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The Management of Banco Industrial do Brasil S.A. ("Bak or "BIB") submits for your consideration the Individual Financial Statements, related to the semester ending June, 30, 2024, including the Management Report and the corresponding financial information, examined by the Independent Auditors, without revision.

### Economic Scenario

International data from the latest months brought more tranquility to the market.

In the US, reported inflation has surprised because its significantly lower figures, however it's not enough to create a confident environment to start a cycle of tax cut, due to 1<sup>st</sup> quarter data, which were high. Activity numbers indicate GNP growth and together with more confident scenario of disinflation, it suggests that tax cut on the second semester is more likely to happen.

In Europe, Central Bank has started a process of monetary flexibilization, cutting taxes by 0.25 percentage points. It is expected for future meeting that evolution of economic data will set the tone of next decisions.

In China, growth is still recovering, triggered, mainly, by external balance and manufacturing industry, but real state sector is still a concern.

The domestic scenario still presents a level of uncertainty higher than usual. In the most recent meeting, Copom, with a more conservative tone, decided to maintain SELIC rate on 10,5%. It is forecast this level will be maintained up to the end of 2024, with new cuts only in 2025, depending on inflationary data and FED's opinion.

In politics, the environment continues stressing domestic assets, mainly due to significative currency devaluation. The lack of perspective to fulfill fiscal target and the absence of an apparent political will to conduct structural adjustments on expenses and assure the sustainability of tax framework, making the scenario more uncertain and confused.

**Business Profile:** Banco Industrial do Brasil S.A. operates essentially as a credit bank, focused on financing medium and big-sized companies, through the offer of competitive and complementary products, directed to the working capital needs of customers. It also operates in the granting of payroll-deductible personal loans, seeking to maintain the composition of the credit portfolio at approximately 85% wholesale operations and 15% of retail operations. The Bank's Management prioritizes the high quality of the loan portfolio, adopting, for this purpose, a conservative concession policy and the development of long-term relationships with customers. All operations are submitted to the approval of the Credit Committee. Customers are evaluated according to objective parameters, which consider financial capacity, the liquidity of guarantees, punctuality in fulfilling obligations and the performance of receivables.

Treasury does not operate with the objective of obtaining results, but rather to guarantee competitive funding that is adequate to the profile of the Bank's assets and to eliminate exposures in term, currency, and interest rate. Cash is managed with a view to maintaining a comfortable level of liquidity, the balance of which at the end of the year represented 149.4% of shareholders' equity. Finally, the Bank maintains a high degree of capitalization, reflected in the Basel Ratio of 15.1%.

**Performance:** BIB recorded net income of R\$ 49.2 million in the first semester of 2024 and a rate of return on average equity (ROAE) of 13.0%. Shareholders' equity, at the ending of the period, reached a balance of R\$ 767.1 million.

**Credit:** The Bank's credit portfolio totaled R\$ 5.1 billion, representing an increase of 5.9%, when compared to the same period last year. The expanded credit portfolio, including guarantees provided to third parties, totaled R\$ 5.3 billion. The Bank maintains coverage of more than 90% of the portfolio with highly liquid receivables and real guarantees, which contributes to maintaining the low default rate, which represented 1.5% of the portfolio at the end of the semester, considering the overdue loans above of 90 days. The middle market segment ended the semester with a volume of R\$ 4.2 billion, as per Note 8. The retail portfolio, which includes payroll loan operations, showed an increase, totalizing R\$ 856.6 million, when compared to the same period last year. BIB prioritizes the high quality of its portfolio, adopting, for this purpose, a conservative credit granting policy. The Bank approves specific credit limits for each customer profile, according to objective parameters, considering its financial capacity, the provision of high liquidity guarantees, punctuality in fulfilling its obligations and evaluating the performance of its receivable's portfolio.

**Bonds and Securities:** Pursuant to the provisions of Article 8 of Circular Letter No. 3068/01, of the Central Bank of Brazil, BIB declares that it has the financial capacity and intention to hold to maturity the securities classified in the category "held to maturity" in the amount of R\$ 323.1 million.

**Funding:** The Bank's funding totaled R\$ 6.4 billion at the end of the semester, representing growth of 21.5% in relation to the same period of last year. Domestic funding, which represents the Institution's main source of funds, occurs mainly through term deposit, interbank, and financial bond. Such portfolios reached, at the end of the period, the balance of R\$ 5.1 billion, representing growth of 28.0% in relation to the same period of 2023.

**Corporate Governance: Administration:** BIB is managed by a Board of Directors and an Executive Board, with the powers conferred by current legislation and the Bylaws, the content of which is available for consultation on the Investor Relations website (ri.bib.com.br). The Executive Officers take office subject to the signature of the Management Consent Term, through which they are personally responsible for submitting and acting in accordance with the Corporate Governance Level 1 Adhesion Agreement and the corresponding regulation.

**Code of Ethics:** Applicable to all BIB administrators and employees, the Code of Ethics brings together the guidelines that must be observed in their professional activities in order to achieve the highest standards of ethical conduct in the exercise of their activities. It reflects the cultural identity and commitments that BIB assumes in the markets in which it operates. It can be consulted on the Investor Relations website (ri.bib.com.br).

**Internal Controls and Compliance:** The Internal Controls and Compliance System adopted by BIB is made up of a structured process that encompasses all employees, with the purpose of allowing safer, more adequate, and efficient conduction of the activities carried out by the Bank. Prepared according to the best market practices, it is an important tool in ensuring compliance with legal rules, guidelines, plans, procedures, and internal rules, as well as ensuring its periodic review and adequacy, minimizing the risks of operating losses and image impairment.

**Prevention of Money Laundering:** BIB has a money laundering prevention program to combat the misuse of its products and services in favor of the intermediation of funds arising from illegal activities and the financing of terrorism. To this end, it instituted a set of policies, processes, training, and specific systems aimed at getting to know its customers and monitoring their operations, enabling the timely identification of suspicious or unusual situations, their evaluation and notification to the competent authorities.

**Operational Risk:** The operational risk management process comprises risk identification and assessment activities, implementation of control activities and periodic evaluation of their effectiveness, monitoring of financial losses resulting from the materialization of risk events, corrective actions undertaken to correct deviations identified in processes, and communication of information relevant to decision-making. It has the participation of all functional areas of the Institution, through its Sectorial Compliance Agents, with direct report to the Board of Directors and the Management Council.

