

Felipe Peres:

Hello, good morning. Welcome to our virtual meeting for the presentation of the second quarter 2025 results. This event is being recorded and has simultaneous translation into English. The event will be divided into two parts. In the first part, our CEO, André Haui, and our CFO, Rafael Sperendio, will present the main deliverables of the quarter.

The presentation, in Portuguese or English, can be downloaded from our investor relations website at www.bbSecurityri.com.br. In the second part of the event, there will be a Q&A session, where analysts and investors will be able to request additional clarifications.

I will return after the presentations to pass on the guidelines for those who wish to ask questions. Now I will give the floor to André, who will talk about the main highlights of the quarter. André, now it's up to you, please.

André Haui:

Thank you, Felipe. Good morning, my friends. I would like to start by thanking all the people who are following our virtual meeting on BB Seguridade performance in the second quarter of 2025.

This is an important moment to highlight the results achieved from our commitment to value creation, innovation and the continuous search for efficiency on all fronts of our business.

Our net income, without considering IFRS 17 standards and extraordinary events in the period, reached the mark of R\$ 2.2 billion, an approximate growth of 20% compared to the second quarter of 2024.

With our annualized return on equity, they reached the approximate mark of 90% and advanced more than 15 percentage points compared to the same period of the previous year. The significant growth is also observed in the accumulated result of the first half of this year. We achieved a net income of R\$ 4.2 billion, an increase of 14% and a return of approximately 94%, with an increase of 12 percentage points.

The quarter's result was driven by an 11.3% growth in operating income, a significant increase of 69% in financial results, because of efficient asset management in all group companies. From the first retained earnings, the insurer's main revenue metric evolved by almost 10%, totaling a volume of R\$ 3.7 billion.

The loss ratio remained at the lowest historical level and ended the quarter at 21.5%, with an improvement of 5.7 percentage points. In our accumulation businesses, pension reserves expanded 9.4% in 12 months and reached the expressive mark of R\$449 billion. In premium bonds, we reached R\$ 1.8 billion in collection, a strong growth of 24.1% compared to the second quarter of last year.

At BB Corretora, brokerage revenues totaled R\$1.4 billion, up 5.6% in the quarter. The results presented reflect the management capacity and merit of a tireless team for innovating and creating solutions that generate value for all stakeholders.

The new products launched this year are already delivering consistent numbers that pave the way for the company to grow robustly and sustainably. We launched two initiatives at the end of the first Q2 of 2025, which have been gaining traction and being catalysts for results for the company. The first is the Credit Life Insurance for the Consigned Private, which totaled more than R\$ 94 million in premiums. And the second is BB Insurance Protected Consortium, with which we originated more than 7 thousand proposals, representing prizes of more than R\$ 82 million. At the end of June, we launched the lender for new credit life insurance for micro and small companies, a segment that was not previously served by us. In a little over a month, there were R\$ 69 million in prizes.

In livestock- invoicing insurance, there were R\$ 69 million in premiums in the year, guaranteed with the new features we launched for rehiring, a growth of 48% compared to the same period in 2024. Our product commemorating the 30th anniversary of Ouro Cap has been a success. In two months, more than 135 million reais were raised from the sale of 45 thousand bonds.

As part of our channel diversification strategy, we reached a volume of 856 million reais in premiums, issued through commercial partners, equivalent to 11% of the insurer's total. In the structured business segment, where we have a life co-insurance operation and solar panel insurance, we grew 40% compared to the first half of 2024. In cooperatives and Agro resellers, the growth was 55%.

We also sold 3.8 million popular titles to new customers, with a collection of R\$ 11 million. We also advanced in digital channels, where we made 330 thousand sales in the semester. 46% for new customers. Premium bonds and personal protection insurance and personal items, which are important products of our strategy to expand the base and universalize protection solutions, were the ones that grew the most in volume sold.

We continue to advance firmly in the search for efficiency and excellence in service. The NPS, our main satisfaction indicator, advanced 5.7 points and remains consolidated in the quality zone. We reduced the number of complaints by 27% compared to the same period last year and churn fell 10%, reinforcing the loyalty of our base. These advances are a direct reflection of our management capacity and the coordinated action of our companies.

We reduced the ratio of general and administrative expenses on all fronts. 7.8 percentage points in Brasilcap, 1 point in BB Corretora and 0.4 points in Brasilseg. These efficiency gains are not just numbers. They represent our ability to do more with less, to deliver value responsibly and to keep the customer at the center of our decisions.

Now, I give the floor to Rafael, who will present the main numbers of the quarter.

Rafael Sperendio:

Well, good morning, everyone. Thank you, André. Moving on here to the breakdown of our numbers, before commenting in more detail on the result, I wanted to bring a brief explanation about something that is not very common here at BB Seguridade, we segregate non-recurring items from the result, but in this specific TRI, we had an update of the stock of the provision of claims for judicial liquidation in Brasilseg,

that this ended up generating a positive impact, already considering the proportion of our participation, after taxes here at BB Seguridade, in the order of 62 million, which we understand here as an extraordinary item, we segregated from the result of the tri and the half of the year, and this basically stems from a change that we had regulatory, Before, for civil lawsuits, here in our case in particular, there the provision for claims, the judicial liquidation, we did not have a defined criterion, a regulation that defined the monetary adjustment of these provisions, we ended up adopting an internal methodology based on our experience of NPC plus interest on arrears of 1%. And as of last year, it became clear, because of this new law, that the monetary update, it becomes IPCA, plus SELIC minus IPCA.

