321,835</u>
<u>Derivative instruments</u>	<u>Index</u>				
Futures contracts – government securities		5,746,085	5,746,085	2,900,392	2,900,392
Futures contracts – corporate bonds	Fixed interest rate	155,244	155,244	162,380	162,380
Subtotal		<u>5,901,329</u>	<u>5,901,329</u>	<u>3,062,772</u>	<u>3,062,772</u>
Total, net		<u>176,962</u>	<u>(4,574)</u>	<u>108,289</u>	<u>259,063</u>

As at December 31, 2024, the Bank reclassified from equity to profit or loss for the year unrealized losses of R\$158,574 (unrealized gains of R\$148,867 in December 2023) referring to MtM adjustment of securities available for sale, given the classification of such items as fair value hedge for purposes of compliance with hedge accounting standards.

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II. **Currency risk:** risk of exchange rate differences that may generate changes in cash flows or in the fair value of the Bank's assets and liabilities:

- Funding hedge

		Individual and Consolidated							
		12/31/2024				12/31/2023			
		Currency risk				Currency risk			
		Notional value	Curve value	Market value	Fair value adjustment	Notional value	Curve value	Market value	Fair value adjustment
<u>Debts</u>	<u>Index</u>								
	Exchange difference + SOFR + fixed rate	254,632	286,591	287,688	(1,097)	356,485	313,571	318,931	(5,360)
	Exchange differences + half-yearly Term SOFR + Fixed rate	1,767,088	2,039,795	1,980,587	59,208	247,900	242,372	240,904	1,468
	Exchange difference + fixed rate	1,635,429	2,002,309	1,816,991	185,318	2,257,459	2,168,550	2,115,518	53,032
Total		3,657,149	4,328,695	4,085,266	243,429	2,861,844	2,724,493	2,675,353	49,140
<u>Derivative instruments</u>	<u>Index</u>	<u>Notional value</u>	<u>Curve value</u>	<u>Market value</u>	<u>Fair value adjustment</u>	<u>Notional value</u>	<u>Curve value</u>	<u>Market value</u>	<u>Fair value adjustment</u>
Fixed/floating interest rate swap	% of the CDI	3,657,149	579,012	326,189	252,823	2,861,844	(232,110)	(281,249)	49,139
Total		3,657,149	579,012	326,189	252,823	2,861,844	(232,110)	(281,249)	49,139
Total, net		-	3,749,683	3,759,077	(9,394)	-	2,956,603	2,956,602	1

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To evaluate and measure the effectiveness of the strategies, the Bank adopts the dollar offset method, the analysis of which is carried out monthly.

The dollar offset method is calculated by the difference between the change in the fair value of the hedging instrument and the change in the fair value of the hedged item, attributed to changes in the interest rate.

The effectiveness test checks the changes in the market value or cash flow of the hedging instrument that offset changes in the market value or cash flow of the hedged item, evidencing the hedging relationship, known as the hedge ratio. To be considered hedge accounting at Banco Sicredi, this ratio must be between 80% and 125%.

III. Portfolio interest rate risk

- Hedge of portfolio of other sources – assets.
- Hedge of portfolio of other sources – liabilities.
- Hedge of the LCA portfolio.
- Hedge of LCA fixed income interbank deposit.

Banco Cooperativo Sicredi S.A. maintains interbank onlending portfolios and interbank deposits at fixed interest rates (“Portfolio”), to which the credit cooperatives of the Sicredi System are counterparties. For funding for this portfolio, the Bank carries out issues using different financial instruments.

The investment (interbank onlending and CDI) and funding (LF, CDB, CDI, LCA) conditions usually present different terms and indexes, generating market risks related to updates in trading conditions and modification of the direction of these variables. The main risk of this portfolio arises from the variation in the expected reference interest rate of Brazilian interbank deposits (CDI). To address this exposure, the Bank carried out transactions with DI Futures contract (“Derivatives”) evaluating the exposures generated by both the onlending notes and the borrowing liabilities, both of which are treated as hedged items.

To eliminate differences in accounting measurement of hedged items and hedging instruments (DI1 Futures contract), the hedge accounting program was applied, minimizing the mismatches caused by the difference in the marking criteria of the asset and liability in the statement of financial position. The objective of the application is to allocate in income (loss) from loan transactions the gains and losses related to the fair value attributed to the interest rate risk of the hedged portfolio (hedged item), thereby reducing volatility in the accounting results.

Due to the dynamic nature of the hedged interbank onlending portfolio, which exists due to prepayments in relation to its maturity and different timing of release of new transactions, the strategy is to monitor the interest rate risk of the loan portfolio and rebalance the DI Futures contracts, if they do not meet the parameters defined in the hedge documentation.

In line with the interest rate risk hedging strategy, the Bank calculates DV01 (delta value of a basis point) of the exposure and of futures to identify the optimal coverage proportion and monitor the coverage ratio in a timely manner, providing any rebalancing if necessary. The need to buy or sell new DI Futures contracts is assessed on a daily basis to counterbalance the adjustment of the market value of the hedged item, seeking to ensure the effectiveness of the hedge as determined in the hedge documentation.

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Hedged item	Index	Individual and Consolidated							
		12/31/2024				12/31/2023			
		Notional value	Curve value	Market value	Fair value adjustment	Notional value	Curve value	Market value	Fair value adjustment
Portfolio of other sources - assets		948,646	1,006,320	964,763	41,557	648,678	693,818	704,709	(10,891)
Portfolio of other sources - liabilities		(2,741,296)	(3,033,403)	(2,805,413)	(227,990)	(1,213,652)	(1,303,130)	(1,410,621)	107,491
Onlendings – LCA portfolio	Fixed interest rate	9,354,482	9,834,718	9,523,337	311,381	1,258,257	1,271,626	1,278,929	(7,303)
Transfer of fixed rate DI LCA		393,094	419,470	352,094	67,376	-	-	-	-
Subtotal		7,954,926	8,227,105	8,034,781	192,324	693,283	662,314	573,017	89,297
Derivative instruments	Index								
Futures contracts – other sources - assets		(992,569)	(1,056,532)	(1,014,506)	(42,026)	(720,351)	(720,351)	(731,366)	11,015
Futures contracts – other sources - liabilities	Fixed interest rate	2,749,523	3,043,201	2,814,690	228,511	1,312,255	1,312,255	1,420,332	(108,077)
Futures contracts – onlending - LCA		(9,556,829)	(10,056,844)	(9,740,982)	(315,862)	(1,271,616)	(1,271,694)	(1,279,109)	7,415
Futures contracts – transfer of fixed rate DI LCA		(392,872)	(419,251)	(351,877)	(67,374)	-	-	-	-
Subtotal		(8,192,747)	(8,489,426)	(8,292,675)	(196,751)	(679,712)	(679,790)	(590,143)	(89,647)
Total, net		(237,821)	(262,321)	(257,894)	(4,427)	13,571	(17,476)	(17,126)	(350)

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Cash flow hedge: These are derivative financial instruments aimed at offsetting variations in the Institution's estimated cash flow.

The need to change the designation of the structure to cash flow hedge was identified on November 30, 2024. The strategy was previously designated as fair value hedge.

As of the reporting date in November 2024, the remaining fair value measurement balance (mark-to-market) of the instrument and of the hedged item was adjusted to Equity, given the transition of the designation to cash flow hedge.

The Bank's cash flow hedge strategies consist of protecting against exposure to fluctuations in cash flows related to floating interest payments in foreign currency.

Hedged items refer to funding in US dollars that pay a floating rate of SOFR 6M + Spread.

The hedging instruments are over-the-counter swap contracts where the long position is indexed to SOFR 6M + Spread in dollars and the short position is denominated in dollars.

The conversion of the cash flow from funding to fixed interest rate is carried out through the short position of the over-the-counter swap contracts. Thus, the payment resulting from the transaction as a whole is the fixed variation of the financial instruments on the maturity date of the transactions.

I. Interest rate risk

- *Funding hedge – cash flow*

		Individual and Consolidated							
		12/31/2024				12/31/2023			
		Interest rate risk				Interest rate risk			
		Notional value	Curve value	Market value	Fair value adjustment recognized in equity	Notional value	Curve value	Market value	Fair value adjustment recognized in equity
Debts	Index								
Funding in dollars and fixed interest rate	Exchange differences + half-yearly Term SOFR + Fixed rate	371,580	468,677	461,225	7,452	223,110	218,070	218,888	(818)
Total		371,580	468,677	461,225	7,452	223,110	218,070	218,888	(818)
Derivative instruments	Index	Notional value	Curve value	Market value	Fair value adjustment recognized in equity	Notional value	Curve value	Market value	Fair value adjustment recognized in equity
Fixed/floating interest rate swap	Exchange difference + fixed rate	371,580	247	(138)	385	223,110	91	(2,155)	2,246
Total		371,580	247	(138)	385	223,110	91	(2,155)	2,246
Total, net		-	468,430	461,363	7,067	-	217,979	221,043	(3,064)

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8. Loan and interbank onlending transactions and allowance for expected losses associated with credit risk

a) Breakdown of credit portfolio per type of transaction

Note	Individual and Consolidated				Total portfolio	Total portfolio	
	12/31/2024						12/31/2023
	Overdue from 15 days	Falling due					
	Up to 3 months	3 to 12 months	Over 12 months				
Loan transactions	3,469	1,746,955	7,935,911	28,079,461	37,765,796	27,842,154	
Loans and discounted notes Financing	-	580,993	1,751,729	4,540,457	6,873,179	4,541,041	
Rural and agro-industrial financing	3,469	415,924	1,109,535	1,868,695	3,397,623	1,728,241	
Real property financing	-	686,658	4,893,443	19,886,850	25,466,951	19,793,905	
Interbank onlending	-	63,380	181,204	1,783,459	2,028,043	1,778,967	
Interbank onlending – rural credit cooperatives	-	6,717,512	35,419,385	34,952,509	77,089,406	67,058,857	
Interbank onlending – other (a)	-	5,824,634	30,923,880	22,700,510	59,449,024	55,152,663	
Foreign exchange transactions	-	892,878	4,495,505	12,251,999	17,640,382	11,906,194	
Advances on exchange contracts	-	205,171	656,469	30,677	892,317	495,449	
Income from advances on exchange contracts	16.a	-	197,866	633,097	861,640	481,847	
Total - 2024	3,469	8,669,638	44,011,765	63,062,647	115,747,519		
Total - 2023	1,818	8,242,676	38,550,831	48,601,135		95,396,460	
Total - current					52,684,872	46,795,325	
Total - noncurrent					63,062,647	48,601,135	

- (a) In May 2024, the Central Bank of Brazil issued BCB Resolution No. 379, which suspended the compulsory deposit on savings funds due to the state of emergency relating to the floods in the state of Rio Grande do Sul. As a result, Banco Sicredi ceased to make such deposits in the Central Bank and allocated part of the funds to Singular Cooperatives in that region through loans (interbank onlending).