**Market Risk:** Market risk is managed according to the precepts defined by the Basel III Accord, regulated in Brazil by the Central Bank. BIB monitors the exposure level of its positions daily by calculating the VaR (Value at Risk) and simulating stress scenarios. Exposure limits are defined by the Market Risk Advisory Committee, which is convened whenever relevant deviations or breach of limits are observed. Monitoring is conducted independently by the Compliance and Risks area, reporting to the Board of Directors and the Finance Committee.

**Liquidity Risk:** BIB adopts a rigorous approach to liquidity risk management. To do so, it makes use of a set of controls and tools that allows the assessment of adequate levels of resources. The Bank maintains a conservative minimum cash policy, monitored daily, and subjected to stress scenarios, which guide the updating of the liquidity contingency plan.

**Capital Management:** Capital management at BIB consists of a continuous process of monitoring and controlling the Institution's capital tiers, to face the different risks associated with its activity. In addition, the process prospectively assesses capital needs, considering the Bank's strategic goals and objectives, in addition to changes in market conditions.

**Credit Risk:** Credit risk management is a continuous and evolving process of mapping, measuring, and diagnosing models, instruments, policies, and procedures in force. It is based on the economic scenario and its perspectives, the specificities and behavior of each sector of the economy, the historical performance, and the Bank's experience in managing its credit assets. The analysis process is conducted with a high degree of discipline, integrity, and independence, while approval is obtained only upon decision by the Credit Committee.

**Information Security:** Practices adopted by BIB at all its functional levels, consisting of a set of policies, processes, organizational structures, and procedures, aimed at protecting customer and Bank information, in terms of confidentiality, integrity, and availability.

**Policy on Transparency and Disclosure of Information:** BIB makes available for public consultation, on its Investor Relations website (ri.bib.com.br), all information related to its history and performance profile, shareholding structure, financial statements, and risk assessments prepared by rating agencies. The Investor Relations website is available in Portuguese and English.

**Socio-environmental Risk:** BIB Management believes that sustainable development is a determining factor for the continuity of the economic environment. In this context, the Bank begins to act oriented to encourage a change in the conduct of its stakeholders, through the implementation of the methodology for evaluating socio-environmental risks as a subsidy for the decision to grant credit. In addition, it makes use of exclusion lists, defined by multilateral banks with which it maintains commercial relationships, which exclude financing to companies that harm the environment, adopt illegal labor practices, or produce certain classes of products. To this end, a corporate policy was created, observing the principles of relevance and proportionality, in line with the corporate statements: a) Code of ethics and professional conduct; b) Prevention of money laundering, and; c) Know your customer, and reaffirms the conglomerate's commitment to sustainable growth and the socioeconomic development of the communities to which it operates, whether due to the geographical location of its facilities or its strong presence in the credit market, indirectly benefiting local communities of client companies. BIB also invests in social inclusion through the establishment of partnerships with programs aimed at inserting low-income youth into the job market, as well as investing in opportunities for the professional development of its employees, through the granting of scholarships for professional qualification courses, college education, and post-graduation.

**GIR – Integrated Risk Management:** In compliance with Resolution No. 4.557/17, amended by CMN Resolution No. 4.745/19 and 4.943/21, which provides for the risk management structure, capital management structure, and information disclosure policy, BIB has a fully automated management through contracted systems, consolidating all risks through executive Committees. Additionally, it is important to mention that the risk processes adhere to the said Resolutions and the Information Disclosure Report is available on the Investor Relations website (ri.bib.com.br).

**Human Resources:** Banco Industrial do Brasil ended the period with 348 employees. Of this total, 4 through the social program and 43 working in the areas of general services.

**Ratings:** Below there are the ratings obtained by Banco Industrial from risk rating agencies:

- **Moody's:** Ba2 (Global) / A+ (Domestic) / Stable Outlook
- **RiskBank:** Low Risk for Average Term 1 / *Disclosure:* Excellent
- **Relationship with Auditors:** In accordance with the rules of CMN Resolution No. 4.910/21, KPMG *Audidores Independentes* does not provide any other service to Banco Industrial do Brasil and its related companies, in addition to those expressly related to the external audit function, preserving, thus, the independence and integrity necessary to conduct this activity.
- **Acknowledgments:** We would like to thank our customers, partners, and suppliers for their support and trust and, especially, our employees, for all their efforts in the pursuit of excellence.

São Paulo, July 29, 2024.

**BALANCE SHEET JUNE 30, 2024 AND DECEMBER 31, 2023**

(In thousands of Reals)

| Asset  | Note | 06.2024   | 12.2023   |
|--|------|-----------|-----------|
| <b>Availability</b>  | 4    | 30,348    | 41,543    |
| <b>Financial instruments</b>   |      | 7,118,059 | 6,477,824 |
| Short-term interbank investments                                     | 5    | 1,234,327 | 757,789   |
| Bonds and Securities   | 6    | 565,959   | 386,156   |
| Derivative financial instruments                                     | 7    | 4,676     | 6,181     |
| Operations in credit   | 8    | 4,737,633 | 4,811,934 |
| Other financial instruments  | 12   | 575,464   | 515,764   |
| <b>(-) Allowance for expected losses associated with credit risk</b> | 9    | (83,117)  | (64,511)  |
| <b>Deferred tax asset</b>  | 13a  | 85,180    | 74,341    |
| <b>Other assets</b>  | 14   | 114,182   | 54,950    |
| <b>Investments in the participation in controlled companies</b>      | 15   | 45,568    | 42,027    |
| <b>Fixed asset in use</b>  | 16   | 79,484    | 39,514    |
| <b>(-) Depreciation and amortization</b>                             | 16   | (18,093)  | (15,787)  |
| <b>Total of assets</b>   |      | 7,371,611 | 6,649,901 |

The accompanying notes are an integral part of these financial statements.

| Liability   | Note | 06.2024   | 12.2023   |
|---|------|-----------|-----------|
| <b>Deposits and other liability financial instruments</b> |      | 6,399,013 | 5,707,466 |
| Financial institutions                                    | 17   | 2,112,673 | 1,800,852 |
| Other clients   | 17   | 4,100,805 | 3,747,330 |
| Derivative financial instruments                          | 7    | 16,403    | 12,859    |
| Other liability financial instruments                     | 11   | 16,645    | 5,973     |
| Subordinated debts  | 17   | 152,487   | 140,452   |
| <b>Allowance</b>  |      | 117,219   | 115,852   |
| Contingencies   | 18   | 116,658   | 115,353   |
| Others  | 18   | 561       | 499       |
| <b>Deferred tax liability</b>                             |      | 1,458     | 1,210     |
| <b>Other liabilities</b>                                  | 19   | 86,842    | 82,094    |
| <b>Equity</b>   |      | 767,079   | 743,279   |
| Share capital   | 20   | 387,448   | 387,448   |
| Profit Reserves   | 20   | 395,452   | 370,018   |
| Other comprehensive incomes                               |      | (15,821)  | (14,187)  |
| <b>Total liabilities and shareholders' equity</b>         |      | 7,371,611 | 6,649,901 |

The accompanying notes are an integral part of these financial statements.