So, as of the end of last year, we have already started to recognize this update expense according to the new law. And now in the second quarter we updated the entire inventory that generated this impact of 62 million. It's a detail, it's all our promotional material, but I wanted to give this brief highlight here. And then all the numbers that we are going to discuss here are on a recurring basis.

So, starting here our profit. of the second quarter, result of 2.2 billion, 2.3 if we take away that effect of temporal mismatch in the update of the liabilities of the benefit plans defined there at Brasilprev, growth of 20% year over year. In the accumulated 4.2%, growth of 14%, it would be 4.4% if we took the impact of this temporal mismatch here. This temporal mismatch took 150 million, 154 million now in the first half of the year. The first half of last year was neutral, so it ended up being a detractor of our result, but what we always reinforce, this amount goes back to our result, it goes back to our result at some point in the second half. it happened precisely because we had, in June, a strong deflating IGPM of 1.7%, impacting assets, while liabilities spent an IGPM deflating only 0.5%, which was the IGPM of May. So, in August, in July, in fact, this is already starting to improve, August is practically reversed, and then we should see 150 million making up the result probably of the third TRI already.

Financial results here, aggregate of companies after taxes growing here 69% in the second quarter against before, 45% in the accumulated, basically representing 20% of our profit digits.

Moving on to the next page, we have here the analysis of the composition of the result, segregating the two main components, operational and financial, contributed with practically the same magnitude here in values. Operating grew by 245 million. We see the main driver here. Recognition of award won at Brasilseg and reduction of claims. These were the main highlights here of the semester.

On the financial side, we have gained here a more direct effect on the impact of the Selic hike, more volume growth, 258 million were added. The time mismatch I just mentioned compensates for part of this gain, taking 154, but then the mark-to-market adds another 173. In the first half of the year we had a positive effect, a mark-to-market gain of 23 million after tax, while last year we had a mark-to-market loss of 150 million in the first half of last year. So, the combined effect here on the financial result, even despite the temporal mismatch, has increased to almost 300 million growths in the opposite year.

Going into an operation-operation detail, we have here in the insurance operation, first on page 8, the premium written in the second TRI, falls 1% year over year, it reduces a little that rate of decline that we observed in the first TRI. So, within this performance of 1% reduction, we see that it was very impacted there by credit life insurance and rural, If we go into the details of these two lines, the credit life insurance, it has been greatly impacted by the corporate credit life insurance, in the second quarter year against year, the individual even had growth, 5.5% growth in the individual, but the legal entity has fallen quite strongly.

And within the rural area, what we have already been commenting on has been widely reported in the press, we are having a little more difficulty with agricultural products, and this has been the main responsibility for us having, observing this drop of 3% here, both in the third year of the year, and in the accumulated.

Life has a drop of 3.6% in the second quarter of the year, although it is flat practically in the accumulated of the year. Here, basically, the factor responsible was a greater departure of customers who had higher tickets, and we ended up not being able to compensate with new sales. So, this one was a little more accentuated. In the second TRI, there is still a stable fixed portfolio in the accumulated. On the other hand, they show all this growth, growth there in the order of the middle to high digits, all with a good performance, whether in the trial, on the contrary, or in the accumulated.

Performance indicators here in the lower left corner, we see an improvement in the combined in both bases of comparison. As a result of the improvement in claims here, it is clear because last year we had those disasters that happened in Rio Grande do Sul, which basically affected the damaged lines there. We had one or another effect on agricultural insurance that impacted the south-central region of the country there. But this year they were not repeated, and then the loss ratio has a strong drop in both bases of comparison, and their loss ratio is the main component responsible for this improvement in the combined ratio.

We also had an improvement in operational efficiency, there the general administrative expenses index falls 40 bases year over year, falls 20 bases in the accumulated, and also contributes to this improvement in the combined. On the other hand, we observe here an increase in commissioning, this is practically the result of a change in mix with a loss of relevance of agricultural insurance in total and a gain in relevance of other products that have a higher commission.

When we talk about financial results growing 45% year over year, 42% in the accumulated, here as a result of higher Selic, a more relevant impact. It is the rise of the Selic. And profit grows 25% here in the accumulated, sorry, 25% year over year, 17% in the accumulated here, growth of 9%, premium gained, improvement of the combined and increase in the financial, the main result here of these movements, this very robust growth here of recurring profit already segregating that extraordinary effect that I mentioned at the beginning.

Moving on to the pension plan operation, we have here the collection falls 22% year over year, 21% of the accumulated, here the direct effect of the regulatory change that we had with the introduction of the IOF on VGBL contributions from certain amounts and this ended up greatly reducing the inflow of funds with a direct impact there also on the net inflow. It was negative 4 billion in the second quarter, negative 5 billion in the accumulated. The redemption has a high here of 50 billion accumulated. But TRI against TRI, it already falls, pulling the redemption rate in the accumulated that we had until March of 11.6, it drops to 11.1. If we continue to observe this environment, at least for fixed income, without much volatility throughout the second half of the year, we should see a sequential improvement here in the redemption ratio throughout the second half of the year.

