



# **Related-Party Transactions Policy**



## **RELATED-PARTY TRANSACTIONS POLICY**

We present below the Related-Party Transactions Policy of Banco do Estado do Rio Grande do Sul S.A. (“Company” or “Banrisul”):

### **1. Purpose**

This Related-Party Transactions Policy (“Policy”), proposed by the Executive Board and approved by the Company’s Board of Directors, establishes procedures for carrying out related-party transactions, to make the process transparent to shareholders, investors, and the market in general, and reaffirm the corporate governance practices adopted by the Company.

### **2. Regulations**

This policy is mainly based on the following regulations:

- I - Law 6,404, of December 15, 1976;
- II – Law 13,303, of June 30, 2016;
- III - Law 4,595, of December 31, 1964;
- IV - CVM Resolution 94, of May 20, 2022;
- V - CVM Resolution 80, of March 2022; and
- VI - CMN Resolution 4,693, of October 29, 2019; regarding the granting of credit to Related Parties.

### **3. Scope**

- I. This Policy must be observed by the Company, the members of the Board of Directors, the Executive Board, the Fiscal Council, Statutory and Advisory Committees to the Executive Board, the Superintendents, the Managers, and other Employees of Grupo Banrisul, covering all the Company’s areas.
- II. This Policy applies to the Company and all its Controlled companies and Subsidiaries, a conglomerate that, within the scope of this document, will be referred to as “Grupo Banrisul”, covering the following companies: Banrisul Pagamentos S.A., Banrisul S.A. Administradora de Consórcios, Banrisul S.A. Corretora de Valores Mobiliários e Câmbio, Banrisul Armazéns Gerais S.A., Banrisul Seguridade Participações S.A., and Banrisul Corretora de Seguros S.A.

III. This Policy shall also be observed when transactions among Grupo Banrisul, its Affiliates and Sponsored Entities are carried out, covering the following companies and associations: Bem Promotora de Vendas e Serviços S.A., Banrisul Icatu Participações S.A., Rio Grande Seguros e Previdência S.A., Rio Grande Capitalização S.A. Caixa de Assistência dos Empregados do Banco do Estado do Rio Grande do Sul (CABERGS), and Fundação Banrisul de Seguridade Social (FBSS).

**4. General Concepts:** For the purpose of this Policy, the following are considered:

**4.1. Related-Party Transactions:** the transfer of funds, services, or obligations between any Company of Grupo Banrisul and a Related Party (under the definition outlined in this policy), regardless of the existence of an amount allocated to the transaction.

## **5. Related-Party Transactions**

### **5.1 General Conditions**

Transactions with related parties, except in cases provided for by law or specific regulations, may only be conducted under conditions compatible with market terms, including limits, interest rates, grace periods, maturities, required guarantees, and criteria for risk classification for the purpose of provisioning for probable losses and write-offs as losses, without additional or differentiated benefits compared to transactions granted to other clients with the same profile at the respective institutions.

### **5.2 Related-Party transactions shall meet the requirements below to be classified under market conditions:**

- I – Competitiveness: service prices and conditions shall be compatible with those of the market;
- II – Compliance: adherence to contractual terms and responsibilities assumed by the State-Owned Company;
- III – Transparency: adequate reporting on the agreed-upon conditions, as well as the information included in the financial statements of the State-Owned Company;
- IV – Equity: definition of mechanisms to impede discrimination or privileges and the adoption of practices to ensure that insider information or business opportunities will not be used to benefit individuals or third parties; and
- V – Commutativity: proportional benefits for each contracting party.

### **5.3. LOAN TRANSACTIONS**

#### **5.3.1. For the purposes of this Policy, a “Related Party” in the context of a Loan Transaction is considered to be:**

- (i) controllers, natural persons or legal entities, or groups of people bound by voting agreement or under common control that i) have ownership of partner rights that ensure, permanently, the majority of votes in resolutions of general meetings and the power to elect the majority of the institution’s members of management; and ii) effectively use their power to head corporate activities and guide the functioning of the institution’s bodies.
- (ii) executive officers and members of statutory and contractual bodies;
- (iii) spouses, partners, and relatives (consanguineous or similar) up to the second degree of the natural persons outlined in items I and II;
- (iv) natural persons with a qualified equity interest in the Company’s capital; and
- (v) legal entities:
  - a) holding qualified equity interest in the Company’s capital;
  - b) whose capital, directly or indirectly, has qualified equity interest;
  - c) where there is effective operational control or preponderance in resolutions regardless of equity interest; and
  - d) having executive officers or Board of Directors members in common.

Sole paragraph: An equity interest is considered qualified when it is directly or indirectly held by natural persons or legal entities in the share capital of Banrisul, or Banrisul’s equity interest in the capital of legal entities, being equivalent to 15% or higher of the respective shares or representative shares.