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b) Breakdown of credit portfolio per level of risk

Pursuant to article 3 of CMN Resolution No. 2697/00, we present below the breakdown of the loan portfolio, including exchange transactions amounting to R\$892,317 (R\$495,449 in December 2023), distributed in the corresponding levels of risk, according to the classification provided for in article 1 of CMN Resolution No. 2682/99:

Risk level	% - Minimum	% Additional	Individual and Consolidated								
			Portfolio		Allowance for expected losses associated with credit and currency risks						
			12/31/2024	12/31/2023	Minimum	Total additional	Total	Minimum	Total additional	Total	
AA	0.00	0.01 and 0.09	101,098,391	91,140,486	-	20,167	20,167	20,167	-	19,814	19,814
A	0.50	0.14	14,304,053	4,127,878	71,520	19,717	91,237	91,237	20,639	5,571	26,210
B	1.00	0.90	286,692	36,011	2,867	852	3,719	3,719	360	120	480
C	3.00	0.20	41,482	87,530	1,244	(37)	1,207	1,207	2,626	167	2,793
D	10.00	-	8,300	1,470	830	(25)	805	805	147	-	147
E	30.00	-	1,486	663	446	-	446	446	199	-	199
F	50.00	-	1,246	494	623	8	631	631	247	-	247
G	70.00	-	1,103	418	772	(11)	761	761	293	-	293
H	100.00	-	4,766	1,510	4,766	(47)	4,719	4,719	1,510	-	1,510
Total			115,747,519	95,396,460	83,068	40,624	123,692	123,692	26,021	25,672	51,693

As of June 2022, an improvement was applied to the criteria for the credit risk classification of Cooperatives affiliated to Sicredi, to determine the allowance for their loan transactions as counterparty with the Bank. In addition, management decided to conservatively adopt percentages higher than those minimally established by CMN Resolution No. 2682/99, considering the current economic scenario.

Due to the state of emergency referred to in Legislative Decree No. 36, of May 7, 2024, the Central Bank issued CMN Resolution No. 5132, which authorized the extension of agricultural loans in the municipalities in the state of Rio Grande do Sul that were affected by the floods. As a result, the Bank did not record changes in the allowance.

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c) Breakdown of loan transactions per sector of activity and maturity ranges

Private sector	Individual and Consolidated					Total portfolio	Total portfolio	
	12/31/2024							12/31/2023
	Overdue from 15 days	Falling due			Total portfolio			
	Up to 3 months	3 to 12 months	Over 12 months					
Financial intermediation (a)	-	6,717,512	35,388,802	34,979,162	77,085,476	67,058,858		
Rural	-	686,658	4,893,443	19,886,815	25,466,916	19,793,905		
Housing	-	63,380	181,204	1,783,459	2,028,043	1,778,967		
Legal entities	751	436,382	1,449,773	2,501,107	4,388,013	3,116,919		
Individuals	2,039	168,861	501,276	1,912,864	2,585,040	1,392,593		
Trade	623	414,496	1,117,229	1,503,156	3,035,504	1,822,053		
Industry	56	182,349	480,038	496,084	1,158,527	433,165		
Total - 2024	<u>3,469</u>	<u>8,669,638</u>	<u>44,011,765</u>	<u>63,062,647</u>	<u>115,747,519</u>			
Total - 2023	<u>1,817</u>	<u>8,242,676</u>	<u>38,550,832</u>	<u>48,601,135</u>		<u>95,396,460</u>		
Total - current					<u>52,684,872</u>	<u>46,795,325</u>		
Total - noncurrent					<u>63,062,647</u>	<u>48,601,135</u>		

(a) Refers substantially to interbank onlending of rural credit and other funds between the Bank and the Sicredi System Cooperatives.

d) Concentration of loan transactions

	Individual and Consolidated			
	12/31/2024	%	12/31/2023	%
10 major debtors	28,399,634	24.54	25,326,496	27.36
50 next major debtors	45,405,750	39.23	39,220,546	41.66
100 next major debtors	5,424,866	4.69	3,712,860	4.06
Other	36,517,269	31.55	27,136,558	26.92
Total	<u>115,747,519</u>	<u>100.00</u>	<u>95,396,460</u>	<u>100.00</u>

e) Changes in allowance for expected losses associated with credit risk

	Individual and Consolidated	
	12/31/2024	12/31/2023
Opening balance	<u>51,693</u>	130,478
Setup/(reversal) of minimum allowance	61,115	(102,169)
Setup of additional allowance	14,952	25,672
Subtotal	<u>76,067</u>	<u>(76,497)</u>
Credits written off as loss	(4,068)	(2,288)
Closing balance	<u>123,692</u>	<u>51,693</u>

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In 2024, the cooperatives' ratings were reviewed, resulting in the recognition of an allowance for expected losses associated with credit risk. The rating of seven cooperatives were upgraded compared to the last rating review that took place in November 2023.

f) Income from (loss on) loans and interbank onlendings

	Individual and Consolidated		
	2nd half of 2024	12/31/2024	12/31/2023
Interbank onlending	3,633,757	7,250,157	6,398,396
Loans	452,655	833,309	566,353
Financing	219,777	381,976	134,385
Rural and agro-industrial financing	905,641	1,711,495	1,214,024
Housing financing	81,449	169,950	155,459
Subtotal	<u>5,293,279</u>	<u>10,346,887</u>	<u>8,468,617</u>
Recovery of receivables written off as loss	1,194	2,383	1,169
Total	<u>5,294,473</u>	<u>10,349,270</u>	<u>8,469,786</u>

In the year ended December 31, 2024, recovery of loans previously written off as loss, amounting to R\$2,383 (R\$1,169 in December 2023) was recorded as "Trading revenues – loan transactions".

In the years ended December 31, 2024 and 2023, no loans were renegotiated.

9. Other financial assets

	Individual and Consolidated	
	12/31/2024	12/31/2023
Payments and receipts to be settled	1,044	-
Payment transactions (a)	4,707,230	3,079,661
Instant payments (b)	528,659	120,869
Other foreign exchange transactions (c)	1,115,172	521,477
Securities trading	25,998	6,698
Transactions with cards (d)	13,629,951	10,829,096
Total	<u>20,008,054</u>	<u>14,557,801</u>

- (a) Payment transactions refer to amounts receivable from issuers on intermediation of transactions performed with credit and debit cards.
- (b) Instant payments refer to amounts deposited in the Central Bank's instant payment account (PI account) to settle Pix transactions, and this account bears interest as of August 2022, in compliance with BCB Resolution No. 235/2022.
- (c) Other foreign exchange transactions refer to foreign currency buying and selling transactions, amounts in domestic currency, and advance of funds in connection with currency selling transactions.
- (d) Card transactions refer to balances receivable from Cooperatives, related to the issue financial agenda (comprising purchase transactions and amounts withdrawn by Members) and to provisions for payment to card associations regarding amounts from the acceptance product (balances receivable in the process of paying the costs of merchant acquirers), such as card association fees, processing costs and card machine rentals.

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10. Other assets

	Note	Individual		Consolidated	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
Payables relating to agreements		2,735	697	2,735	697
Advances and salaries prepaid		4,791	3,694	4,829	3,694
Taxes and contributions to be offset		103,837	104,841	121,043	123,484
Onlending to be regularized		-	49,005	-	49,005
Income receivable (a)		173,637	68,703	175,123	68,735
Prepaid expenses – pricing deferral (b)		-	-	97,902	46,653
Amounts receivable from system companies (c)		56,225	43,243	56,565	46,265
Prepaid expenses		25,337	13,237	25,377	13,237
Gains from credit portability		4,182	3,628	4,182	3,628
Rental of Sicredi machines receivable		24,864	18,880	24,864	18,880
Other sundry refunds		1,787	3,694	5,646	2,595
Other		9,648	13,130	11,856	18,346
Total - current		<u>407,043</u>	<u>322,752</u>	<u>530,122</u>	<u>395,219</u>
Prepaid expenses (d)		46,876	43,300	46,876	43,300
Prepaid expenses – pricing deferral		-	-	263,738	135,039
Payables for guarantee deposits	17	23,123	29,916	23,509	30,167
Total - noncurrent		<u>69,999</u>	<u>73,216</u>	<u>334,123</u>	<u>208,506</u>
Total		<u>477,042</u>	<u>395,968</u>	<u>864,245</u>	<u>603,725</u>

(a) Income receivable refers to fund management fees and spread receivable.

(b) For purposes of compliance with CPC 47, all payments relating to advance commissions for the sale of consortium shares and insurance brokerage fees transferred to singular cooperatives are recorded in assets, restated monthly on an accrual basis, with new deferrals and the write-off of those recognized as expenses.

(c) Amounts receivable from system companies refer to administrative and other sundry expenses paid by the Bank and collected subsequently.

(d) Prepaid expenses classified in noncurrent assets refer to allocation of transaction costs of foreign borrowings.