Bookings grew 9% in the 12 months. Revenue from management fees, it falls 1% year on year. Here it is the result of this dilution that we saw in the management fee, due to the change in the risk profile, with an increase in the share of more conservative products in the total assets. This ends up pulling the average management fee down. And then another effect that also impacted this drop in revenue from management fees was the lower number of working days that sensitized both year against year here and in the accumulated comparison.

Profit, despite this reduction in management fee revenue and a marginal growth there in the accumulated, it grows at a very strong pace, 20% year over year, 18% in the accumulated and here it is basically the result of the improvement that we observed in the financial result, due not only to the higher SELIC, but also a positive mark-to-market effect. which also collaborated and the drop in the IGPM with a significant reduction in the passive cost. These were the main drivers of growth in Brasilprev before, although we have observed this acceleration here in terms of operational growth.

Moving on to premium bonds, we have here 24% growth in collection, 11% in the accumulated. Reserves grew 1%. Sweepstakes grew 6% year over year; we distributed 31 million raffle prizes here in the first half of this year. Financial results grow 6% due to margin expansion here, 20 basis of financial margin expansion, plus volume growth. in the accumulated it falls 19% due to the compression of financial margin that basically results from the effect that we had in the first TRI of negative adjustment of the hedge.

Because of the opening of the curve, we chose to protect a good part of our fixed income position, when the curve returned in the first TRI, the company did not have time to undo all this protection, it ended up resulting in a negative hedge adjustment in the first TRI that has already normalized, we can see in the result of the second, The financial result has grown in a very healthy way. And then the reflection of this is in the variation in profit, 5% growth in the second quarter year over year, 10% drop in the accumulated.

Moving on to the distribution operation, at the brokerage firm's revenue grows 6% year-on-year, as well as year-to-date. Here, the main responsible for this growth in both bases of comparison, appropriation of revenues from past sales, mainly insurance products. and the increase in premium bonds revenue, which follows the cash basis, so it is very sensitive in the broker's behavior.

The net margin grows 3.2 points year-on-year, 2.4 in the accumulated, which is basically the result not only of an improvement that we had there in the operating margin, but even more of the improvement in the financial result due to the rise in the Selic rate. And then the reflection of this is in the growth of profit, right, it grows significantly above the growth of revenue due to this improvement in financial results, 11% year against year and 9% accumulated.

And to close, we have here our accountability in relation to the guidance. So, non-interest operating income, ranging from 3 to 8, we delivered 7.4% in this semester. Premiums written in the growth range of 2 to 7, we were there with a decrease of 3.4. Here, what I mentioned during the presentation, a very strong impact of the corporate credit life insurance and rural insurance. And pension reserve in the interval from 12 to 16, we delivered a growth of 9.8.

Here in the last column, we bring our revised projections, here what we had to do is adapt to the new regulation, something we did not foresee, but the introduction of the IOF in VGBL contribution has a considerable impact, yes, in the short term, and we had to adapt our projections to this impact. An effect here, initially, on non-interest operating income, the impact of the IOF comes with the result from the revenue from pension collection. The brokerage revenue captured in the volume collected from social security, it has a drop. And we had to incorporate this into the operating result, not interest. And we revised the range to a growth of 1 to 4%.

Premiums written, we also reduced the range of minus 4% to plus 1%, due to this still very uncertain environment, especially in agribusiness. We have some measures that are underway to try to accelerate this recovery of the credit life insurance, but there is still a very volatile environment for agribusiness, and we thought it prudent to review the growth range for premium written as well.

Pension plan reserves 9 to 12 here also sensitized by the impact of the IOF. So, the result of a lower collection than we expected. It had to incorporate this into the projections and bring the range down to a growth of 9 to 12%.

Well, these were the highlights I would like to give in relation to the second quarter's results. And we now move on to the question-and-answer session. Thank you.

Felipe Peres:

We return to the question-and-answer session. Remember, anyone who wishes to submit a question in writing, just click on the Q&A button, which is at the bottom of the Zoom screen. We will try to answer all questions here live. If it is not possible, due to the time of the event, we commit to return it by email. We'll also be releasing some live questions for some analysts who click the Raise Hand button, which is also at the bottom of the screen.

As soon as we release the question, just unmute the microphone and continue with your question. The questions will always be answered in Portuguese, but those who wish to ask them in English can feel free and we answer them here live.

The first question comes from Daniel Vaz, from Safra. Daniel, please can you release your audio and ask your question.

Daniel Vaz - Banco Safra:

Good morning, Felipe. Good morning, everyone, André, Rafael. Congratulations on the results. I have two on my side. The first one I wanted, depending on Rafael here, about those commissions that are in the stock of commissions not yet earned at the brokerage. I wanted to see if he could explain a little bit of this cash dynamic. The cash, in fact, belongs to Brasilcap. So, you have a cash dynamic that is very related to Brasilcap, you have this dynamic of profitability a little different in Insurance and Prestige. Then I asked my second question.

Rafael Sperendio:

Of course, thanks for the question. Well, in relation to the broker's revenue, we have a dynamic that varies a lot from product to product. I'll explain it simply, without going into detail, but it will be, I believe, enough for you to understand how it works and why the business is resilient. Brokerage, both from the broker and from the insurer itself, through this wounded recognition, whether premium or brokerage, that both follow the same deferred recognition, including for the same period.

At the brokerage, what happens? Premium bonds and pension plan, we charge a brokerage fee, on top of the volume collected, and this brokerage revenue, for the broker, is recognized on a cash basis, so there is no deferral.