# INCOME STATEMENTS

SEMESTERS ENDING JUNE 30, 2024 AND 2023

(In thousands of Reais, except net income per thousand shares)

|   | Note  | 06.2024   | 06.2023   |
|---|-------|-----------|-----------|
| <b>Income from financial intermediation</b>                     |       | 566,953   | 467,560   |
| Credit operations   | 8e    | 364,394   | 356,020   |
| Income from transactions with bonds and securities              | 6e    | 85,690    | 65,908    |
| Exchange operations results                                     | 11    | 93,691    | 45,632    |
| Income from derivative financial instruments                    | 7d    | 23,178    | -         |
| <b>Financial intermediation expenses</b>                        |       | (383,631) | (317,712) |
| Up-market capture operations                                    | 17c   | (239,141) | (259,322) |
| Loan operations, assignments, and transfers                     | 17c   | (144,490) | (44,331)  |
| Income from derivative financial instruments                    | 7d    | -         | (14,059)  |
| <b>Gross income from financial intermediation</b>               |       | 183,322   | 149,848   |
| <b>Allowance for losses</b>                                     |       | (34,415)  | (16,127)  |
| (-) Allowance for expected losses associated with credit risk   | 9/18b | (34,415)  | (16,127)  |
| <b>Other operating income (expenses)</b>                        |       | (82,813)  | (69,571)  |
| Service provision revenues                                      |       | 8,210     | 6,664     |
| Bank fee income   |       | 7,943     | 9,392     |
| Income from interests in subsidiaries                           | 15    | 3,541     | 2,459     |
| Personnel expenses  | 21    | (52,920)  | (44,015)  |
| Other administrative expenses                                   | 22    | (35,412)  | (29,328)  |
| Tax expenses  | 23    | (17,312)  | (15,505)  |
| Other operating income / expenses                               | 24    | 3,137     | 762       |
| <b>Earnings before taxation on profit and minority interest</b> |       | 66,094    | 64,150    |
| <b>Income tax and social contribution</b>                       |       | (16,860)  | (16,410)  |
| Provision for income tax  | 13b   | (13,598)  | (9,602)   |
| Provision for social contribution                               | 13b   | (11,188)  | (7,910)   |
| Deferred tax asset  |       | 7,926     | 1,102     |
| <b>Net income for the semester</b>                              |       | 49,234    | 47,740    |
| <b>Net income per thousand shares - R\$</b>                     |       | 273,18    | 264,89    |

The accompanying notes are an integral part of these financial statements.

# COMPREHENSIVE INCOME STATEMENTS

SEMESTER ENDING JUNE 30, 2023 AND 2023

(In thousands of Reais, except net income per thousand shares)

|  | 06.2024 | 06.2023 |
|--|---------|---------|
| <b>Net income for the semester</b>                               | 49,234  | 47,740  |
| <b>Items that cannot be reclassified to the income statement</b> | (1,634) | 1,957   |
| Fair value of securities available for sale                      | (6,472) | 5,390   |
| Fair value taxes   | 2,912   | (2,426) |
| Exchange variation on Bahamas agency                             | 1,926   | (1,007) |
| <b>Comprehensive income for the semester</b>                     | 47,600  | 49,697  |

The accompanying notes are an integral part of these financial statements.

# Banco Industrial do Brasil S.A.

CNPJ 31.895.683/0001-16



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## STATEMENTS OF NET EQUITY CHANGES SEMESTER ENDING JUNE 30, 2023 AND 2023 ( In thousands of Reais)

|  | Note | Share capital   |                        | Profit reserves |                   | Other comprehensive outcomes | Retained profit | Total          |
|--|------|-----------------|------------------------|-----------------|-------------------|------------------------------|-----------------|----------------|
|  |      | Paid-in capital | Reserve of revaluation | Legal reserve   | Statutory reserve |                              |                 |                |
| <b>Balances on December 31, 2022</b>                       |      | 387,448         | 73                     | 37,984          | 284,363           | (18,300)                     | -               | 691,568        |
| Adjustment to TVM market value and exchange rate variation |      | -               | -                      | -               | -                 | 1,957                        | -               | 1,957          |
| Net profit   |      | -               | -                      | -               | -                 | -                            | 47,740          | 47,740         |
| Allocation of net profit:                                  |      |                 |                        |                 |                   |                              |                 |                |
| Legal reserve  | 20b  | -               | -                      | 2,387           | -                 | -                            | (2,387)         | -              |
| Statutory reserve  | 20b  | -               | -                      | -               | 20,553            | -                            | (20,553)        | -              |
| Return on equity   | 20b  | -               | -                      | -               | -                 | -                            | (24,800)        | (24,800)       |
| <b>Balances on June 30, 2023</b>                           |      | <u>387,448</u>  | <u>73</u>              | <u>40,371</u>   | <u>304,916</u>    | <u>(16,343)</u>              | <u>-</u>        | <u>716,465</u> |
| <b>Changes in the semester</b>                             |      | <u>-</u>        | <u>-</u>               | <u>2,387</u>    | <u>20,553</u>     | <u>1,957</u>                 | <u>-</u>        | <u>24,897</u>  |
| <b>Balances on December 31, 2023</b>                       |      | 387,448         | 73                     | 43,290          | 326,655           | (14,187)                     | -               | 743,279        |
| Adjustment to TVM market value and exchange rate variation |      | -               | -                      | -               | -                 | (1,634)                      | -               | (1,634)        |
| Net profit   |      | -               | -                      | -               | -                 | -                            | 49,234          | 49,234         |
| Allocation of net profit:                                  |      |                 |                        |                 |                   |                              |                 |                |
| Legal reserve  | 20b  | -               | -                      | 2,463           | -                 | -                            | (2,463)         | -              |
| Statutory reserve  | 20b  | -               | -                      | -               | 22,971            | -                            | (22,971)        | -              |
| Return on equity   | 20b  | -               | -                      | -               | -                 | -                            | (23,800)        | (23,800)       |
| <b>Balances on June 30, 2024</b>                           |      | <u>387,448</u>  | <u>73</u>              | <u>45,753</u>   | <u>349,626</u>    | <u>(15,821)</u>              | <u>-</u>        | <u>767,079</u> |
| <b>Changes in the semester</b>                             |      | <u>-</u>        | <u>-</u>               | <u>2,463</u>    | <u>22,971</u>     | <u>(1,634)</u>               | <u>-</u>        | <u>23,800</u>  |

The accompanying notes are an integral part of these financial statements.