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11. Interests held in domestic subsidiaries

Investments assessed under the equity method in subsidiaries Corretora de Seguros Sicredi Ltda. (Insurance Broker), Administradora de Bens Sicredi Ltda. (Asset Administrator) and Administradora de Consórcios Sicredi Ltda. (Consortia Administrator) are as follows:

	Individual							
	Insurance Broker		Asset Administrator		Consortia administrator		Total	Total
	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Number of units of interest held	400	400	49,276	49,276	74,993	74,993		
Interest percentage	100.00	100.00	99.98	99.98	99.99	99.99		
Capital	400	400	49,286	49,286	75,000	75,000		
Equity	35,310	33,282	53,460	53,171	92,796	87,936		
Net income for the year	2,028	4,155	289	97	10,984	10,022		
Investment amount	35,310	33,282	53,449	53,161	98,910	87,927	187,669	174,370
Equity pickup	2,028	4,155	289	97	10,983	10,021	13,300	14,273

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12. Property and equipment in use and intangible assets

	Annual depr./ amort. rates %	Individual											
		Adjusted cost 12/31/2023	Acquisitio ns	Write- offs	Transfer s	(a) Adjusted cost 12/31/2024	Depr./ Amort. 12/31/2023	Depr./ Amort. Period	Write-offs Depr./ Amort.	Transfer s Depr./ Amort.	(b) Depr./ Amort. 12/31/2024	(a) + (b) Net 12/31/2024	Net 12/31/2023
Property and equipment in use		15,690	11,050	(1,718)	-	25,022	(7,896)	(1,504)	134	-	(9,266)	15,756	7,794
Land	-	151	5,553	(28)	-	5,676	-	-	-	-	-	5,676	151
Buildings	4	6,017	670	-	-	6,687	(2,579)	(90)	-	-	(2,669)	4,018	3,438
Furniture, fixtures and facilities	10	3,185	2,819	(5)	50	6,049	(1,998)	(606)	2	-	(2,602)	3,447	1,187
IT equipment and processing systems	20	3,532	437	(376)	-	3,593	(2,135)	(553)	19	-	(2,669)	924	1,397
Transportation systems	20	1,479	900	(226)	-	2,153	(905)	(207)	113	-	(999)	1,154	574
Other	10	323	671	(1,083)	953	864	(279)	(48)	-	-	(327)	537	44
Construction in progress	-	1,003	-	-	(1,003)	-	-	-	-	-	-	-	1,003
Intangible assets	20	3,619	-	-	-	3,619	(3,617)	(2)	-	-	(3,619)	-	2
Total		19,309	11,050	(1,718)	-	28,641	(11,513)	(1,506)	134	-	(12,885)	15,756	7,796

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	Annual depr./ amort. rates %	Consolidated											
		Adjusted cost 12/31/2023	Acquisiti ons	Write- offs	Transfers	(a) Adjusted cost 12/31/2024	Depr./ Amort. 12/31/2023	Depr./ Amort. Period	Write- offs	Transfe rs	(b) Depr./ Amort. 12/31/2024	(a) + (b) Net 12/31/2024	Net 12/31/2023
Property and equipment in use		103,134	15,063	(1,746)	-	116,451	(41,749)	(4,831)	147	-	(46,433)	70,018	61,385
Land	-	6,618	5,553	(28)	-	12,143	-	-	-	-	-	12,143	6,618
Buildings	4	49,884	847	-	2,786	53,517	(15,443)	(1,047)	-	-	(16,490)	37,027	34,441
Furniture, fixtures and facilities	10	33,742	3,013	(19)	55	36,791	(20,984)	(2,678)	3	-	(23,659)	13,132	12,758
IT equipment and processing systems	20	5,808	453	(390)	-	5,871	(3,798)	(734)	31	-	(4,501)	1,370	2,010
Transportation systems	20	1,511	900	(226)	-	2,185	(937)	(207)	113	-	(1,031)	1,154	574
Other	10	1,542	687	(1,083)	(24)	1,122	(587)	(165)	-	-	(752)	370	955
Construction in progress	-	4,029	3,610	-	(2,817)	4,822	-	-	-	-	-	4,822	4,029
Intangible assets	20	3,642	-	-	-	3,642	(3,638)	(4)	-	-	(3,642)	-	4
Total		106,776	15,063	(1,746)	-	120,093	(45,387)	(4,835)	147	-	(50,075)	70,018	61,389

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13. Deposits and open-market funding

Deposits and funding, per maturity range, are as follows:

	Individual				Consolidated		
	12/31/2024			12/31/2023	12/31/2024	12/31/2023	
	No maturity and within 3 months	3 to 12 months	Over 12 months	Total	Total	Total	
Deposits	43,645,363	8,922,508	9,216,950	61,784,821	52,644,331	61,778,414	52,638,664
Demand deposits	101,335	-	-	101,335	96,441	94,928	90,774
Deposits in savings accounts	32,713,926	-	-	32,713,926	28,063,060	32,713,926	28,063,060
Interbank deposits	4,674,901	8,724,042	9,012,210	22,411,153	16,500,545	22,411,153	16,500,545
Time deposits	6,155,201	198,466	204,740	6,558,407	7,984,285	6,558,407	7,984,285
Open market funding	2,384,092	1,309,980	5,315,611	9,009,683	14,511,566	9,009,683	14,511,566
Own portfolio	15,191	1,309,980	5,315,611	6,640,782	14,511,566	6,640,782	14,511,566
Third-party portfolio	2,368,901	-	-	2,368,901	-	2,368,901	-
Total - 2024	46,029,455	10,232,488	14,532,561	70,794,504		70,788,097	
Total - 2023	36,472,043	9,743,689	20,940,165		67,155,897		67,150,230
Total - current				56,261,943	46,215,732	56,255,536	60,104,395
Total - noncurrent				14,532,561	20,940,165	14,532,561	7,045,835

14. Funds from acceptance and issue of securities

	Individual and Consolidated				12/31/2023
	12/31/2024				
	Up to 3 months	3 to 12 months	Over 12 months	Total	
Funds from agribusiness credit bills	4,856,698	14,676,134	24,209,951	43,742,783	38,709,533
Payables for issue of financial bills	997,603	2,281,126	4,857,094	8,135,823	7,039,983
Total - 2024	5,854,301	16,957,260	29,067,045	51,878,606	
Total - 2023	2,207,292	13,604,324	29,937,900		45,749,516
Total - current				22,811,561	15,811,616
Total - noncurrent				29,067,045	29,937,900

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15. Borrowings and onlending obligations

	Individual and Consolidated				12/31/2023
	12/31/2024				
	Up to 3 months	3 to 12 months	Over 12 months	Total	Total
Borrowings	873,781	2,806,490	5,742,413	9,422,684	6,395,507
Domestic loans – official institutions	10,065	28,777	283,188	322,030	194,648
Domestic loans	79,915	724,288	556,408	1,360,611	1,373,802
Foreign loans (a)	783,801	2,053,425	4,902,817	7,740,043	4,827,057
Local onlending obligations - official institutions	1,381,706	6,908,666	24,918,903	33,209,275	24,046,308
National Treasury	114,228	319,312	64,284	497,824	373,247
Banco do Brasil	132,241	449,093	1,857,761	2,439,095	2,067,664
Brazilian Development Bank (BNDES)	892,229	4,473,533	17,185,321	22,551,083	15,971,585
Machinery and Equipment Financing (FINAME)	236,270	1,589,568	5,278,637	7,104,475	5,249,891
Financing Fund for the North Region (FNO) Banco da Amazônia	6,738	77,160	527,220	611,118	383,921
FINEP	-	-	5,680	5,680	-
Total - 2024	2,255,487	9,715,156	30,661,316	42,631,959	
Total - 2023	1,666,314	7,519,320	21,256,181		30,441,815
Total - current				11,970,643	9,185,634
Total - noncurrent				30,661,316	21,256,181

(a) Foreign loans are represented by funds raised in foreign currency maturing by June 2031. Certain funding agreements are subject to covenants. As at December 31, 2024, the Bank is compliant with the clauses of referred to agreements.

In the third quarter of 2024, Sicredi raised US\$297 million (approximately R\$1.6 billion) from the Development Bank of Latin America and Caribbean (CAF), the Japan International Cooperation Agency (JICA), among other institutions. This funding, carried out through an A/B social loan, involved the participation of CAF as the Mandated Lead Arranger – the structurer of the operation, while BNP Paribas and SMBC acted jointly as Social Loan Coordinators, aiming to ensure that eligible projects provide social benefits in accordance with internationally accepted definitions.

The raised funds were allocated to finance women-led micro small and medium sized enterprises (MPMEs). In addition, a portion of the resources was allocated to credit in municipalities with a Human Development Index (HDI) below the national average, and another portion for financing of rural producers.

Domestic onlending obligations mostly represent funds raised from the Brazilian Development Bank (BNDES). According to the characteristics of each program, the transactions entered into have monthly, quarterly, half-yearly and annual maturities until 2035. These funds are transferred using the same periods and rates of the funding program plus onlending commission amounts.

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16. Other financial liabilities

	Note	Individual		Consolidated	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
Receipts and payments to be settled		13,269	25,474	13,269	25,474
Payment transactions (a)		13,036,044	10,115,934	13,036,044	10,115,934
Third-party funds in transit		175,777	201,609	175,777	201,609
Securities trading		6,776	5,996	6,775	5,996
Provision for interest on rural savings account		100,085	84,757	100,085	84,757
Card transactions (d)		2,707,736	1,786,858	2,707,736	1,786,858
Deferred revenue (c)		-	-	97,902	46,653
Exchange portfolio	16.a	163,224	55,284	163,224	55,284
Subordinated debt	16.c	68,533	65,413	68,533	65,413
Other		3	29	3	29
Total - current		16,271,447	12,341,354	16,369,348	12,388,007
Deferred revenue (c)		-	-	263,738	135,039
Exchange portfolio – advances	16.a	(30,677)	-	(30,677)	-
Hybrid equity and debt instruments	16.b	1,608,668	980,137	1,608,668	980,137
Subordinated debt	16.c	1,672,896	1,457,498	1,672,896	1,457,498
Total - noncurrent		3,250,887	2,437,635	3,514,625	2,572,674
Total		19,522,334	14,778,989	19,883,973	14,960,681

- (a) Payment transactions refer to amounts that will be paid to merchant acquirers, relating to the issue financial agenda.
- (b) Card transactions refer to amounts that will be paid to commercial establishments and other partners relating to the acquiring financial agenda, as well as any issue agenda balances awaiting to be settled by the card association.
- (c) For purposes of compliance with CPC 47, all payments relating to the administration fee on bids and prepayments for sale of pooled financing schemes and insurance brokerage recorded in liabilities are restated monthly on an accrual basis, with new deferrals and the write-off of those recognized as expenses.

a) Exchange portfolio

	Note	Individual and Consolidated	
		12/31/2024	12/31/2023
Foreign exchange payables		24,405	17,016
Exchange purchase obligations		969,782	520,115
Advances on exchange contracts	7.a	(830,963)	(481,847)
Total - current		163,224	55,284
Advances on exchange contracts	8.a	(30,677)	-
Total - noncurrent		(30,677)	-
Total		132,547	55,284

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b) Hybrid equity and debt instruments

On May 2, 2005, pursuant to CMN Resolution No. 2837/01, repealed and replaced by CMN Resolution No. 4955/21, the Bank raised the amount of R\$52,400 from the Central Cooperatives associated with Sicredi System, by issuing Bank Deposit Receipts (RDB), for purposes of eligibility as "Hybrid equity and debt instruments". This transaction has no maturity and its yield is subject to the daily average rate of Interbank Deposits, namely "DI Rate – Cetip Over Extra Grupo" expressed as a percentage per annum, based on 252 days, calculated and disclosed on a daily basis by B3.