For insurance, then the situation changes completely, for insurance products, both there the premium earned by the insurance company, and the brokerage revenue in the brokerage, are appropriated according to the product's risk duration. So, credit life insurance, for example, is the product today that has the longest risk term within the we can defer commissions for approximately five years, okay. This is at the origin of the business, okay.

The effective term is a little shorter, because normally the operations are not carried to maturity, invariably customers choose to renegotiate, so the term is a little shorter than that, but in the origin, it reaches around five years. Today, commissions to be appropriated, to give you an idea, there at the brokerage firm of past sales that must still be appropriate in our income statement, they add up to something around 5.7 billion.

This is the total balance of deferred commissions, which we call to appropriate our result in future periods. But social security and premium bond, the revenue I collected, I charged brokerage, the revenue is immediately recognized on a cash basis. That's why they are very sensitive to short-term results. When it rises in these two lines, brokerage revenue at the brokerage immediately responds to the same magnitude.

Daniel Vaz - Banco Safra:

Cool, I just asked because of this... There was a flattening of this curve, which you were at 4 billion, it went to 5.7 and stayed at this level. So, in fact, you have this value to recognize, especially in business and insurance.

My second question is related to management. We saw some changes in the group, in the consolidated as a whole. So, within Security, the return of Marcelo, Marcelo Labuto to Brasilseg, who was a director of the group, of Banco do Brasil itself, draws attention, but at the time, back in 2013, 2014, he oversaw Security, at the time of the IPO, etc. So, I wanted to try to correlate this, if there is any correlation with any potential discussion of contract renewal in the next five years, given that it is already getting there, close to 2031, which is the first renewal there of the contract of Brasilseg, and I wanted to try to understand a little bit if this return of him to the group, that it was already out a little bit, if there is any correlation, if you are already discussing

this internally, so that we can have a little bit of an update on the subject, which I think is very valid here, especially given the bank's panorama as well, which seems that capital is not that simple and could be something that unravels and opens security. Thank you.

Rafael Sperendio:

Ok. Well, regarding this point, Daniel, it is important for us to try to understand in the governance flow, what the attributes of each of the executives are. In the specific case here, Marcelo Labuto, with extensive experience within the Banco do Brasil Conglomerate, even took over the presidency of the bank on an interim basis, was president of BB Seguridade, knows a lot about our business, but he is being appointed to the position of CEO in the insurance operation.

The eventual discussion of agreements with partners, whether Mapfre, Principal and others here, should take place within the scope of BB Seguridade with Banco do Brasil. So, the operational ends up not participating, Tarih being appointed to this position of CEO of Brasilseg, to run the operation regardless of the discussions that would be happening here within the scope of the partners. So just to make it a little clear the difference in the attributions and roles here of the different executives in the group's companies. Regarding the discussion of agreements with partners, for now we have nothing in progress.

Daniel Vaz - Banco Safra:

Perfect, thanks again.

Felipe Peres:

Thanks for the question, Daniel. Our next question is from Antonio Ruetter, from Bank of America. Antonio, good morning. Can you release your microphone and ask your question, please.

Antonio Ruetter - Bank of America:

Good morning, everyone. Thank you so much for your time. My question goes in the direction of pricing, and it comes when we look at the loss ratio, and we see that in the last three years the claim rate is running around 25%, well below that historical average, closer to 30% of you.

So here I am thinking about the balance between operating income and premium growth, the biotic test of what you would generate in commission, has there been any change? Do you plan a change in pricing or price level, especially considering this level of frequency, this level of claims? Or is it the idea to continue running in this accident? Or else you have a prospect of a frequency going back to higher levels.

Just try to understand your head when we consider the loss ratio running below historical levels with frequency and contract price when we think about growth. Thank you very much.

Rafael Sperendio:

Thank you very much for the question. Regarding pricing, I imagine that the focus is more on crop insurance. In the other lines, I will go through briefly, but we don't have much variation. It doesn't turn within the expected, the credit life insurance compared to the historical standard he is, she's looking a little above the historical standard, but here because of a change we made, we expanded the target audience, we expanded our exposure to risk in terms of insured capital age, so that's why it's a little above, but within our expectations. It will now structurally be a little above the historical average anyway.

In the home area it has deviated a little from what we predicted, from last year to now we have put a series of measures in place to bring it to a level between 30% and 40% and the portfolio has responded. In the other lines without any change, all performing well in line with what we expect as target claims, indicating the need for change in our underwriting policy.

For the agricultural sector, we have a greater margin to be a little more aggressive in price, when we look at the last three cycles here, we have had a fantastic performance, but with a lot of caution too, because we work with the weather, it is something that we have to be very careful about. Historically, it is not common to observe this pattern of three consecutive cycles, a quality harvest, let's call it that in general, we had specific cases from one region or another, but no major event that had a major impact on the company's loss ratio.

So, we do have room to work, we will work at the price a little more aggressively than we had been working, but carefully, very gradually, because there we have the only line within our portfolio that we are exposed to tail risk, so we must be very careful. In principle, today when we evaluate the most up-to-date climate projections, we have the comfort to work in this way and the predominance is still neutral, at least until the beginning of next year. Neither El Niño nor La Niña, something very favorable climate perspective.

Antonio Ruetten - Bank of America:

It's great, thank you very much.