**CASH FLOWS STATEMENTS (INDIRECT METHOD)**  
**SEMESTER ENDING JUNE 30, 2024 AND 2023**  
(In thousands of Reais)

|  | <u>06.2024</u>   | <u>06.2023</u>  |
|--|------------------|-----------------|
| <b>Adjusted net income for the semester</b>                                | <u>82,393</u>    | <u>67,286</u>   |
| Net income for the semester  | 49,234           | 47,740          |
| Depreciations / amortization   | 2,305            | 1,963           |
| Participation balance in controlled companies                              | (3,541)          | (2,459)         |
| Allowance for expected losses associated with credit risk                  | 34,415           | 16,127          |
| Adjustment to TVM market value and exchange rate variations Bahamas Agency | (1,634)          | 1,957           |
| Provisions   | 1,367            | 3,554           |
| Deferred taxes   | 247              | (1,596)         |
| <b>Change in operating assets - (increase) / decrease</b>                  | <u>(223,464)</u> | <u>(46,690)</u> |
| Interbank liquidity investments  | 26,112           | (116,701)       |
| Bonds and Securities   | (179,803)        | (45,103)        |
| Derivative financial instruments   | 1,505            | 1,515           |
| Credit transaction   | 58,492           | 153,479         |
| Other financial instruments  | (59,700)         | (55,087)        |
| Current and deferred tax assets  | (10,839)         | 1,324           |
| Other assets   | (2,549)          | (419)           |
| Acquisition of non-use assets  | (58,494)         | (352)           |
| Alienation of non-use assets   | 1,812            | 14,654          |
| <b>Va Change in operating liabilities - increase / (decrease)</b>          | <u>671,846</u>   | <u>(15,004)</u> |
| Deposits and other financial instruments                                   | 691,547          | 10,667          |
| Other liabilities  | (19,701)         | (25,671)        |
| <b>Paid taxes</b>  | <u>12,449</u>    | <u>9,573</u>    |
| <b>Net cash from / (invested) from operating activities</b>                | <u>543,224</u>   | <u>15,165</u>   |
| <b>Net cash from / (invested) in investing activities</b>                  | <u>(39,969)</u>  | <u>(1,754)</u>  |
| Acquisition of investments   | -                | (664)           |
| Acquisition of fixed assets for use  | (39,969)         | (1,090)         |
| <b>Net cash (source) / invested in financing activities</b>                | <u>(11,800)</u>  | <u>(24,800)</u> |
| Return on equity   | (11,800)         | (24,800)        |
| <b>Increase / (decrease) in cash and cash equivalents</b>                  | <u>491,455</u>   | <u>(11,389)</u> |
| <b>Changes in financial position</b>                                       |                  |                 |
| <b>Cash and cash equivalents</b>   |                  |                 |
| At the beginning of semester   | 654,179          | 728,995         |
| At the end of semester   | <u>1,145,634</u> | <u>717,606</u>  |
| <b>Increase / (decrease) in cash and cash equivalents</b>                  | <u>491,455</u>   | <u>(11,389)</u> |

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reals)****1. Operational context**

Banco Industrial do Brasil S.A. ("Bank" or "BIB") is a privately-held corporation organized as a multi-bank, authorized to operate with the following portfolios: (i) commercial; (ii) investments, (iii) credit, financing, and investment; (iv) foreign exchange; and (v) leasing, headquartered at Av. Pres. Juscelino Kubitschek, nº 1.703 – Vila Nova Conceição – São Paulo – SP.

The operations are conducted in the context of a group of institutions that operate in an integrated way in the financial market, and certain operations have the participation or the intermediation of associated institutions, members of the financial system, whose activities include the management portfolios of investment funds, distribution and foreign exchange and securities brokerage. The benefits of the services provided between these institutions and the costs of the operational and administrative structure are absorbed, according to the practicability of being attributed to them, jointly or individually.

**2. Presentation and preparation of Financial Demonstrations**

The financial statements of Banco Industrial do Brasil S.A. were prepared following the accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil and with the Brazilian Corporate Law No. 6.404/1976, in compliance with the rules and instructions of the National Monetary Council (CMN) and the Central Bank of Brazil (BACEN), presented following BCB Resolution No. 2/2020.

According to Article 23 of BCB Resolution No. 2/2020, the Balance Sheet accounts are presented in order of liquidity and enforceability, as it is understood that this form of presentation will provide more relevant and reliable information for the user.

The financial statements were prepared on a going concern basis, which assumes that Banco Industrial do Brasil S.A. will be able to hold its shares and meet its payment obligations in the coming years.

Authorization for the completion of the Financial Statements was given by Management on July 29, 2024.

**3. Description of the main accounting practices**

The main criteria adopted for the preparation of the Financial Statements are as follows:

**a. Balance calculation**

The balance of operations is determined in accordance with the accrual basis of accounting.

**b. Cash and cash equivalents**

They are represented by cash available in national and foreign currency, investments in the open market, and investments in interbank deposits that are used by the Bank to manage its short-term commitments, whose maturities are equal to or less than 90 days from the date of investment and present an insignificant risk of change in fair value.

**c. Accounting estimates**

The preparation of financial statements following the accounting practices adopted in Brazil applicable to institutions authorized to operate by BACEN requires Management to use its judgment in determining and documenting accounting estimates. Significant assets and liabilities subject to these estimates and assumptions include provision for expected losses associated with credit risk, deferred tax assets, provision for contingencies, and valuation of financial derivatives. The transaction settlement involving these estimates may result in values different from the estimates, due to inaccuracies inherent to its determination process. Estimates and assumptions are reviewed at least quarterly.

**d. Functional and presentation currency**

The financial statements are presented in reais, which is the Bank's functional currency. The branch's operations abroad are, in essence, an extension of the activities in Brazil, therefore, assets, liabilities and income are adjusted to accounting practices in force in Brazil and converted into reais according to the exchange rates of the local currency. Gains and losses resulting from the conversion process are allocated to income for the period. All balances have been rounded to the nearest thousand, unless otherwise noted.

**e. Foreign currency**

Monetary assets and liabilities denominated in foreign currencies were converted to reais at the exchange rate on the balance sheet closing date and the differences resulting from currency conversion were recognized in profit or loss for the period.