On January 3, 2014, in conformity with CMN Resolution No. 4192/13, repealed and replaced by CMN Resolution No. 4955/21, the Bank raised the amount of R\$134,539 from the Central Cooperatives by issuing Perpetual Subordinated Financial Bills (eligible for Authorized Additional Capital), for purposes of eligibility as "Hybrid equity and debt instruments", in replacement for the Bank Deposit Receipts (RDB) issued in 2005. The operation was contracted subject to no maturity and remuneration pegged to 100% of the DI rate expressed as a percentage per year, based on 252 days, calculated and informed on a daily basis by B3. The funds raised may be used for absorbing losses, if any.

In conformity with CMN Resolution No. 4955/21, Banco Sicredi issued Perpetual Subordinated Financial Bills (eligible for Authorized Additional Capital): on December 14, 2023, in the amount of R\$750 million, with remuneration pegged to 100% of the CDI + 3.6% p.a., and on August 21, 2024, in the amount of R\$600 million, with remuneration pegged to 100% of the CDI + 2.54% p.a. These transactions were acquired by the Central Cooperatives and have no maturity.

Fund-raising is distributed as follows:

Central	Individual and Consolidated	
	12/31/2024	12/31/2023
Central Sicredi Sul/Sudeste	668,275	430,712
Central Sicredi Nordeste	31,438	12,971
Central Sicredi Paraná/São Paulo/Rio de Janeiro states	465,104	280,548
Central Sicredi Centro Norte	303,174	173,214
Central Sicredi Brasil Central	140,677	82,692
Total	<u>1,608,668</u>	<u>980,137</u>

c) Subordinated debt

In conformity with CMN Resolution No. 4955/2021, the Bank has Subordinated Financial Bills (LFSN) amounting to R\$959,600, maturing up to 2034.

In January 2022, the Bank issued Subordinated Green Bonds amounting to US\$100 million with IDB Invest, a member of the Inter-American Development Bank (IDB), fully allocated to finance renewable energy and energy efficiency projects with Sicredi members. The amount raised in Brazilian reais is R\$549,780 and matures in ten years (principal), with payment of semiannual interest.

As at December 31, 2024, the adjusted amount of these subordinated debt instruments totals R\$1,741,429 (R\$1,522,911 in December 2023).

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17. Provision for civil, tax and labor contingencies

The Bank is a party to legal proceedings whose likelihood of an unfavorable outcome is rated by its legal advisors as probable. The estimated amounts and respective provisions are recorded under "Provision for civil, tax and labor contingencies" and are presented below, according to the nature of these liabilities.

Nature	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Labor	15,682	21,891	15,752	21,958
Civil	10,935	10,420	10,981	10,461
Total - noncurrent	26,617	32,311	26,733	32,419

As at December 31, 2024, the Bank was also a party to civil, labor and tax proceedings whose likelihood of an unfavorable outcome is considered possible amounting to R\$73,467 (R\$63,095 in December 2023), individual, and to R\$86,023 (R\$75,767 in December 2023), consolidated.

From the actions assessed as probable loss, we highlight the civil action for pain and suffering amounting to R\$56,686 (R\$50,458 in December 2023) filed against Banco Sicredi referring to the Brazilian federal government's Minha Casa Minha Vida Program which, allegedly, was not adequately complied with.

Changes in the provision for civil and labor contingencies are as follows:

Nature	Individual			
	12/31/2023	Increase in provision	Write-off/Reversal of provision	12/31/2024
Labor	21,891	3,038	(9,247)	15,682
Civil	10,420	811	(296)	10,935
Total - noncurrent	32,311	3,849	(9,543)	26,617

Nature	Consolidated			
	12/31/2023	Increase in provision	Write-off/Reversal of provision	12/31/2024
Labor	21,957	3,042	(9,247)	15,752
Civil	10,462	817	(298)	10,981
Total - noncurrent	32,419	3,859	(9,545)	26,733

As at December 31, 2024, judicial deposits relating to aforementioned risks amount to R\$23,123 (R\$29,916 in December 2023) and R\$23,509 (R\$30,167 in December 2023) in the individual and consolidated financial statements, respectively, recorded under "Other assets".

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18. Other liabilities

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Collection of taxes, charges and contributions (a)	3,707	3,249	3,707	3,249
Dividends payable	118,885	86,339	118,885	86,339
Tax and social security obligations	9,551	39,427	29,278	56,978
Sundry creditors	125,602	66,115	136,507	73,272
Real estate creditors	78,431	48,448	78,431	48,448
Obligations due to official agreements (b)	23,574	26,237	23,574	26,237
Provision for payments to be made	15,484	13,316	15,483	13,316
Accrued payroll	43,959	43,168	44,978	44,592
Accounts payable – Group companies (c)	128,727	192,962	229,661	278,530
Other suppliers (d)	94,890	39,635	95,708	41,751
Total	642,810	558,896	776,212	672,712

(a) Collection of taxes, charges and contributions refers Tax on Financial Transactions (IOF), Social Security Tax Payment Forms (GPS), Federal Tax Payment Forms (DARFs) and Simplified Tax Regime (Simples Nacional) Collection Document (DAS).

(b) Obligations due to official agreements refer to amounts received from the Brazilian Social Security Institute for payment of monthly social security benefits.

(c) Accounts payable – Group companies refer to compensation amounts for Bank products distributed by Sicredi cooperatives.

(d) Other accounts payable refer mainly to technology of financial services provided by Fiserv.

19. Equity

a) Capital

As at December 31, 2024, capital amounts to R\$4,870,974 (R\$4,670,974 in December 2023), represented by 3,773,128,323 common shares (3,576,438,110 in December 2023), 330,142,434 Class A registered preferred shares with no par value (330,142,434 in December 2023), and 330,142,434 registered preferred shares with no par value (330,142,434 in December 2023).

In the Board of Directors meeting held on August 21, 2024, a capital increase by R\$200,000 was authorized by means of issue of 163,907,870 common shares. This contribution was approved by the Central Bank on September 4, 2024.

Class A preferred shares entitle their bearers to the following: (a) fixed and noncumulative dividends; (b) priority upon payment of dividends over all classes of shares currently existing and to be issued by the Bank; (c) the same voting rights granted to holders of the Bank's common shares currently existing; and (d) priority upon reimbursement of capital. Dividends attributed to common shares are calculated based on profits remaining after class A preferred shares are paid.

Class B preferred shares entitle their bearers to the following: (a) fixed and noncumulative dividends; (b) priority upon payment of dividends over all classes of shares currently existing and to be issued by the Bank, except Class A preferred shares, which shall be placed *pari passu* with Class B preferred shares and therefore have the same priority as Class B preferred shares; and (c) priority upon reimbursement of capital, *pari passu* with Class A preferred shares.

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Shares	12/31/2023	Changes in the year	12/31/2024
	Balance	Payment	Balance
Common shares	3,576,438,110	196,690,213	3,773,128,323
Class A preferred shares	330,142,434	-	330,142,434
Class B preferred shares	32,782,343	(32,782,343)	-
Total	3,939,362,887	163,907,870	4,103,270,757

Income reserve

Legal reserve – set up at 5% of net income for the year capped at 20% of capital under the terms of article 193 of Law No. 6404/76.

a) Dividends

Under the terms of the Bank's bylaws, net income calculated, after legal and statutory allocations, will be fully distributed to the shareholders.

The Executive Board meeting held on January 22, 2025 approved the allocation of the Bank's net income for 2024, in the amount of R\$140,931, of which R\$15,000 was distributed to shareholders as interest on equity and imputed to dividends, and R\$118,885 will be distributed via dividends.

20. Income and social contribution taxes

a) Reconciliation of income and social contribution taxes

Provisions for social contribution tax were recorded at the rate of 20% and provisions for income tax at the rate of 15%, and surtax of 10% on taxable profit exceeding R\$240 in the year, on taxable profit, as follows:

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	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Income before profit sharing, interest on equity and before income taxes	249,342	305,812	255,842	313,152
Profit sharing and interest on equity	(25,246)	(27,183)	(25,938)	(28,145)
Income after profit sharing, interest on equity and before income taxes	224,096	278,629	229,904	285,007
Income and social contribution taxes at 45% (2022 - 46%)	(100,843)	(125,383)	(103,457)	(128,253)
Exclusions / (Additions)				
Permanent				
Equity pickup in subsidiaries	5,890	6,423	5,890	-
Tax incentives	-	2,206	285	2,570
Setup of provision for profit sharing – directors	(2,011)	(1,741)	(2,011)	(1,741)
Directors' compensation	(278)	(295)	(278)	(295)
Gifts, donations and sponsorship	(220)	(1,459)	(315)	(2,021)
Interest on equity	6,750	54,000	6,750	54,000
Effect of rate increase (a)	-	-	6,496	2,283
Other permanent changes	6,467	382	6,539	438
Surtax	-	24	399	497
Other	934	768	934	768
Subtotal	17,532	60,308	24,689	56,499
Temporary				
(Provision for) Reversal of profit sharing - employees	296	(244)	388	(226)
(Provision) for profit sharing – directors	(841)	(1,601)	(841)	(1,601)
(Provision for) reversal of loan transactions	(32,825)	35,241	(32,825)	35,241
(Provision for) reversal of provision for civil, tax and labor contingencies	781	(20)	778	640
MtM adjustment of securities	390,612	(73,271)	390,612	(73,271)
Other provisions for incentives	(21,523)	(18,519)	(21,523)	(18,519)
Depreciation	-	-	(50)	(19)
Income tax loss	(140,059)	-	(140,059)	(1,007)
Social contribution tax loss	(113,131)	-	(113,131)	-
Other, net	-	-	(738)	-
Subtotal	83,310	(58,414)	82,611	(58,762)
Current income tax	-	(68,177)	(4,710)	(73,230)
Current social contribution tax	-	(55,312)	(1,824)	(57,286)
Reversal of prior year's income and social contribution taxes	611	4,536	641	4,837
Tax credits recorded	(83,310)	57,523	(82,611)	57,871
Income and social contribution taxes recorded in P&L	(82,699)	(61,430)	(88,504)	(67,808)
Effective rates	37%	22%	38%	24%

(a) The effect of the rate increase refers to the rate difference for the other non-financial companies, in which social contribution tax rate is of 9%.