Felipe Peres:

Thank you, Antonio. The next question is from Arnon Shirazi, from the Citi. Arnon, good morning. Can you release your microphone and ask the question, please.

Arnon Shirazi - Citi:

Hello, guys. Good morning. André, congratulations on the cycle in the company. Good morning too, Rafael and Felipe.

My question is very much related to the dynamics of premiums now in this third quarter. We already had the full month of July, and I wanted to understand how the dynamics of the rural part are, especially after the crop plan, if there has already started to be some disbursement, how is there regarding the expectation. And if you allow me too, also doing the issue of premiums, I had to have a very large variation in technical provision now in this second quarter, and if they can give more details, it would be very good to understand. Thank you very much.

Rafael Sperendio:

I'll answer your first question, then I'll ask you to explain your second one a little better, okay?

Now only the first. What happens? We have already observed a reaction from agricultural insurance. For now, it is still too early for us to extrapolate this to the end of the year, but that year-on-year rate of change that we observed in the first half of the year, it has already shown a considerable improvement in July and now in early August. That pace of decline has fallen. When we look at the composition of the crop plan released by Banco do Brasil, there is a greater allocation of resources to small and medium-sized producers, who are precisely our main target audience within agricultural insurance. So, this composition favored us more, for example, than the composition we had last year.

On the other hand, we still have some other factors that we need to evaluate more carefully, specifically here the reduction of the subsidy for the agricultural insurance subsidy. So, we need to better estimate the size of this demand, what will be the willingness and appetite at prices of rural producers to better understand how this recovery will take place over the second half of the year, still very early. Regarding the second question, can you repeat it, please? I don't think I understood it very well.

Arnon Shirazi - Citi:

No, no problem. Here there is a retained earned premium, there was a variation in the technical provision for premiums that ended up being quite large this quarter, something like 310 million compared to a much lower value there year over year and compared to the previous quarter. I just wanted to know if there was any explanation for this happening this quarter. Thank you.

Rafael Sperendio:

I'm going to try here to infer the reason for your questioning, your doubt, and it has little to do with the answer I brought at the beginning to Daniel's question.

Within Brasilseg's unearned premium provision, we have a very strong component there, which is the appropriation of revenue from past sales, especially here from the credit life insurance itself. So when the credit life insurance slows down, and that's what we've observed now, it's not a very long product, we see it sensitizing very little in the result of the current period, because I still continue to appropriate a lot of revenue, remembering that the credit life insurance was one of the lines that grew the most in the last three years, I continue to appropriate a lot of revenue from past periods. So, on the one hand, you see the premium written there falling by 3%,

when we eliminate the noise of reinsurance, which is the part of agricultural insurance, a good part of this drop is linked to the agricultural one, when we take the agricultural out of the account, we already see that the retained premium is practically flat, It does not fall, zero and growth, if I am not mistaken, of 2% year over year.

And when I enter for the retained earned award, which then I eliminate the noise of that risk that I emitted and did not retain in the company, Then I move on to the second moment here, which is the recognition of awards, of sales that were made in the last three years, basically, a good part is concentrated in this here. And then the retained earned premium grows 9%, okay. So, it's not, there is no change in the criterion, this is linear deferral over the duration of the risk, okay. Unlike IFRS 17, but here in the result that we are discussing here, the deferral is linear. So, there is practically no subjectivity in this calculation here, it is basically there the result of this appropriation of this very large cushion of premium earned that was built in the last three years by the sale of the credit life insurance. And then it is now passing in the result.

Arnon Shirazi - Citi:

Of course, thank you very much.

Felipe Peres:

Thank you, Arnon. The next question comes from Tiago Binsfeld, from Goldman Sachs. How are you, Tiago? Can you ask your question, please.

Tiago Binsfeld - Goldman Sachs:

Good morning, Felipe, André and Rafael. Thank you for answering the question. I wanted to understand a little better the change in operational guidance. At the midpoint, it implies that the second semester should be very similar to the first, right?

So, I just wanted to understand a little more the reason for this caution. Rafael, I think you've even started talking about the accident rate, the perspective of neutrality in agriculture. But just understand if this midpoint. From the Guidance, it may already assume a slightly greater deterioration in loss ratio or if this conservatism comes from some other component of the operating result. Thank you.

Rafael Sperendio:

Thanks for the question, Tiago. So, just to make it clear, we only need to revise the guidance, both operational and pension reserve, due to the incidence now of IOF on VGBL contributions. If we didn't have this regulatory change, there would be no reason to revise either of the two intervals downwards. Now, the incidence of the IOF and the impact it brings on revenue, it directly sensitizes that brokerage revenue there at BB Corretora, which I mentioned in the answer to the first question, was recognized on a cash basis.

So if I didn't have this new regulation, we would be able to sustain a previous interval because although the performance in one line or another was coming below what we initially expected, we had margin in that interval to absorb any other unexpected variation that you reinforced here, the second half of the year, especially there in the loss ratio of agricultural insurance, We don't expect big changes, but I would have had space in the previous break to absorb.