#### **5.3.1. Conditions for carrying out Loan Transactions with Related Parties:**

- I. In line with CMN Resolution 4,693/18, except for the cases provided for in specific regulations, loan transactions may only be carried out with related parties under conditions that are compatible with those of the market (parameters adopted by the institution when carrying out loan transactions of the same modality for borrowers with the same profile and credit risk), including regarding limits, interest rates, grace period, terms, required guaranties, and criteria for rating risks to create provision for probable losses and write-off as loss, without additional or differentiated benefits comparable to transactions deferred to other clients with the same profile from the respective institutions.

- II. In this context, individuals classified as related parties may contract and/or operate credit with Banrisul under the same conditions applicable to other clients, that is, adopting the loan policies in force.
- III. Loan or comparable transactions for legal entities classified as related parties are prohibited within the scope of Banrisul.  
Exceptions from the prohibition:
  - (a) commercial credit lines, i.e. “Corporate Account” and “Credit Card”, which may be contracted to observe this Policy and the credit policy in force, under the exclusive authority of the DG Credit Committee.
  - (b) operations involving a legal entity identified as a Related Party due to having a common Administrator(s) with the Company, provided that such operations are conducted under the current credit policy. Loan transactions carried out with these related parties shall be approved by Banrisul’s Board of Directors.
- IV. The sum of the balances of loan transactions directly or indirectly contracted with related parties shall not exceed 10% of the equity amount adjusted by the accumulated income and expenses, less the value of equity interests held in institutions authorized to operate by the Central Bank of Brazil and in institutions abroad, observing the maximum individual limit of 1% of the adjusted equity calculated on the grant date related to the next to last month regarding the reference date.

#### **5.4. OTHER RELATED-PARTY TRANSACTIONS**

##### **5.4.1. For the purposes of this Policy, a “Related Party” in the context of other transactions is considered to be:**

The company or person linked to the Company, under CVM Resolution 94/22, and the applicable legislation. Without prejudice and further to the definition contained in CVM Resolution 94/22, “Related Party” is considered the following:

##### **I - Individuals, or their close family members, in case they:**

- (a) have full or shared control of the Company;
- (b) have a significant influence on the Company (“significant influence” means the power to participate in the Company’s financial and operating decisions), without characterizing control over these policies;

(c) are part of the Company's key management personnel or its controller (key management personnel means management, under Law 6,404/1976);

**II - Legal Entities, if:**

(i) the entity and the reporting entity are members of the same economic group (meaning that the parent company and each subsidiary are interrelated, as well as entities under common control are related to each other);

(ii) the entity is an affiliate or joint venture of another entity (or an affiliate or jointly controlled entity of a member of the economic group to which the other entity belongs);

(iii) both entities are under the joint control (joint ventures) of a third entity;

(iv) one entity is under the joint control (joint venture) of a third entity, and the other entity is an affiliate of that third entity;

(v) the entity is a post-employment benefit plan whose beneficiaries are the employees of both entities, the reporting entity and the entity related to the reporting entity. If the reporting entity reporting the information is a post-employment benefit plan, the employees who contribute to it will also be considered related parties to the reporting entity;

(vi) the entity is fully controlled or jointly controlled by a person identified in item (a);

(vii) a person identified in item (a) of item I has significant influence over the entity, or is a member of the key management personnel of the entity (or its parent company);

(viii) the entity, or any member of the group to which it belongs, provides key management personnel services to the reporting entity or the parent company of the reporting entity.

**5.4.2. Conditions for conducting other transactions with Related Parties:**

During negotiations, analysis, approval, revision, and termination of related-party transactions, the decision-making process, competencies, authority, and institutional responsibilities shall be observed, with a focus on the following:

I. Related-party transactions shall be in writing, setting out their main characteristics and their impact on the Company, including regarding reputational risks;

II. Shall be carried at prices, terms, and rates that are common to the market, or in line with previous negotiations representing commutative conditions;

III. Shall comply with regulations and be presented under acceptable and well-grounded justifications in case they are not classified under market conditions, upon the analysis of the need to make compensatory payments in such cases;

- IV. Shall be clearly reflected in the financial statements, when applicable;
- V. Shall be disclosed to the Brazilian Securities and Exchange Commission (CVM) when suiting the requirements outlined by CVM Resolution 80/22.

Sole paragraph: Banking services provided by Grupo Banrisul for Management of the Companies of Grupo Banrisul may receive the same tax treatment of the commercial policy applied to their Employees.

#### **5.4.3. Submission for the execution of other transactions**

**I. The following Related-Party transactions that the Executive Board considers relevant or that cumulatively fulfill the requirements** below shall be forwarded to the Board of Directors before the signature of their respective contract or instrument, so that the Board members **may analyze and recommend that they be approved or not.**

- (a) transactions, or correlated transactions, with an individual contracting value exceeding one million reais (R\$1,000,000.00) in one (1) year; and
- (b) carried out with Related Parties in which the Company does not have equity interest, or holds an interest of less than 90% (ninety percent).