**f. Assets****• Short-term interbank investments**

They are recorded at the investment or acquisition value, plus income earned up to the balance sheet date.

**• Bonds and securities and derivative financial instruments**

Following the rules established by the Central Bank of Brazil, bonds and securities are classified and valued as described below:

**Bonds and securities**

- i. Securities for trading - Acquired with the objective of being actively and frequently traded, they are adjusted by market value, computing the appreciation or depreciation, as a counterpart entry to the appropriate income or expense account, in the statement of income for the period. Such securities are considered current regardless of the security's maturity term.
- ii. Securities available for sale - Which are not suitable for trading or held to maturity, are adjusted at market value against the separate account of shareholders' equity, net of tax effects; and
- iii. Securities held to maturity - Acquired with the intention and financial capacity to maintain them in the portfolio until maturity, are valued at the respective acquisition costs, plus income earned as a counterpart entry to income for the period.

Government bonds, shares, and debentures are classified in the "available for sale" category and have their cost value updated by the income incurred up to the balance sheet date and adjusted by the market value, with this adjustment being recorded in a specific account of Shareholders' Equity. Credit notes and agribusiness receivables certificates are held to maturity, with their costs restated by yields up to the balance sheet date, adjusted to market value.



**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reals)**
**• Fair value measurement**

When measuring the fair value of an asset or a liability, the Bank uses observable market data as much as possible. Fair values are classified at distinct levels in a hierarchy based on the information (inputs) used in the valuation techniques as follows.

- **Level 1:** quoted (unadjusted) prices in active markets for identical assets and liabilities.
- **Level 2:** inputs, other than quoted prices included in Level 1, which are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).
- **Level 3:** inputs, for the asset or liability, which are not based on observable market data (unobservable inputs).

The Bank has established a control structure related to fair value measurement. This includes a valuation team that has overall responsibility for reviewing all significant fair value measurements, including Level 3 fair values reporting directly to the Chief Financial Officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If information from third parties, such as quotes from brokers or pricing services, is used to measure fair value, the valuation team analyzes the evidence obtained from third parties to support the conclusion that such valuations meet the requirements of CPC 46/Resolution No. 4.748 /2019 of the Central Bank of Brazil, including the level in the fair value hierarchy at which such valuations should be classified. Significant assessment issues are reported to senior management. The Bank recognizes transfers between levels of the fair value hierarchy at the end of the period of the Financial Statements in which the changes occurred, if applicable.

**• Derivative financial instruments**

The valuation is conducted based on the market value and the resulting valuations and devaluations are recorded in profit or loss for the period. However, in cases where derivative financial instruments, following Circular Letter 3082/02 of the Central Bank of Brazil, are classified as cash flow hedges, the valuations or devaluations mentioned above are wholly or partially recorded in a specific account in shareholders' equity, considering the effective portion of the hedge, net of tax effects. Only when derivative financial instruments are contracted in negotiations associated with fundraising operations or investment of funds, under the terms of Circular No. 3.150/02 of the Central Bank of Brazil, adjustments to market value should not be recognized in the accounting.

**• Loan operations and provision for expected losses associated with credit risk**

Loan operations are classified according to Management's opinion regarding the level of risk, considering the economic situation, experience, and specific risks in relation to the operation, debtors and guarantors, observing the parameters established by CMN Resolution 2.682/99, which requires periodic analysis of the portfolio and its classification into nine levels, with "AA" (minimum risk) and "H" (loss). Income from credit operations overdue for more than 60 days, regardless of their risk level, will only be recognized as income when effectively received.

Operations classified as level "H" remain in this classification for 6 months, when they are written off against the existing provision and controlled, for five years, in memorandum accounts, no longer appearing in balance sheets. Renegotiated operations are maintained, at least, at the same level at which they were classified. The renegotiations of loan operations that had already been written off against the provision and that were in memorandum accounts are classified as H and any gains arising from the renegotiation are only recognized as revenue, when effectively received.

Provisions for expected losses associated with credit risk are calculated according to the classification of operations held in the Bank's portfolio and operations assigned to the Bank without co-obligation in one of nine different risk levels (from AA to H). The increase in the provision is due to the recording of new provisions. The rules of the National Monetary Council (CMN) determine the minimum provision for each classification level, from 0% (for operations that are not in arrears) to 100% (for operations with more than 180 days in arrears).

**• Other Assets: Other values and assets – Non-use assets**

Corresponding to immovable and movable property available for sale, received in lieu of payment due to unpaid credits. They are adjusted to market value through the creation of a provision, in accordance with current regulations.

**• Other Assets: Other values and assets - Prepaid expenses**

Represented by commissions paid to external consultants due to the hiring of external lines.

**• Allowance for asset impairment**

The value of an asset or cash-generating unit is recognized as a loss when its carrying amount exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates substantial cash flow, independently of other assets or groups of assets. Impairment losses, when applicable, are recorded in income for the period in which they were identified. The values of non-financial assets are periodically reviewed at least once a year, to determine whether there is any indication of impairment or realization of these assets.

**• Investments in the participation on controlled companies**

Investments in subsidiaries, in the financial statements, are accounted for using the equity method.

The other permanent investments are valued at acquisition cost, and are adjusted to market value through provision constitution, when applicable.

**• Fixed assets for use**

Fixed assets are stated at acquisition cost, depreciation is calculated using the straight-line method, based on annual rates that consider the economic useful life of the assets at rates of 4% (useful life of 25 years), 10% (useful life of 10 years), and 20% (useful life of 5 years) for property, equipment, and other fixed assets, respectively.

**g. Liabilities**
**• Deposits and other financial instruments**

They are stated at the liabilities values and consider the charges payable up to the balance sheet date, recognized on a "pro rata die" basis".

**• Other liabilities**

Stated at known or estimated amounts, plus, when applicable, the corresponding charges, monetary and/or exchange variations incurred up to the balance sheet date.

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reals)**
***h. Contingent assets and liabilities and legal obligations***

Assets and liabilities contingencies and legal obligations are evaluated, recognized, and demonstrated in accordance with Technical Pronouncement CPC 25 of the Accounting Pronouncements Committee. At the same time, the Technical Pronouncement was approved by BACEN Resolution No. 3.823 on December 16, 2009.