When I now come to the second semester with this impact of the IOF, it turns out that this margin is no longer sufficient to absorb any type of unexpected variation that we may have. So, out of prudence, we chose to revise this range downwards to have a little more margin here for any possible deviation in the projections. Because the impact of the IOF ends up taking between one and two points, depending on where we are going to be able to react, from the growth of operating results. So, we needed to incorporate this into our estimates. The same goes for the pension reserve. With IOF now, this ended up taking away something around three points of reserve growth. that this would be reflected in the projections as well. So, that was the main reason that led us to review this range. Were it not for this, we would have reviewed only the written premium and then, logically, based on what was realized and based on the perspective of the second half of the year, which I mentioned here yet, a lot of uncertainty in agribusiness, added to this fact, a lower volume of subsidy for agricultural insurance, had to incorporate this into our expectation of written premium.

Tiago Binsfeld - Goldman Sachs:

Thank you, Rafael. If I can ask a second quick question, in relation to capital, we saw that the solvency of the subsidiaries, both Brasilseg and Brasilprev has improved, TRI to TRI. Just understand how you think about capital from subsidiaries, if eventually in this scenario of lower growth it could free up a little more capital, and if you can also talk about the payout, considering this whole context. Thank you.

Rafael Sperendio:

Yes, we are considering that, okay, Tiago. There is not so much space in Brasilseg we are running there very close to our risk appetite. It varies from company to company, but around 1.2, 1.3 times the regulatory capital and that is our risk appetite. Where there would be more space there is in Brasilprev, but Brasilprev has not yet distributed profits from the first half of the year, so you still see an excess of capital well above the risk appetite.

And at Brasilcap we have a situation, to remember, due to the strong movement to open the curve at the end of last year, we had to take capital from third parties to cover the liquidity deficit, but by the middle of the second quarter we had already recomposed this entire capital base, conservatism, Wow, we have carried this third-party capital a little more so far and we must now use this result that was generated to pay off this debt now in September. So, with that, you can expect the payout for the first half was around almost 90%. It is expected that in the second half we will have a higher payout than the index of the first half, logically on top of a profit base also higher than that of the first half. So, the index of the closed year should be higher than this index of the first semester.

Tiago Binsfeld – Goldman Sachs:

Great, thank you, Rafael.

Felipe Peres:

The next question is from Marcelo Mizrahi, from Bradesco BBI. Marcelo, good morning. Can you open the microphone and ask your question, please.

Marcelo Mizrahi – Bradesco BBI:

Hi all. Good morning. Thank you for the opportunity. I think there are some points. The first, until a follow-up, small last question on the issue of pay-out. The company has almost 1 billion and nine hundred treasury shares. And when the buyback program was carried out, the situation of Banco do Brasil was a little different. And we are seeing there that it is happening, you know, the discussion of the bank with the issues of capital and preservation. So, like, I wanted to ask if somehow this issue of the bank changes the intended use for these treasury shares, if they could be sold and then with that the bank would have the possibility of having a higher payout. Anyway, I wanted to understand a little more about this issue of treasury shares.

And another point about growth, right, is to understand what you think should be the dynamics of raising social security in the second half of the year. We really saw a very strong, abrupt drop, the measure should fall with, for example, R\$ 600 thousand annually. I don't know if I could open a little how much of the funding is above this amount and what level of funding, at least gross, you imagine it is possible to have in the pension plan in the second half of the year.

Rafael Sperendio:

Thank you, Mizrahi, for the question. Well, starting with the shares that are in treasury, we executed the buyback program, okay, as expected. Well, our understanding is that today we can launch a new one. We have here the view that stock today is not at a fair price, it has room for appreciation, but we are aware of the impact that this generates in capital for the bank, so we do not have, for now, any indication of launching a new buyback program.

Regarding the destination of these shares, here is a decision that is up to the board of directors, so in principle on our side here we have no reason today to dispose of these shares to the market, even though when the program was approved we had authorization there for them to be held in treasury, canceled or sold. But we have no reason here within the scope of the security administration to sell these stocks in the market. But it is a decision that is up to the board and then, depending on what the board decides here as executives, we will execute. But, for now, there is nothing about it.

Regarding the incidence of IOF, in this new rule, it is very difficult to arrive at a single value, because that would do too much, and we have a base that has a relevant composition of rural producers, who end up having a very concentrated cash flow in certain periods, and who will end up making social security contributions in amounts perhaps higher than those established in the regulation. We understand that this new measure has the potential to affect between 20% and 30% depending on the time horizon of the collection.

On the other hand, we will not be passive to this measure, we must adopt different commercial strategies to compensate for this effect. Either looking for new pockets or working better on this scale of payment over time, avoiding this concentration of contributions in certain periods to try to minimize this effect. That's why it's difficult to set a certain percentage. But it has the potential, as I said, to reach between 20% and 30% of the collection.

Marcelo Mizrahi - Bradesco BBI:

Very cool, thank you.

Felipe Peres:

Thank you, Marcelo. The next question is from Pedro Leduc, from Itaú BBA. Pedro, good morning. Can you release the microphone and ask the question, please.

Pedro Leduc – Itaú BBA:

Good morning, thanks for the call and for the question. It comes within the rural awards. For some time now, we have seen the agricultural weaker and being compensated by a growth in rural pledges and productive life. Already in this quarter, there seems to be some kind of slowdown in these other two products, and then I wanted to take a little bit of you, as you already see the penetration.

Relative of the pledge and the life producer. Within the rural complex, if from now on there really should be a perhaps more normal pace of growth of this product, given that penetration may already be high, just to understand a little bit of you how these two others products within the rural complex should behave there in the medium term. Thank you.