### **6. Conflicts of Interest**

- I. If a potential Conflict of Interest is identified, the administrator, manager, or member of a committee involved in the transaction or the analysis of said related-party transaction shall declare himself/herself disqualified and abstain from participating in the process referring to the transaction causing the conflict of interest;
- II. If any administrator, manager, or member of a committee fails to abstain from the process even though he/she has a conflict of interest related to the transaction in question, said conflict may be reported by his/her peers;
- III. If the aforementioned Conflict of Interest and the voluntary abstention from the administrator, manager, or member of a committee are proven true, they shall be reported to the competent bodies or units, to verify any liability;
- IV. The declaration of a conflict of interest, in any case, and the consequent abstention shall be registered in the body's meeting minutes.

### **7. Disclosure**

- I. Related-Party Transactions shall be clearly and fully disclosed in the Company's notes to the Financial Statements, under applicable laws and accounting principles;
- II. The Company shall also disclose Related-Party Transactions in its Reference Form, under CVM Resolution 80/22;
- III. Transactions that meet the materiality criteria established in CVM Resolution 80/22 must be disclosed to the market within 7 (seven) business days of their execution.

## **8. Roles and Responsibilities within the scope of this Policy**

### **I. Board of Directors:**

- (a) Responsible for approving this Policy at least annually to ensure its continuous update.

### **II. Executive Board:**

- (a) Responsible for reviewing this Policy at least annually to ensure its continuous update.
- (b) Submit to the Board of Directors the transactions with Related Parties considered relevant

### **III. Legal Advisory:** provide legal advice on the applicable legal and regulatory rules for transactions with related parties.

### **IV. Credit Strategy and Intelligence Unit:** As for Credit Transactions with Related Parties within the scope of this Policy:

- (a) Define and revise this Policy, maintaining it available to the Central Bank of Brazil, together with its history of changes;
- (b) Monthly monitor and control the related parties' credit exposures, updating the identification registry of all related parties and keeping them for at least five years after the date on which each party ceases to be considered a related party;
- (c) Adjust/update system parameters that lead to restrictions and/or impediments (BLT), whenever necessary, to comply with this Policy.

### **V. Corporate Governance Unit:**

- (a) Responsible for defining and submitting to the Credit Strategy and Intelligence Unit the names, individual taxpayer's number (CPF), or corporate taxpayer's number (CNPJ) of Banrisul's Administrators for compliance with this Policy on Loan Operations for Related Parties, for proper control, as well as any changes, additions, and deletions.

- (b) Responsible for submitting the names, individual taxpayer's number (CPF), or corporate taxpayer's number (CNPJ) of the Administrators of the Subsidiaries, in compliance with this Policy, for proper control, changes, additions, and deletions for each company.

**VI. Investor Relations Unit:** Responsible for defining and submitting to the Credit Strategy and Intelligence Unit the names, individual taxpayer's number (CPF), or corporate taxpayer's number (CNPJ) of qualified equity interests for compliance with this Policy, as well as any changes, additions, and deletions.

**VII. Corporate Risk Unit:** Responsible for validating and monitoring parameters used when tracking risk exposures.

**VIII. Accounting:** Responsible for preparing the Note on Transactions with Related Parties that are included in Banrisul's Financial Statements, based on accounting information and other information received from various areas of the Bank and the subsidiaries of Grupo Banrisul.

**IX. General Units of Banrisul and Group Companies:** All Banrisul Units, including the Companies of the Banrisul Group, are in charge of:

- (a) Carry out procedures, monitoring, controls, and generate information for decision-making, including the approval process, and submission to the Executive Board and Board of Directors of each company, under their approval levels, on the matters addressed in this Policy, throughout the credit cycle and other transactions within the scope of their products, services, and activities, when applicable; and
- (b) Enforcing and complying with this Policy, when applicable.

## **9. Penalties**

Any violation of provisions outlined in this Policy shall be reported to the Audit Committee of Banco do Estado do Rio Grande do Sul S.A. ("Audit Committee") and other competent bodies, and the applicable penalties shall be carried, without prejudice to the penalties provided for in the law in force.

## **10. Miscellaneous**

This Policy shall be yearly reviewed by the Board of Directors, according to item VII of article 8 of Law 13,303/2016. Revisions on an extraordinary basis will also be allowed at any time.

## **11. Sanctions Management**

I. In case of non-compliance with this Policy and related regulations, measures shall be taken according to the violator's relationship level with the Bank:

- if the violator is an Employee, the penalties provided for in the Penalties item of the Staff Regulations shall be adopted, as appropriate for addressing the noncompliance;
- if the violator is an Executive Officer or Board of Directors member, noncompliance shall be reported by the Internal Audit to the Board of Directors;
- if the violator is an Intern or a Third Party, the penalties provided in the underagreement shall be adopted.

II. If managers, other employees, and/or other related persons become aware of a violation that has occurred and do not report the fact to the Personnel Management Unit or the Whistleblower Channel, they will also be considered liable.

III. Regardless of the level of relationship with Banrisul and the penalty adopted, anyone who fails to comply with the provisions of corporate policies may be held civilly or criminally liable for proven violations.

## **12. Manager in Charge**

Corporate Governance Unit