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b) Deferred tax assets and liabilities

i. *Breakdown of deferred taxes*

As at December 30, 2024, deferred tax credit assets and liabilities already consider the tax rates of 25% for income tax and 20% for social contribution tax and, in the year ended December 31, 2023, the rates considered were 20% income tax and 21% social contribution tax. These amounts were recorded under tax credits in assets and deferred tax obligations in liabilities, as follows:

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Temporary differences – deferred tax assets				
Provision for civil, tax and labor contingencies	11,978	14,540	12,018	14,577
Provisions for profit sharing	12,361	12,284	12,596	12,611
Provision for losses on assets	58,324	23,717	58,324	23,717
MtM of marketable securities and derivative financial instruments	324,668	246,678	324,668	246,678
Other provisions	41,553	20,031	43,298	21,038
Income and social contribution tax losses	253,190	-	253,190	-
Deferred income	-	-	122,957	61,775
Total	<u>702,074</u>	<u>317,250</u>	<u>827,051</u>	<u>380,396</u>
Temporary differences – deferred tax liabilities				
MtM of marketable securities and derivative financial instruments	(560,155)	(131,429)	(560,155)	(131,429)
Depreciation and amortization	-	-	(654)	(704)
Deferred expenses	-	-	(122,957)	(61,775)
Total	<u>(560,155)</u>	<u>(131,429)</u>	<u>(683,766)</u>	<u>(193,908)</u>

Recognition in accounting took into consideration the probable realization of these taxes based on future results prepared based on internal assumptions and future economic scenarios which may, therefore, change.

As at December 31, 2024, present value of net tax credits, calculated at the average rate of 11.79% (11.31% in December 2023), computed based on the average rate of government securities and loan transactions in portfolio, amounts to R\$499,329 (R\$217,329 in December 2023).

As at December 31, 2024 and December 31, 2023, no tax credits were recorded.

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ii. Estimated realization period

As at December 31, 2024 and December 31, 2023, deferred tax asset amounts are expected to be realized as follows:

Year	Individual		Consolidated	
	Credit amounts		Credit amounts	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
2024	-	59,958	-	77,669
2025	127,749	39,689	163,669	49,500
2026	111,310	28,521	130,404	36,925
2027	119,611	18,872	136,186	26,037
2028	95,215	60,334	109,368	66,322
2029	98,474	53,736	110,262	58,553
2030	120,191	7,041	129,516	10,840
2031	9,394	16,021	16,135	18,574
2032	4,537	28,974	8,886	30,647
2033	7,357	4,103	10,348	5,329
2034	1,969	-	4,202	-
2035	6,267	-	8,074	-
Total	702,074	317,249	827,050	380,396

Since the taxable base of income and social contribution taxes derives not only from income that may be generated but also from whether or not there are nontaxable revenues, nondeductible expenses, tax incentives and other variables, the Institution's net income and income/(expenses) relating to income and social contribution taxes are not immediately correlated. As such, the expected use of tax credits should not be understood as the sole indication of future results of the Institution.

iii. Changes in the year

	Individual					
	Deferred assets		Deferred liabilities		Equity	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Balance at beginning of year	317,250	191,934	(131,429)	(29,922)	33,714	-
Deferred taxes accrued/provisioned	850,860	559,435	(711,412)	(409,104)	12,039	(52,097)
Deferred taxes realized/reversed	(466,036)	(434,119)	282,686	307,597	(51,914)	18,383
Balance at end of year	702,074	317,250	(560,155)	(131,429)	(6,161)	(33,714)

	Consolidated					
	Deferred assets		Deferred liabilities		Equity	
	12/31/2023	12/31/2023	12/31/2023	12/31/2023	12/31/2023	12/31/2023
Balance at beginning of year	380,396	192,978	(193,908)	(30,647)	33,714	-
Deferred taxes accrued/provisioned	975,837	622,581	(835,024)	(471,583)	12,039	(52,097)
Deferred taxes realized/reversed	(529,183)	(435,163)	345,166	308,322	(51,914)	18,383
Balance at end of year	827,050	380,396	(683,766)	(193,908)	(6,161)	(33,714)

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21. Balances and transactions with related parties

Related institutions / Sistema de Crédito Cooperativo (Sicredi)

As mentioned in the Operations section (Note 1), the Bank was created in order to fulfill the needs of Credit Cooperatives in accessing the financial market as a whole. Major operations performed by the Bank and Sicredi System entities are as follows:

	Individual	
	12/31/2024	12/31/2023
Assets	104,260,664	89,121,871
Investments in interbank deposits	13,351,987	11,186,453
Interbank onlending	77,089,406	67,051,730
Loan transactions	186,643	280,297
Income receivable	1,652	45,648
Other receivables – sundry	13,706,344	10,592,960
Allowance for expected losses associated with credit risk	(75,368)	(35,217)
Liabilities	33,367,732	36,460,905
Demand deposits	56,276	45,473
Time deposits	6,155,201	7,162,669
Interbank deposits	23,046,722	15,850,348
Open market funding – own portfolio	-	12,094,700
Open market funding – third-party portfolio	2,368,901	-
Social and statutory obligations	130,534	130,534
Other obligations - sundry	1,430	197,044
Hybrid equity and debt instruments	1,608,668	980,137
	12/31/2023	12/31/2023
Revenues	8,530,549	8,067,150
Loan transactions	5,837,913	5,239,687
Gain (loss) on marketable securities	1,981,622	2,360,846
Service revenues	18,636	30,958
Other operating income	692,378	435,659
Expenses	5,849,179	7,412,162
Market funding transactions	3,685,025	5,641,178
Other administrative expenses	2,142,167	1,829,219
Other operating expenses	(18,191)	711
(Reversal of) allowance for expected losses associated with credit risk	40,178	(58,946)

Related institutions / subsidiaries

Demand deposits

	12/31/2024	12/31/2023
Administradora de Bens Sicredi	57	66
Corretora de Seguros Sicredi	3,082	2,783
Administradora de Consórcios Sicredi	3,268	2,818
Total	6,407	5,667

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Loan transactions with related parties were performed under conditions similar to those practiced by third parties, in effect at transaction dates.

Key management personnel compensation

At the Annual General Meeting, the shareholders decide:

- The monthly compensation of the CEO, executive director and directors; and
- The CEO, executive director and directors are also be entitled to the prerogatives provided for in Sicredi Benefit Program (PBS) and Cooperative Education Program (PEC) under the term of respective regulations and under conditions equivalent to the other employees.

Concerning management compensation, the current policy establishes that 50% of variable compensation, if any, will be readily paid and 50% will be available in three successive equal annual installments, the first of which maturing in the year subsequent to payment date. This procedure complies with CMN Resolution No. 3921/10, which provides for the policy for compensation of management of financial institutions.

Management compensation paid was as follows:

Short-term benefits – management

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Salaries	7,836	6,839	7,836	6,839
Profit sharing	6,236	8,578	6,236	8,578
Social Security Tax (INSS)	2,632	3,446	2,671	3,486
Total	16,704	18,863	16,743	18,903

Post-employment benefits

	Individual and Consolidated	
	12/31/2024	12/31/2023
Supplementary pension plan – defined contribution	327	335
Total	327	335

The Bank and its subsidiaries provide key management personnel with no share-based payment, severance or long-term benefits.

22. Investment funds managed by Banco Cooperativo Sicredi S.A.

The Bank manages investment funds, whose equity as at December 31, 2024 amounted to R\$142,898,509 (R\$107,698,641 in December 2023).

Revenue from investment fund management in the year amounted to R\$35,963 (R\$ 30,685 in December 2023) and is presented under service revenues (Note 23).

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23. Service revenues

	Individual			Consolidated		
	2nd half of 2024	12/31/2024	12/31/2023	2nd half of 2024	12/31/2024	12/31/2023
Fund management	19,458	35,963	30,685	19,458	35,963	30,685
Collection	2,624	5,266	5,382	2,624	5,266	5,382
Custody	1,574	2,901	2,259	1,574	2,901	2,259
Bank services	2,635	5,213	5,321	2,635	5,213	5,321
Fund management fee	181	350	301	181	350	301
Clearance processing (a)	997	1,903	2,052	997	1,903	2,052
Agreements (b)	9,686	22,649	29,984	9,686	22,649	29,984
Cards issued	12,066	22,289	19,503	12,065	22,288	19,503
Rent	-	-	-	165	1,248	4,519
Guarantees given	2,171	3,643	1,894	2,171	3,643	1,894
Consortium management fees	-	-	-	266,124	467,812	324,750
Insurance commission	-	-	-	532,119	1,023,179	859,622
Other services	1	2	3	1	3	3
Total	51,393	100,179	97,384	849,800	1,592,418	1,286,275

(a) Clearance processing refers to services for clearance of checks and other documents.

(b) Revenue from agreements refers to revenue from public and private agreements.

24. Personnel expenses

	Individual			Consolidated		
	2nd half of 2024	12/31/2024	12/31/2023	2nd half of 2024	12/31/2024	12/31/2023
Salaries	31,850	62,511	60,111	32,664	64,183	62,855
Benefits	9,488	17,782	15,633	9,642	18,199	16,345
Social charges	10,285	21,210	21,241	10,633	21,931	22,330
Training	765	919	1,237	765	950	1,259
Other personnel expenses	257	378	1,084	257	379	1,084
Total	52,645	102,800	99,306	53,961	105,642	103,873

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25. Administrative expenses

	Individual			Consolidated		
	2nd half of 2024	12/31/2024	12/31/2023	2nd half of 2024	12/31/2024	12/31/2023
Financial System Services (a)	843,504	1,654,221	1,476,270	1,039,516	1,992,351	1,694,397
Depreciation and amortization	932	1,505	1,302	2,596	4,836	4,608
Communication	3,927	7,433	6,390	4,236	7,953	6,828
Data processing	11,918	23,704	19,981	12,050	23,951	20,270
Third-party services (b)	404,544	665,943	405,025	442,205	744,840	463,582
Cooperative agreements (c)	-	-	-	437,533	839,018	737,534
Partners' compensation	-	-	-	5,593	8,093	6,498
Utilities	266	583	673	283	614	699
Rent	3,995	6,238	923	1,520	2,260	335
Condominium fees	2,576	4,954	4,587	2,684	5,185	4,818
Advertising, publicity, promotions and public relations (d)	127,303	178,973	105,794	154,945	228,391	118,317
Transportation	184	217	86	184	218	91
Travel	1,133	1,687	2,261	1,218	1,788	2,312
Rates and fees	606	1,314	1,303	674	1,448	1,385
Deductible donations	3,083	4,415	8,128	3,721	5,053	8,830
Other expenses	2,293	4,621	3,915	2,624	5,289	4,687
Total	1,406,264	2,555,808	2,036,638	2,111,582	3,871,288	3,075,191

- (a) Financial System Services substantially comprise expenses with provision of services by the Cooperatives that are members of Sicredi relating to allocation of funds from BNDES loan facilities, equalization of costs of the National Family Farming Strengthening Programs (PRONAF), insurance, pension plans, consortia, issue and acquisition of cards and other means of payment, clearing of checks and other documents, credit with official resources or transferred by other financial institutions, foreign exchange, savings, funds and investment clubs, and any other financial and nonfinancial products and services, subject to specific regulations.
- (b) Third-party services refer primarily to the amounts paid to Visa and Mastercard for credit and debit card processing.
- (c) Cooperative agreements basically refer to expenses with units of interest of Administradora de Consórcios Sicredi Ltda. and insurance operations of Corretora de Seguros Sicredi Ltda. performed by Credit Cooperatives that form part of Sicredi.
- (d) The Advertising, publicity, promotions and public relations item was adjusted against Reversal of operating provisions, presented in Note 27 (Other operating provisions), and the adjustments are reflected in the disclosure of the balances as of December 31, 2024 and 2023.