Rafael Sperendio:

Great, Pedro. Thank you for the question, trying to simplify here what we expect from the dynamics within the rural portfolio throughout this second semester. You mentioned well that there was a deceleration in the second quarter, but this is the result of the base effect of comparison. So, for the second half you can continue

to expect the same movement, this rate should decelerate in the rural pledge and in the life insurance for farmers throughout the second half, on the other hand you should observe an acceleration of the agricultural now in the second half so that the aggregate growth, the variation of the aggregate there of the premium issued in the rural segment, It is at a higher level than it is today in the accumulated until June. So, there should be a general improvement in this rate of change of the rural portfolio over the second half of the year, but with a slightly different composition. An idea of greatness, if you evaluate the retained premium, the agricultural one represents only 2% of the premiums. It is a very low level. So, as I mentioned in one of the answers here, the agricultural sector has already started to have a reaction in July. And August also started well, this should persist throughout the second half so that the rural with all performs better. This is what is implied in that revised growth range of the Guidance.

In terms of penetration, we have a higher penetration within the PENUR, and a little more than life, but we have it here, because there are many lines, the pledge is mandatory, but we have some lines, for example, that we still operate very little and still have a lot of potential for growth, especially there in the livestock portfolio of Banco do Brasil. So, for grains, today we have high penetration, but for livestock it is still very low.

Pedro Leduc – Itaú BBA:

It's very clear, thank you very much.

Felipe Peres:

Next question, it comes from Evandro Medeiros, from Suno Research. Evandro, please, can you release your microphone.

Evandro Medeiros – Suno Research:

Good morning. The volume of reserves is that the portfolio. Administered from Brasilcap, when adjusted by the. Inflation has been growing since 2012. Which explains this trajectory, even considering it. The Brazilian public's appetite for Brasilcap products?

Rafael Sperendio:

Thank you. Now, for the question Evandro, it is quite difficult for us to analyze such a large time interval, because over this time we have had several changes in the product mix itself. There, what directly influences that reserve is greatly influenced by the average term of the bonds. So, when we shorten the term, the reserve in the next two, three years, it responds by falling. When we extend terms, the reserve responds by growing.

So, in 2012 and 2013, we had a very strong movement of reserve growth. precisely because of this lengthening of deadlines, then we made a shortening movement that persisted until the decade of 2019, 2018 there, and then now we are extending again, as André mentioned in his speech, with the Ourocap 30 years product, we are extending the portfolio again, you should see this reserve growing again. But it is very much related to a term function, so that's why you observe this variation.

Evandro Medeiros – Suno Research:

Thank you, Claudio. Thank you, Sperendio.

Felipe Peres:

The next question is from Carlos Gomez, from HSBC Bank. Hi Carlos, good morning. You can unmute now; the floor is yours.

Carlos Gomez – Banco HSBC:

Thank you very much. Two questions, one about IOF and about the pension business. You have discussed with the authorities whether this can be modified or reversed in the future. And second, about the contracts for the broker. What would be a realistic deadline for the company to start trading? Thanks.

André Haui:

Hi Carlos, thank you for the question. We will answer in English. It's not just at BB Security, but also in relation to our configuration. and the largest insurance companies in Brazil. This topic has already been discussed in Congress and in the Executive and now in the Judiciary–Legal System. It's a little difficult to predict any change now. This topic must be discussed again between Congress and the Executive for them to reach an agreement. Certainly, the sector is working from a different perspective so that we can reach a new agreement, but now it is what it is, we have no perspective. Congress has just resumed the legislative year and so far, we hope that this discussion will be held, but there are other topics that are in the news, which have taken over the agenda, but now this is what we have. And what was the same second question?

The negotiation with Banco do Brasil about distribution. So far, we have continued as we were. This discussion will happen and must happen. We believe that we are far from the end of the agreements that are in force, so we are discussing with the bank, we are partners, and that's it, for sure we have discussed, we will talk about it, it is not taboo, but so far we do not have anything more solid that we can bring to the table.

Carlos Gomez – Banco HSBC:

I guess the question is, what's realistic? It's two years, three years, when will you start talking about it, so that it doesn't get in the way of the business?

André Haui:

It has an average of 7 years so far, in terms of term. I think that at the end of next year, at the beginning of 2027, it will be a good time to resume discussions. We usually start a year in advance, but it's hard to know when you're talking about a company as big as ours. You can ask this question again in the future and maybe we'll have a different answer, okay?

Carlos Gomez – Banco HSBC:

That was a great answer, thank you very much.

André Haui:

Thank you very much, Carlos.

Felipe Peres:

Next question, it's from Guilherme Grespan, from J.P. Morgan. Grespan, good morning. Can you ask your question, please?

Guilherme Grespan – J.P. Morgan:

Hi, good morning, Felipe and André Sperendio, thanks for the call and for opening to the questions.

I have one on my side, it's more structural and I wanted to hear a little bit from you about the diagnosis. So, positive diagnosis, I look here at your and Banco do Brasil 's market share in agribusiness and the question is why it has gained a lot of relevance, right? I think that in our account here, two-thirds of Brasilseg and nowadays it is already agribusiness. But my point is, I look at the market share, Banco do Brasil ten years ago had Rounding up here, 65% market share, you are too. In the last 10 years, Banco do Brasil has fallen to 53% of market share and I would think that after this last harvest this 53% will fall further.