The assessment of the probability of losing contingencies is classified as Remote, Possible, or Probable based on the judgment of the internal or external lawyers, on the legal basis of the case, the feasibility of producing evidence, the jurisprudence in question, the possibility of appealing to higher instances, and historical experience. This is a subjective exercise, subject to the uncertainties of predicting future events. As such, it is understood that reviews will be subject to frequent updating and change. For civil cases, the Bank adopts the historical average methodology, calculated, considering the losses and gains of the last 36 months, thus, the expected loss is measured for these processes on an aggregate basis.

- **Contingent assets** - They are not recognized in the Financial Statements, except when there is evidence that provides the guarantee of their realization, on which there are no further appeals.
- **Contingent liabilities** - These are recognized when the opinion of the legal advisors assess the probability of loss as probable. Cases with chances of loss classified as possible are disclosed in terms of quantity and amounts (Explanatory Note No. 18); and
- **Legal obligations** - These are recognized and provisioned for in the balance sheet, regardless of the assessment of the chances of success during the lawsuit (Explanatory Note No. 18).

***i. Income tax and social contribution***

Income tax and social contribution for the period, current and deferred, are calculated based on the rate of 15% plus a 10% surcharge on taxable income more than BRL240,000 per year for income tax. For social contribution, they are calculated based on the rate of 20% and consider the offset of tax losses and negative base of social contribution, limited to 30% of taxable income.

Deferred tax assets arising from temporary differences were recognized based on the rate of 25% for income tax and 20% for social contribution.

***j. Guarantees and sureties***

Guarantees and sureties provided by the Institution are recorded on behalf of those guaranteed or guaranteed in memorandum accounts, subject to the expected developments for control, registration and follow-up of administrative acts that may become an obligation due to future events. In accordance with BACEN Resolution No. 4.512/2016, guarantees and surety operations honored and not honored have a provision assigned to each client as defined by Management based on the expectation of loss.

***k. Recurring/non-recurring balance***

The internal policies of Banco Industrial do Brasil consider as recurring and non-recurring the balance arising and/or not, from operations conducted following the Institution's corporate purpose outlined in its Bylaws, that is, "the practice of active, passive operations and accessories and services authorized for multiple banks with commercial, investment, credit, financing and investment and leasing portfolios, including foreign exchange, and the exercise of portfolio management of bonds and securities, as well as participating in other companies, following the legal and regulatory provisions applicable to its type of financial institution". In addition, the Bank's Management considers a non-recurring balance that is not expected to occur in the following 3 years. So, semester income of Bank is considered as recurring.

**4. Availabilities**

|                   | 06.2024       | 12.2023       |
|-------------------|---------------|---------------|
| Domestic Currency | 176           | 425           |
| Foreign Currency  | 30,172        | 41,118        |
| <b>Total</b>      | <b>30,348</b> | <b>41,543</b> |

**5. Short-term interbank investments**
***a. Open market applications***

|   | 06.2024          | 12.2023        |
|---|------------------|----------------|
| <b>Up to 30 days</b>                                |                  |                |
| <b>Own resources</b>                                |                  |                |
| Financial Treasury Bills                            | 400,103          | 400,090        |
| National Treasury Bills                             | 415,108          | 212,546        |
| Domestic Treasury Bills                             | 300,075          | -              |
| <b>Subtotal (1)</b>                                 | <b>1,115,286</b> | <b>612,636</b> |
| <b>Applications in interbank deposits</b>           |                  |                |
| From 31 to 180 days                                 | 92,077           | 57,697         |
| From 181 to 360 days                                | 26,964           | 87,456         |
| <b>Subtotal (2)</b>                                 | <b>119,041</b>   | <b>145,153</b> |
| <b>Total short-term interbank investments (1+2)</b> | <b>1,234,327</b> | <b>757,789</b> |
| <b>Current</b>                                      | <b>1,234,327</b> | <b>757,789</b> |

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reais)**

**b. Income from short-term interbank investments**

|  | Accumulated 06.2024 | Accumulated 06.2023 |
|--|---------------------|---------------------|
| Income from investments in committed operations: |                     |                     |
| Own resources                                    | 43,740              | 45,414              |
| Financed position                                | 670                 | 398                 |
| Income from investments in interbank deposits    | 7,409               | 6,005               |
| <b>Total</b>                                     | <b>51,819</b>       | <b>51,817</b>       |

**6. Bonds and securities**

**a. Diversification by type**

|   | 06.2024        | 12.2023        |
|---|----------------|----------------|
| <b>Own portfolio</b>                    | <b>401,488</b> | <b>218,087</b> |
| Financial Treasury Bills – LFT          | 32,051         | 38,138         |
| Real Estate Receivables certificates    | 13,760         | 38,305         |
| Debentures                              | 20,247         | 29,181         |
| Agribusiness Receivables Certificates   | -              | 1,437          |
| Fund shares                             | 272,862        | 45,777         |
| Bonds and Securities abroad (i)         | 62,568         | 65,249         |
| <b>Linked to repurchase agreements</b>  | <b>104,401</b> | <b>119,220</b> |
| Real Estate Receivables Certificates    | 28,687         | 5,757          |
| Debentures                              | 25,427         | 19,349         |
| Fund shares                             | 50,287         | 94,114         |
| <b>Linked to provision of guarantee</b> | <b>60,070</b>  | <b>48,849</b>  |
| Financial Treasury Bills – LFT          | 60,070         | 48,849         |
| <b>Total</b>                            | <b>565,959</b> | <b>386,156</b> |
| Current                                 | 18,293         | 85,808         |
| Noncurrent                              | 547,666        | 300,348        |

(i) Bonds and securities abroad are composed of bonds of state-owned companies headquartered in Brazil issued by banks abroad as fixed income in the total amount of R\$ 29,224 (12/31/2023 – R\$ 36,330) and other securities fixed income in the amount of R\$ 33,344 (12/31/2023 – R\$ 28,919).

The securities are book-entry and registered with the Special System for Liquidation and Custody (Selic), B3 S.A. – Brasil, Bolsa, Balcão and Banco Itaú Nassau.