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26. Other operating income

	Individual			Consolidated		
	2nd half of 2024	12/31/2024	12/31/2023	2nd half of 2024	12/31/2024	12/31/2023
Reversal of operating provisions (a)	-	75	-	13,002	24,061	6,714
Service refund – cards (b)	352,213	572,344	364,033	352,213	572,344	364,033
Service refund – centralized	2,163	4,448	7,523	-	-	-
Recovery of charges and expenses	47,297	91,818	80,339	47,403	92,107	80,400
Clearance – RCO (c)	435	1,967	82	435	1,967	82
Advanced receivables - PMA and Domicilio Sicredi (d)	133,627	238,332	213,491	133,627	238,332	213,491
Promotion incentives	119,717	166,692	90,358	119,717	166,692	90,358
Pricing services	64,023	70,688	29,670	64,365	71,463	43,510
Restatement of judicial deposits and tax credits	6,571	13,730	5,818	7,066	14,931	7,264
Other income	6,930	7,850	3,466	7,156	8,286	3,767
Total	732,976	1,167,944	794,780	744,984	1,190,183	809,619

- (a) The balance of Reversal of operating provisions for the period ended December 31, 2023 was reclassified partly to Advertising, publicity, promotions and public relations, as per Note 25 (Administrative expenses).
- (b) Income from service refund – cards refers to tariff and card processing services provided by the Cooperatives.
- (c) Clearance – RCO refers to income from bank clearance tariffs paid by other financial institutions.
- (d) Advanced receivables from PMA and Domicilio Sicredi refer to amounts made available by the Cooperatives to support the volumes advanced by the members corresponding to card operations.

27. Other operating expenses

	Individual			Consolidated		
	2nd half of 2024	12/31/2024	12/31/2023	2nd half of 2024	12/31/2024	12/31/2023
Agreement – Social Security Institute (INSS) (a)	2,022	4,463	7,919	2,022	4,463	7,919
Provisions for and expenses with civil, tax and labor contingencies (b)	234	2,755	8,695	239	2,763	6,756
Provision for guarantees given	3,786	4,106	346	3,786	4,106	346
INSS benefit fees	28,269	53,094	43,158	28,269	53,094	43,158
RCO refund	887	3,609	2,079	887	3,609	2,079
Discounts granted in renegotiations	1,226	1,347	136	1,226	1,347	136
Technology services with means of payment	5,374	6,176	1,618	5,374	6,176	1,618
Fines and interest	92	471	230	92	471	608
Losses on legal proceedings	2,329	2,330	265	2,694	2,750	2,824
Other expenses	347	5,992	4,722	471	6,288	4,960
Total	44,566	84,343	69,168	45,060	85,067	70,404

- (a) Agreement – Social Security Institute (INSS) refers to expenses with provision of bank services such as collection of contributions and payment of social security benefits in connection with the agreement by the Cooperatives part of Sicredi System.
- (b) Other lawsuits represented in this item refer mainly to court fees and losses on appeal bonds.

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28. Capital and risk management structure

Sicredi System considers risk management a priority in conducting its activities and business, and adopts practices in absolute consonance with the precepts of Basel Accords. As such, the System has specialized areas for managing these risks, centralized in Banco Cooperativo Sicredi S.A. The centralized structure has a Risk and Capital Committee and a Statutory Audit Committee, with the participation of independent members, in accordance with regulatory requirements and best practices, which act as advisory boards to the Board of Directors. Major risks managed by the Institution include the Capital Management Structure, and Operational, Business Continuity, Market, Interest Rate variation, Liquidity, Credit, Social, Environmental and Climate, Compliance and Information Security Risks, whose key aspects are presented below:

I - Capital management structure

For purposes of the legislation currently in force, capital management is defined as the continuous process of:

- Monitoring and controlling capital maintained by the Institution;
- Assessing the capital requirements to cover the risks to which the Institution is subject;
- Planning capital objectives and needs, considering the Institution's strategic objectives.

Capital management of Banco Cooperativo Sicredi is carried out by means of a structure compatible with the nature of the operations, complexity of the products and dimension of the Bank's exposure to risk. This structure is responsible for establishing processes, policies and systems that support capital management.

The processes and policies for capital management are defined in accordance with the minimum requirements of the regulation in force, in line with best market practices, and approved by the relevant hierarchy levels.

The processes used by Banco Cooperativo Sicredi for managing capital include:

- Mechanisms that enable the identification, assessment and monitoring of the significant risks incurred by the Institution, including risks not covered by the minimum legal capital requirements;
- Capital objectives at levels above the minimum legal requirements and that reflect the risk appetite, in order to maintain capital to support the risks incurred and ensure that the business grows sustainably and efficiently;
- A capital plan consistent with the strategic planning and comprising a horizon of at least three years;
- Stress tests and measurement of impacts thereof on capital;
- Periodic management reports on capital adequacy for the Executive Board and Board of Directors;
- Capital contingency plan establishing defined and documented strategies and procedures to face stress situations.

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II - Operational risk

This risk is defined as the possibility of loss occurrence resulting from external events, or failure, deficiency or inadequacy of internal processes, people or systems. This definition also includes the legal risk associated with inadequacy or deficiency in agreements entered into by the Institution, with sanctions due to non-compliance with legal provisions or indemnities for damages to third parties deriving from the activities developed by the Institution. Operational risk is managed jointly by the Bank, Centrals and Single Cooperatives. These entities are responsible for complying with internal and external rules and regulations, using tools, methodologies and processes systemically established. These processes are comprised of a set of actions aimed at keeping the risks to which each institution is exposed in appropriate levels. The actions are as follows:

- Internally-established regulations containing rules, roles and responsibilities for managing operational risk spread to the Institution's personnel;
- Identification and analysis, evaluation, response, monitoring and reporting of operational risks;
- Identification, registration and treatment of operational risk events;
- Structured periodic reports on significant operational risk matters provided to governance forums;
- Dissemination of the risk management culture throughout the organization;
- Periodic stress tests for operational risk scenarios;
- Procedures aimed at ensuring the continuity of the Institution's activities and limiting losses derived from interruption of critical business processes, including impact analyses and periodic tests on continuity plans;
- Management of operational risk arising from outsourced services relevant to the regular operation of the Institution.

III – Business continuity risk

Business Continuity Management is the organization's ability to continue the delivery of products and/or services at a previously defined acceptable level, after interruption incidents.

Sicredi has a structure to respond adequately to recovery, restoration and the agreed levels of availability for the most critical services of the System's centralizing entities, in case of events that cause the interruption of its services, thus preserving the interests of all parties involved.

Through a Business Impact Analysis (BIA), the services considered critical are identified, as well as how dependent they are of IT services and outsourced services that support those services. Based on this analysis, it is possible to define the strategies and the respective contingency plans for the main business processes of the Institution, as well as the IT services that support these processes and, thus, the adopted business continuity strategies are defined.

The Integrated Risk Management Policy and the Sicredi Business Continuity Regulation establish the basic principles and the necessary structure that ensure an adequate response to recovery, restoration and the agreed levels of availability for the most critical services of the entities.

The Business Continuity Management system structured in Sicredi includes:

- Regulation on Business Continuity Management;
- Business Impact Analysis (BIA);
- IT disaster recovery strategies from a business perspective;
- Going-concern plans;

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- Plans for replacement of third parties.

Finally, Sicredi's centralized structure offers, through the Systemic Business Continuity Standard, some recommendations for all its cooperatives to increase the resilience of their services, giving guidance on the creation of Business Impact Analyses and Continuity Plans.

IV – Market risk

This is the possibility of loss occurrence due to fluctuation in market values of positions held by a financial institution. Operations subject to currency, interest rate, share price and commodity price risks are included in this definition.

Market risk management of Sicredi System institutions is centralized in Banco Cooperativo Sicredi, by means of a unified structure compatible with the nature of the operations, complexity of the products and dimension of the System's exposure to risk. The centralized structure is responsible for establishing the processes, policies and systems that support the System's entities in managing market risk.

The processes and policies for market risk management are defined in accordance with the minimum requirements of the regulation in force, in line with best market practices, and approved by the relevant hierarchy levels of each System institution.

The processes for managing Sicredi System's market risk include:

- Clear rules for classifying the trading portfolio, which ensure the correct treatment of the operations;
- Procedures for measuring, monitoring and maintaining market risk exposure at levels considered acceptable by the Institution;
- Processes to monitor and report compliance with the Institution's market risk appetite in relation to its capital;
- Definition of market risk methodologies to be applied;
- Systems to calculate and measure risks, considering the complexity of the products and dimension of market risk exposure of the System's institutions.

V - Interest Rate Risk in the Banking Book (IRRBB)

IRRBB is the risk, current or prospective, of the impact of adverse changes in interest rates on the institution's profit or loss or economic value, resulting from the instruments classified in the banking book.

The management of IRRBB of Sicredi System institutions is centralized in Banco Cooperativo Sicredi, by means of a structure compatible with the nature of the operations, complexity of the products and dimension of the System's exposure to risk. The centralized structure is responsible for establishing the processes, policies and systems that support the System's entities in managing the IRRBB.

To measure and control this risk at Sicredi, the Economic Value of Equity (EVE) and Net Interest Income (NII) approaches are used. The Sicredi System defines the rules for calculating the risk of changes in interest rate of operations in line with market practices and the requirements of current regulations.