But I think it's interesting that you continue to have 63%, 64% of market share in the sector. So there was a very big detachment between your market share and the controller, and I just wanted to hear from you the diagnosis and how sustainable you think this level of market share is in the industry as it gets a little more competitive, both from the point of view of incumbents entering the sector, You have credit unions, you have agricultural trades, you know the history, but I just wanted to hear what the diagnosis is and how sustainable you think this level of leadership is. Thank you.

André Haui:

Guilherme, one day I'll start addressing it and then I'll pass it on to Rafa to bring his considerations. I believe that due to the size of this market and our ability to innovate and create new products and to look not only at the origination that comes, but at the stock as well, and we see this there in the rural field, in the gold-life, in the agricultural, we understand that there is still a lot of room to grow, At least that's my view, and keep keeping it. Of course, we saw the incumbents taking space, we are well ahead, the market will become increasingly competitive, we are seeing big competitors looking at the T1 there in the sector and this really worries us and that's why we must be more and more efficient in innovation, in monitoring and parameterization. We have reached new heights in terms of product offering, so we believe that we will continue to be very competitive.

But, in my view, we will be consumed, but this will still take a while. And then the bank's view, I'm not going to comment because it's the bank's, I don't look directly at the bank's business, it's other factors that consume the market. Mainly related to collateral and credit, here we are looking at claims and our ability to protect our customers, so I believe that there will still be a detachment for a long time, but if we are not creative and bring a competitive value offer, we will be attacked in the coming years in a stronger way. For now, we remain at a good level, but always attentive and investing a lot to be able to bring the best in technology to our customers.

Rafael Sperendio:

Only complementing, Grespan, there we evaluate the insurance products that they have some synergy there, a strong relationship with banking products, I think it is undeniable that on average, let's call it that, banking products, if you look at the product life cycle, they are at a higher maturity level than insurance products, which allows us to anticipate these movements and try to delay or postpone even more this context of greater competitiveness and reduction of margins that will inevitably happen at some point in time. I just believe that, as you yourself brought here, this will happen at a slower pace. A practical example of this is that, within the rural product financing model, we have observed a relevant increase in recent years in the participation of other financing vehicles, especially here the rural producer's note. Until recently we did not have an insurance product to link the cell of the rural product, and we are quite advanced today in the development of this agricultural insurance product to link this new financing mechanism. The Broto platform has been used a lot there, which is a joint investment that we have with Banco do Brasil to try to find alternative ways to traditional bank financing in the agribusiness segment.

Guilherme Grespan – J.P. Morgan:

Of course, thank you guys.

Felipe Peres:

Thank you, Guilherme. We have two questions here that came through Q&A. The first is one that comes up a lot, but for those who are just arriving it may be interesting to answer, which is in relation to a change in the dividend payment flow, to move from a semiannual basis to a quarterly basis. And the second is a request for a reading of the company in relation to the macroeconomic scenario and the main variables such as how this can affect our business.

Rafael Sperendio:

Let's start with the frequency of dividend distribution, for now nothing is being evaluated, we prefer to continue here with the practice of semiannual distribution even because of the dynamics of cash generation within the company. And the brokerage there, which is a great source of cash generation, manages to distribute its profits only every six months.

So, in principle, we have no intention of changing this frequency, which we can evaluate, eventually, depending on the excess of available cash, make an extraordinary distribution, but not, for now, commit to the quarterly frequency of distribution.

Now just a scenario, which is a very broad question, which we have observed for the short-term context. This scenario of higher Selic ends up being beneficial, as you have seen here in the results, it has directly benefited our financial result here. Inflation advice, for now also quite beneficial, because we have that benefit plan defined at Brasilprev and today the perspective points to it. with the IPCA of around 5%, and the IGPM of around 1.3%, if my memory serves me correctly, this is the last updated projection from the Focus bulletin. So, this is very positive, each point that the IPCA is above the IGPM, we stimulate an impact of around 30 million of our profit, so it is a very positive factor, but on the other hand, this ends up making it difficult to have a high-interest rate scenario. It ends up hindering our operational growth, because a good part of this operation is formed by lines that are somehow linked to credit. So, it is natural that there is a rate of 15% space to link a life protection product, there the credit life insurance in a credit operation is not the same as with the Selic at 8 to 7. So, this ends up making growth a little difficult, especially in the corporate segment, which I mentioned throughout the presentation. We already observe a reaction from individuals, but in legal entities we have felt even more difficulty. So, on balance, this is what we have observed.

We see a financial much more than compensation for this operational slowdown. It is not the best environment, when we look at the medium or long term, but for the short term it is still very favorable.

Felipe Peres:

Thank you, Rafael. Well, with that we conclude our Q&A session. Rafael, André, if you want to make any additional considerations.

Rafael Sperendio:

On my side, I just want to thank everyone for their participation and make myself available along with the RI team for any clarification that may have been left throughout this presentation.

André Haui:

Well, soon I'm ending my cycle in the company. So, first of all, I want to thank our shareholders, it is not a controlling shareholder of Banco do Brasil, especially the minority shareholders who believe in the company and continue to believe. Special thanks to our entire team, to our entire team, who make this company what it really is. And thank here the group that is here supporting us too, that is here in the studio and that you don't see. Thank you very much, I hope to see you there on the market soon.

Felipe Peres:

Thank you. Remember, we have a brief satisfaction survey, there is the QR Code on the screen, whoever can answer, please, thank you very much and have a good day!