**b. Diversification by term**

|                               | 06.2024        | 12.2023        |
|-------------------------------|----------------|----------------|
| Up to 3 months                | 571            | 84,262         |
| Due between 3 and 12 months   | 17,722         | 1,546          |
| Due between 12 and 36 months  | 384,708        | 185,878        |
| Due between 36 and 60 months  | 95,281         | 51,411         |
| Due between 60 and 180 months | 24,954         | 25,318         |
| Over 180 months               | 42,723         | 37,741         |
| <b>Total of portfolio</b>     | <b>565,959</b> | <b>386,156</b> |
| Current                       | 18,293         | 85,808         |
| Noncurrent                    | 547,666        | 300,348        |

**c. Classification of the securities portfolio and real estate values**

|                                       | 06.2024                   | 12.2023                   |
|---------------------------------------|---------------------------|---------------------------|
|                                       | <b>Available for sale</b> | <b>Available for sale</b> |
| Financial Treasury Bills – LFT        | 92,121                    | 86,987                    |
| Real Estate Receivables certificates  | 42,447                    | 44,062                    |
| Debentures                            | 45,674                    | 48,530                    |
| Bonds and Securities abroad           | 62,568                    | 65,249                    |
| <b>Subtotal</b>                       | <b>242,810</b>            | <b>244,828</b>            |
|                                       | <b>06.2024</b>            | <b>12.2023</b>            |
|                                       | <b>Kept until term</b>    | <b>Kept until term</b>    |
| Agribusiness Receivables certificates | -                         | 1,437                     |
| Fund shares                           | 323,149                   | 139,891                   |
| <b>Subtotal</b>                       | <b>323,149</b>            | <b>141,328</b>            |
| <b>Total of Portfolio</b>             | <b>565,959</b>            | <b>386,156</b>            |

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reals)**

**d. Market value of securities**

The updated cost values of the securities portfolio, compared with the respective market values, are as follows:

|   | 06.2024            |                |                 |
|---|--------------------|----------------|-----------------|
|   | Updated cost value | Market value   | Market adjust.  |
| <b>Bonds</b>                              |                    |                |                 |
| Financial Treasury Bills – LFT (i)        | 92,110             | 92,121         | 11              |
| Real Estate Receivables certificates (ii) | 40,313             | 42,447         | 2,134           |
| Debentures (ii)                           | 79,852             | 45,674         | (34,178)        |
| Fund shares                               | 323,149            | 323,149        | -               |
| Bonds and Securities abroad (i)           | 65,651             | 62,568         | (3,083)         |
|   | <u>601,075</u>     | <u>565,959</u> | <u>(35,116)</u> |

  

|   | 12.2023            |                |                 |
|---|--------------------|----------------|-----------------|
|   | Updated cost value | Market value   | Market adjust.  |
| <b>Bonds</b>                              |                    |                |                 |
| Financial Treasury Bills – LFT (i)        | 87,005             | 86,987         | (18)            |
| Real Estate Receivables certificates (ii) | 40,307             | 44,062         | 3,755           |
| Debentures (ii)                           | 78,760             | 48,530         | (30,230)        |
| Agribusiness receivables certificates     | 1,437              | 1,437          | -               |
| Fund shares                               | 139,891            | 139,891        | -               |
| Bonds and Securities abroad (i)           | 67,401             | 65,249         | (2,152)         |
|   | <u>414,801</u>     | <u>386,156</u> | <u>(28,645)</u> |

(i) The market value of Financial Treasury Bills – LFT, Bonds and Securities Abroad, were determined based on price quotations, indices, and rates immediately available for non-forced transactions and from independent sources. Therefore, classified as Tier 1.

(ii) The market value of Real Estate receivables certificates and was obtained by using quoted prices for similar assets and liabilities in active markets, or through future cash flows discounted to present value at discount rates obtained through observable market data or other valuation techniques based on mathematical methods that use market benchmarks. Therefore, classified as Tier 2.

**e. Income from bond and securities**

|   | Accumulated 06.2024 | Accumulated 06.2023 |
|---|---------------------|---------------------|
| Short-term interbank investments            | 51,819              | 51,817              |
| Income from investments in foreign currency | 3,011               | 2,748               |
| Fixed income securities                     | 30,155              | 11,343              |
| Variable income securities                  | 705                 | -                   |
| <b>Total</b>                                | <u>85,690</u>       | <u>65,908</u>       |

**7. Derivative Financial Instruments**

The Bank operates with derivative financial instruments to protect (hedge) against market risk, which arises mainly from fluctuations in interest rates and exchange rates. Hedging needs are managed based on positions consolidated by currency. In this way, dollar and real positions are broken down into the different indices (PRE and TJLP).

Derivative financial instruments are those with the highest liquidity, giving priority to futures contracts of B3 S.A – Brasil, Bolsa, Balcão, which are valued at market value, through daily adjustments, and classified as Tier 1.

The effectiveness of hedging instruments is ensured by balancing fluctuations in the prices of derivative contracts and the market values of the hedged objects. The hedging instruments can be operated in terms different from their respective objects, to seek the best liquidity of the instrument. There is a provision for the need to renew or contract a new hedge operation, in those in which the derivative financial instrument has a maturity date before that of the hedged item.

After the implementation of the floating exchange rate policy, the dollar portfolio has been managed in such a way that there is the smallest possible mismatch in term and financial volume. On the other hand, these derivative financial instruments, which do not meet the hedge classification, according to parameters established in BACEN Circular nº 3082/02, but which are used to protect against risks inherent to price and rate fluctuations, that is, to global exposure risk, are accounted for at market value, with realized and unrealized gains and losses recognized directly in the Bank's income statement.

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reals)**

**Risk management controls**

The portfolios are controlled and consolidated by the Management Information area, under the management of the Administrative Board, which is responsible for determining the market value of derivative positions and their respective hedge objects. This information is forwarded to the Finance Committee and to the Risk Management area, which, in daily cash meetings, defines the best management of the Bank's various asset and liability portfolios, considering market and liquidity risks, providing hedging instruments" required following the policy previously defined by Management.

Uncovered positions are constantly monitored to verify that they are within the limits approved by the Market Risk Committee.

**a. Position**

**Swap operations:**

|                  | 06.2024           |                         |                       |                  |
|------------------|-------------------|-------------------------|-----------------------|------------------|
|                  | Referential value | Value in donated market | Value in taken market | Net value to pay |
| CDI x PTAX-V (*) | 58,340            | 60,653                  | (63,515)              | (2,862)          |
| IPCA x CDI (*)   | 50,000            | 57,672                  | (71,213)              | (13,541)         |
| PTAX-V x CDI (*) | 58,339            | 63,515                  | (58,839)              | 4,676            |
| <b>Total</b>     | <b>166,679</b>    | <b>181,840</b>          | <b>(193,567)</b>      | <b>(11,727)</b>  |

  

|                  | 12.2023           |                         |                       |                  |
|------------------|-------------------|-------------------------|-----------------------|------------------|
|                  | Referential value | Value in donated market | Value in taken market | Net value to pay |
| CDI x PTAX-V (*) | 114,316           | 121,226                 | (114,961)             | 6,265            |
| IPCA x CDI (*)   | 50,000            | 57,673                  | (67,653)              | (9,980)          |
| PTAX-V x CDI (*) | 114,316           | 114,961                 | (117,924)             | (2,963)          |
| <b>Total</b>     | <b>278,632</b>    | <b>293,860</b>          | <b>(300,538)</b>      | <b>(6,678)</b>   |