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The processes for managing Sicredi System's IRRBB include:

- Procedures for measuring, monitoring and maintaining IRRBB exposure at levels considered acceptable by the Institution;
- Processes to monitor and report compliance with the Institution's IRRBB appetite in relation to its capital;
- Definition of IRRBB risk methodologies to be applied;
- Systems to calculate and measure risks, considering the complexity of the products and dimension of IRRBB exposure of the System's institutions.

VI - Liquidity risk

Understanding liquidity risk is essential for sustainability of the institutions that operate in the financial and capital markets, and is associated with the entity's ability to fund the commitments acquired at reasonable market prices and conduct its business plans using stable funding sources. For this effect, liquidity risk is defined as:

- The possibility that the institution will not be able to efficiently honor its expected and unexpected, current and future obligations, including obligations deriving from guarantees given, without affecting the institution's daily operations or incurring in significant losses; and
- The possibility that the institution will not be able to trade a certain position at market price, due to its large size in relation to the volume usually transacted or by reason of market discontinuity.

Market risk management of Sicredi System institutions is centralized in Banco Cooperativo Sicredi, by means of a structure compatible with the nature of the operations, complexity of the products and dimension of the System's exposure to risk. The centralized structure is responsible for establishing the processes, policies and systems that support the System's entities in managing liquidity risk.

The processes and policies for liquidity risk management are defined in accordance with the requirements of the regulation in force, in line with best market practices, and approved by the relevant hierarchy levels of each System institution.

The processes used by Sicredi System for managing liquidity risk include:

- Definition of processes for identifying, assessing, monitoring and controlling exposure to liquidity risk in different time thresholds;
- Establishment of processes for tracking and reporting on compliance with liquidity risk appetite and at levels considered acceptable by the Institution;
- Definition of funding strategies that allow for appropriate dispersion of funding sources and maturity periods;
- Definition of a liquidity contingency plan, regularly updated, which establishes responsibilities and procedures to face liquidity stress situations;
- Stress tests periodically conducted in short and long-term scenarios.

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VII - Credit risk

This consists in identifying, measuring, controlling and mitigating risks derived from loan transactions performed by the financial institutions.

Sicredi manages credit risk by means of a centralized structure and local collegiate committees. The processes and policies for credit risk are defined in accordance with the requirements of the regulation in force, in line with best market practices and the system's risk appetite, approved by the relevant hierarchy levels of the system.

Banco Cooperativo Sicredi is responsible for the set of policies, strategies and methodologies to control and manage exposure to credit risk of the System entities, to wit: responding for the corporate credit risk management policies; developing and proposing credit risk classification methods, including by means of quantitative models; and constantly monitoring exposure to credit risk of all Sicredi companies.

The local areas and collegiate committees are in charge of managing credit risk, in compliance with the policies and limits systemically pre-established.

VIII - Social, Environmental and Climate Risks

Social, environmental and climate risks are defined as the possibility of loss occurrence for financial institutions as a result of social, environmental and climate damages. In addition, it is indirectly involved with a series of other risks, which can generate financial, legal and reputational impacts. Sicredi manages this risk by means of a centralized structure and by the local areas and collegiate committees. The processes and policies for social, environmental and climate risk management are defined in accordance with the requirements of the regulation in force, in line with best market practices, and approved by the relevant hierarchy levels of each System institution.

The processes for managing Sicredi System's social, environmental and climate risks include:

- Internally-established regulations containing rules, methodologies and responsibilities for managing this matter;
- Monitoring of delimitations and prohibitions of exposures subject to social, environmental and climate risks, adhering to the risk appetite of the System;
- Collection and use of data to measure, classify and assess social, environmental and climate risks in operations;
- Stress tests periodically conducted in social, environmental and climate risk scenarios;
- Interlocution and reporting to environmental agencies, federations, business partners and governance forums;
- Constant development of the strategy on the subject, aiming at alignment with market techniques and technologies, as well as the expectations of stakeholders.

IX – Compliance risk

Compliance risk is defined as the possibility of sanctions, financial losses, reputational damage and other damages arising from non-compliance or failure to comply with external regulations (laws and regulations), recommendations from regulatory agencies, self-regulatory codes applicable as well as internal official regulations.

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Compliance risk management, within the scope of Sicredi, is under the responsibility of the Compliance Oversight, an integral structure of Banco Cooperativo Sicredi S.A, which, for systemic monitoring, offers support and information, both to the areas of the companies of the Administrative Center and to the Central and Single Cooperatives, with regard to the compliance process and compliance risk management.

The compliance function is performed in the development and execution of the Compliance Program, structured on the pillars of: (i) Prevention; (ii) Detection; and (iii) Correction.

Processes for managing compliance risk include:

- Identification of the institutions' compliance risks;
- Communication, qualification and training at all levels of the Entity to properly manage compliance risks and comply with legal and (self) regulatory requirements;
- Follow-up and monitoring of significant processes, actions taken to mitigate compliance risks and correct deficiencies, in order to promote compliance.
- Reporting of significant adjustments and new measures to mitigate risks, as well as identified noncompliance;
- Identification of actions and/or processes associated with the main risks, which need to be reviewed, updated or implemented, seeking the effectiveness of the Compliance Program as a whole;
- Treatment for identified noncompliance as well as development of actions to raise awareness, seeking to avoid recurrence.

X - Information security risk

Information Security Risk at Sicredi is defined as the risk relating to the probability that a weakness will be explored, considering all related threats, and the respective impact on confidentiality, completeness or availability of the information. Cyber security risks are included in the context of information security risks.

In Sicredi, information security risk is managed in a joint manner with the Bank, Centrals and Single Cooperatives, which are responsible for complying with internal and external regulations, using systemic tools and methodologies that may be supplemented by local actions. The processes and actions relating to information security are aimed at identifying and maintaining the risks at acceptable levels, including use of appropriate and effective mitigation controls, in compliance with business costs, technology and objectives.

XI – Additional information

Description of the full structure and processes for management of risks and capital may be accessed at www.sicredi.com.br; path: Sobre nós > Relatórios > Gestão de Riscos > Conglomerado Prudencial do Banco > Relatórios de Pilar 3.

The Social, Environmental and Climate Risk Management Policy and the Sustainability Report, documents that contain details and figures of related processes, can also be accessed at www.sicredi.com.br; path: Sobre nós > Sustentabilidade > Políticas e Relatórios.

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29. Sensitivity analysis

In compliance with the requirements of article 35 of Bacen Resolution No. 2/20, we present three scenarios for sensitivity analysis purposes. To define these scenarios, we used assumptions considering the current economic situation, which has impacts on the following financial position items:

- Income(loss) from financial intermediation: considering a decrease in fund application by the Bank's Cooperatives, decrease in funding availability and decrease in the search for credit by the Members and Cooperatives;
- Credit portfolio – increase in provision for expected losses associated with credit risk: increase considering the Cooperatives' size migration and credit portfolio quality;
- Provision for civil, tax and labor contingencies: potential increase due to market and economic uncertainties;
- Tax credits: increase resulting from changes in the items and scenarios described above.

The indicators used in each scenario and their impact on P&L are as follows:

Scenarios	Scenario 1	Scenario 2	Scenario 3
Item analyzed	Trading profit (loss)		
Assumption	Decrease of 5%	Decrease of 10%	Decrease of 15%
Impact on P&L	93,652	187,304	280,956
Item analyzed	Credit portfolio - increase in allowance for expected losses associated with credit risk		
Assumption	Decrease of 20%	Decrease of 30%	Decrease of 40%
Impact on P&L	(24,738)	(37,108)	(49,477)
Item analyzed	Provision for civil, tax and labor contingencies		
Assumption	Decrease of 10%	Decrease of 20%	Decrease of 30%
Impact on P&L	(2,662)	(5,323)	(7,985)
Item analyzed	Impact on tax credits		
Assumption	Increase of 10%	Increase of 20%	Increase of 30%
Impact on P&L	70,207	140,415	210,622

30. Basel and fixed assets ratios

Financial and other institutions authorized to operate by the Central Bank of Brazil should maintain, at all times, Regulatory Capital (RC) computed under the terms of CMN Resolutions No. 4192/13, No. 4193/13 and No. 4955/21, commensurate with the risks inherent in their activities, calculated as follows:

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Operating limits	Individual and Consolidated	
	12/31/2024	12/31/2023
Regulatory Capital (RC)	6,605,133	6,170,671
Tier I (TI)	6,515,496	5,772,839
Core capital (CC)	4,906,828	4,792,703
Capital	4,870,981	4,670,981
Capital reserves	87,563	80,517
Unrealized equity valuation losses	(7,531)	41,206
Prudential adjustments	(44,185)	(2)
Supplementary Capital (SC)	1,608,668	980,137
Financial bills and subordinated debts	1,608,668	980,137
Tier II (TII)	89,637	397,831
Financial bills and subordinated debts	1,741,429	1,522,911
Deduction of investment in other entities	(1,651,792)	(1,125,080)
Risk Weighted Assets (RWA)	35,917,582	30,207,980
Credit risk	30,826,336	26,808,172
Market risk	838,006	449,441
Operational risk	997,187	2,950,367
Payment service risk	3,256,053	-
Interest rate risk in the banking book	101,590	173,874
Capital Margin¹	2,732,198	2,824,960
Basel Index (RC / RWA)	18.4%	20.4%
Tier I Capital (TI / RWA)	4.5%	19.1%
Core capital (CC / RWA)	13.7%	15.9%
Supplementary Capital (SC / RWA)	4.5%	3.2%
Tier II Capital (TII / RWA)	0.2%	1.3%
Fixed assets status (FA)	105,207	95,462
Fixed assets ratio (FA / RC)	1.6%	1.5%

¹ Capital margin consists in the institution's capital in excess of the minimum regulatory requirements and of additional core capital.

31. Clearing agreement (ACO) – Correspondent Banks

As allowed by CMN Resolution No. 3263/05, the Bank entered into agreements referring to clearance and settlement of obligations within Brazil's National Financial System (SFN). Amounts receivable and payable are recorded in the statement of financial position in the respective headings relating to the products, in assets and liabilities, respectively, with no offset.

32. Commitments, guarantees and other responsibilities

a) Commitments, guarantees and other responsibilities

	Individual and Consolidated	
	12/31/2024	12/31/2023
Co-obligations for guarantees given		
Beneficiaries of guarantees given (a)	465,592	225,095
Depositories of amounts in custody/guarantee (b)	20,402,833	36,658,801
Notes under collection (c)	56,738,695	50,923,653

(a) Beneficiaries of guarantees given correspond basically to the amount of guarantees given, collateral and pledges granted to third parties in domestic currency.

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(b) Depositories of amounts in custody/guarantee refer to amounts of third-party notes under custody of B3 and SELIC.

(c) Notes under collection represent third-party notes being collected directly in Brazil.

b) Other guarantees

	<u>Individual and Consolidated</u>	
	<u>12/31/2024</u>	<u>12/31/2023</u>
B3 guarantee margin	388,932	796,280

33. Insurance coverage

The Bank and its subsidiaries take out insurance for their assets subject to risks and operations, for amounts considered sufficient to cover any losses. Insurance coverage was deemed sufficient by Bank management to cover any risks. The risk assumptions adopted, given their nature, are not within the scope of an audit of financial statements; accordingly, such assumptions were not audited by the independent auditors.

34. Other matters

a) Changes to be applied in future periods

To reduce accounting asymmetries between the Central Bank of Brazil (BCB) regulations and the international standards (IFRS), BCB issued the following standards:

CMN Resolution No. 4966/21, and subsequent related amendments, establishes the accounting concepts and criteria applicable to financial instruments, as well as the recognition of hedging relationships (hedge accounting) by financial institutions and other entities authorized by the Central Bank of Brazil; and

BCB Resolution No. 352/23, which revoked the requirements established by BCB Resolution No. 309/23, established accounting procedures related to the definition of cash flows from financial assets, application of the methodology to determine the effective interest rate, recognition of allowance for losses associated with credit risk, and disclosure of information on financial instruments in explanatory notes.

Concurrently with the changes set forth by the resolutions, the Chart of Accounts for Institutions of the National Financial System (COSIF) was reformulated. BCB restructured the COSIF chart of accounts, establishing new structures and limiting the levels of aggregation of the accounts. The changes in the plan were published by the agency by means of the following regulations:

i) BCB Resolution No. 255, dated November 1, 2022: addresses the structure of the COSIF chart of accounts, revoked by BCB Resolution No. 390, dated June 12, 2024;

ii) BCB Ruling No. 318, dated November 4, 2022, and BCB Ruling No. 579, dated December 27, 2024: define the accounting subgroups of the COSIF chart of accounts;

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iii) BCB Resolution No. 320, dated May 31, 2023: provides for the use of the accounting standard and the structures of the COSIF chart of accounts to be observed by institutions regulated by the Central Bank of Brazil, which was revoked by BCB Resolution No. 390, dated June 12, 2024; and

iv) BCB Rulings No. 426 to 433, dated December 1, 2023, BCB Rulings No. 493 to 500, dated July 26, 2024, and BCB Rulings No. 537 to 543, dated November 5, 2024: define the accounting items of the COSIF chart of accounts related to the following groups: (i) realizable and permanent assets; (ii) groups of memorandum accounts – assets and liabilities; (iii) liabilities; (iv) equity; (v) profit or loss.

The impacts from adoption of the regulatory items in effect from January 1, 2025 were analyzed by Banco Cooperativo Sicredi and reflected from the beginning of their effectiveness.

In light of the magnitude of the Resolution under review and the accounting impact, with the revocation of 19 regulations, particularly of CMN Resolution No. 2682/99, which establishes criteria for classification of loan transactions and rules for recognition of allowance for doubtful accounts, the Bank divided the project into phases throughout 2024 to enable a more efficient transition, seeking to identify points of asymmetry with the current policy adopted by the Institution, taking into account the planning of activities, responsible parties, and deadlines for adjustment of the technology systems and internal processes

As such, the Bank conducted simulations to assess the impact of the adjustments that should be reflected in the equity position of financial instruments, matched against the retained earnings/accumulated losses account, net of taxes, upon transition of the standard on January 1, 2025.

i. Allowance for expected losses associated with credit risk and recognition of suspended interest

According to the simulations conducted during the second half of 2024, to gain a better understanding of the potential effect of adopting Resolution No. 4966/21, a reversal (positive impact on equity) of 0.01% of the expected loss amount associated with credit risk is anticipated, based on the total financial assets, given the new methodology that considers expected loss criteria instead of incurred loss (taking into account BCB Resolution No. 352/23).

For analysis purposes, the Bank adopted the adjustment of the stop accrual position on its loan portfolio for transactions as of December 31, 2024, but which do not meet the condition of troubled assets. The determined amounts are not significant upon initial recognition.

ii. Classification of financial assets

With the enactment of CMN Resolution No. 4966/21, marketable securities will be classified based on business models for managing financial assets and on the contractual characteristics of the cash flows of these financial assets. The three new categories are as follows: (i) amortized cost, (ii) fair value through other comprehensive income (FVTOCI), and (iii) fair value through profit or loss (FVTPL). Therefore, when analyzing the classifications and measurements of marketable securities as of January 1, 2025, we did not identify significant impacts from the initial adoption of the aforementioned standard.

Additionally, foreign exchange transactions previously classified under specific assets or liabilities accounts related to foreign currency will now be recorded as derivative financial instruments, according to article 2, item XI, of CMN Resolution No. 4966, subitem c, which establishes that derivatives are financial instruments whose value depends on variables, such as the exchange rate, with settlement occurring at a future date. This transition directly impacts the accounting and financial treatment of these transactions, as they will be measured at FVTPL as of January 1, 2025. In our best estimates, based on the amounts determined, the transition impacts will not be significant upon their initial recognition.

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iii. Effective interest rate

With incorporation of the Effective Interest Rate, the values of financial instruments initially recognized under the Amortized Cost or Fair Value through Other Comprehensive Income (FVOCI) categories will be adjusted based on the transaction costs attributable individually to the transaction and on the amounts received upon acquisition or origination of the instrument, in accordance with articles 12, 13, and 15 of CMN Resolution No. 4966/21. As such, the transaction costs and amounts received will be deferred over the contractual life of the instruments according to the calculation methodology adopted by the Bank, not resulting in a significant impact estimated on profit or loss.

iv. Classification of financial liabilities

No transition adjustments related to the reclassification of Financial Liabilities were identified.

b) Change in tax regulations

On November 17, 2022, Provisional Executive Order No. 1128/22 was signed into Law No. 14467, establishing a new tax treatment regarding losses incurred due to non-receipt of loans by banks and other entities authorized to operate by the Central Bank of Brazil. The objective of the amendment is to align tax and accounting regulations, aiming to reduce the vulnerabilities associated with deferred tax assets recorded in the statement of financial position of financial institutions.

The new law completely alters the rationale for deductibility of losses. As a general rule, once the loan is considered non-performing, the result from multiplication of the non-performing loan by Factor A is deducted, and in subsequent months, the deduction is made by multiplying the loan by Factor B.

Regarding the stock of losses, in summary, the losses determined as of January 1, 2025 related to non-performing loans as of December 31, 2024, which have not been deducted by that date and that have not been recovered, must be excluded from net income when determining the income and social contribution tax bases, at a rate of 1/84 (one eighty-fourths) for each month of the computation period, starting from January 2026. If the period is insufficient, the deduction within up to 120 months is permitted, if elected by December 31, 2025.

Thus, according to the analyses conducted, the amendment led to an estimated impact of R\$62 million on the Institution's P&L, as well as on accrual of deferred tax assets of R\$28 million, affecting the study of tax credits and their respective realization period, given that the balance of allowance for expected losses associated with credit risk was reversed due to the changes set out in CMN Resolution No. 4966/2021 and BCB Resolution No. 352/2023, an amount also reversed for tax credits, as it will not be realized.

c) Tax Reform

The Constitutional Amendment No. 132, enacted in December 2023, establishes the Consumption Tax Reform intended to simplify and modernize the tax system, reduce litigation and increase legal certainty. The regulation of the project was initiated through Supplementary Bill (PLP) No. 68, approved by the House of Representatives in July 2024. In January 2025, following presidential sanction, this PLP was signed into Supplementary Law No. 214/25.

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The main change is in the creation of the Goods and Services Tax (IBS) and the Goods and Services Contribution Tax (CBS) to replace the contribution taxes on gross revenue for Social Integration Program (PIS) and for Social Security Financing (COFINS), the Service Tax (ISS), and the State Value-Added Tax (ICMS). The new legislation will be effective from 2026, with a transition period until 2032. Thus, there will be no changes in tax calculations for 2025. Sicredi has been monitoring the discussions on this topic and awaits other regulations for an accurate assessment of the impacts arising from the tax reform.

d) Adoption of CPC 06 (R2) through CMN Resolution No. 4975/21

The Central Bank of Brazil approved the adoption of CPC 06 (R2) through CMN Resolution No. 4975/21, making the application of the standard mandatory for financial institutions that are lessors and lessees in contracts entered into and/or renewed as of 2025. The gradual adoption was defined by CMN Resolution No. 5101/23. This standard establishes the principles for recognition, measurement, presentation and disclosure of leases by financial institutions, both as lessors and lessees. The amendments will be effective as of January 1, 2025.

e) Floods in Rio Grande do Sul

Sicredi, a cooperative financial institution present in several Brazilian regions, has played a key role in assisting communities affected by the floods in the state of Rio Grande do Sul, by promoting acts of solidarity and support for members and communities affected by the adversities.

In times of natural disasters, such as floods, Sicredi has made efforts to offer financial and logistical support, in order to minimize the impacts and help rebuild the affected areas. The Institution has offered lines of credit with special conditions so that members can resume production and rebuild their properties.

In addition, Sicredi has promoted the collection of donations, encouraging its employees and members to donate food, clothing, personal care products, and other essential items for the affected families. These donations are distributed in an organized manner, so that they reach those who need them most.

The Institution has also invested in financial education programs and guidance for members to help them manage their finances and seek solutions to overcome the challenges caused by floods.

Sicredi's actions during the floods in Rio Grande do Sul demonstrates the Institution's commitment to the sustainable development of the communities in which it operates, seeking to promote solidarity, cooperation and resilience in the face of adverse situations.

Despite the situation experienced in the first half of 2024 in Rio Grande do Sul, no significant impacts on Banco Sicredi's Financial Statements were identified in addition to those mentioned in the explanatory notes.

35. Events after the reporting period

On January 22, 2025, the Bank's capitalization in the amount of R\$550,000 was approved by all members of the Board of Directors. This transaction will take place with the purchase of Supplementary Subordinated Financial Bills (LFSCs) issued by the Bank for Central Cooperatives, with capitalization estimated to occur on February 19, 2025.