**Future operations:**

|                    | 06.2024           |                  | 12.2023           |                  |
|--------------------|-------------------|------------------|-------------------|------------------|
|                    | Referential value |                  | Referential value |                  |
|                    | Long position     | Short position   | Long position     | Short position   |
| Future market (*): |                   |                  |                   |                  |
| Referential value  |                   |                  |                   |                  |
| Interest rate - DI | -                 | 2,242,312        | -                 | 2,011,302        |
| Currency           | 193,204           | -                | 96,836            | -                |
|                    | <b>193,204</b>    | <b>2,242,312</b> | <b>96,836</b>     | <b>2,011,302</b> |

(\*) These operations are used to protect against risks inherent to fluctuations in prices and rates ("hedge") - see Explanatory Note No. nº 7e.

**b. Diversification by term**

Derivative financial instrument contracts are distributed at B3 S.A. – Brasil, Bolsa, Balcão with the following maturity dates:

|                  | 06.2024          |                     |                  |
|------------------|------------------|---------------------|------------------|
|                  | Up to 3 months   | From 3 to 12 months | Total            |
| Swap operations: | (13,541)         | 1,814               | (11,727)         |
| Future market:   |                  |                     |                  |
| Future market    |                  |                     |                  |
| Long position    | 112,104          | 81,100              | 193,204          |
| Short position   | <b>1,088,937</b> | <b>1,153,375</b>    | <b>2,242,312</b> |

  

|                  | 12.2023          |                     |                      |                  |
|------------------|------------------|---------------------|----------------------|------------------|
|                  | Up to 3 months   | From 3 to 12 months | From 12 to 36 months | Total            |
| Swap operations: | 1,449            | (8,268)             | 141                  | (6,678)          |
| Long position    | 96,836           | -                   | -                    | 96,836           |
| Short position   | <b>1,604,096</b> | <b>407,206</b>      | <b>-</b>             | <b>2,011,302</b> |

The daily adjustments of transactions conducted in the futures market are recorded as effective income or expenses when incurred and represent their market value. Futures and swap transactions are recorded in memorandum accounts at the contract value or principal amount. These operations are conducted within the scope of B3 S.A. – Brasil, Bolsa, Balcão e CETIP – Central for the Custody and Financial Settlement of Securities. Amounts receivable and payable from swap transactions are recorded under "Derivative financial instruments".

**c. Types of margins offered as collateral for derivative financial instruments**

The types of margins offered as collateral for derivative financial instruments are represented by:

|                          | 06.2024       | 12.2023       |
|--------------------------|---------------|---------------|
| Financial Treasury Bills | 55,043        | 43,465        |
| <b>Total</b>             | <b>55,043</b> | <b>43,465</b> |

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reais)**

**d. Income from derivative financial instruments**

The amount of net income and expenses are shown below:

|                   | Accumulated 06.2024 | Accumulated 06.2023 |
|-------------------|---------------------|---------------------|
| Swap operations   | 194                 | (4,154)             |
| Futures contracts | 22,984              | (9,905)             |
| <b>Total</b>      | <b>23,178</b>       | <b>(14,059)</b>     |

**e. Financial instrument positions and risk sensitivity analysis**

f. The Bank presents three simulation scenarios on the presentation of information on financial instruments, including hedge derivatives, which include a sensitivity analysis for each type of market risk considered relevant by Management.

g. This analysis included simulations that measure the effect of changes in market curves and prices on the exposures maintained by the Bank, intending to simulate the effects on income in the face of three specific scenarios, as shown below:

- 1 - Situation considered probable by Management, which considered a 1% deterioration in the risk variable (exchange rate and interest rate), which was intended to demonstrate some stability.
- 2 - Situation with deterioration of at least 25% (\*) in the risk variable considered (exchange rate and interest rate).
- 3 - Situation with deterioration of at least 50% (\*) in the risk variable considered (exchange rate and interest rate).

**I – Statement of positions**

We present, below, the outstanding derivative financial instruments on June 30, 2024 and the respective amounts of the portfolios protected by these instruments:

| Operation / Protected portfolio             | Risk          | Derivative financial instrument | Amount of protected portfolio | Position (a)     |
|---|---------------|---------------------------------|-------------------------------|------------------|
| <b>Hedge (*) – Debt in foreign currency</b> |               |                                 |                               |                  |
| Transfers from abroad / Subordinated debt   | Exchange      | 1,016,577                       | (980,617)                     | 35,960           |
| <b>Hedge (*) – Banking Pre</b>              | Rates in Fees |                                 |                               |                  |
| Credit operations                           |               | (2,242,313)                     | 4,438,110                     | 2,195,797        |
| <b>Total</b>                                |               | <b>(1,225,736)</b>              | <b>3,457,493</b>              | <b>2,231,757</b> |

(a) It refers to the net position between the accounting balances of the protected portfolios and the respective derivative financial instruments, not representing the effective exposure in each of the operations, which have different maturities.

(\*) As previously mentioned, although these operations are used to protect against risks inherent to fluctuations in prices and rates, they are not accounted for as such because they do not meet the parameters defined in BACEN Circular No. 3082/02.

**II – Demonstration Table of Sensitivity Analysis - Effect on Variation in Fair Value (BRL thousand)**

| Operation   | Risk   | Scenario I<br>1%<br>Deterioration | Scenario II<br>25%<br>Deterioration | Scenario III<br>50%<br>Deterioration |
|---|--|-----------------------------------|-------------------------------------|--------------------------------------|
| <b>Exchange Operation</b><br>Debt in foreign currency | Exchange Transaction<br>(risk of falling US\$) | (720)                             | (16,899)                            | (31,730)                             |
|   | Debt (risk increase US\$)                      | 937                               | 22,717                              | 44,085                               |
|   | <b>Net Effect</b>                              | <b>217</b>                        | <b>5,818</b>                        | <b>12,355</b>                        |
| <b>PRE Hedge Banking</b><br>Asset in BRL              | Derivative (Selic drop risk)                   | 542                               | 13,313                              | 26,208                               |
|   | Credit (Selic raise risk)                      | (3,023)                           | (73,708)                            | (143,303)                            |
|   | <b>Net Effect</b>                              | <b>(2,481)</b>                    | <b>(60,395)</b>                     | <b>(117,095)</b>                     |
|   | <b>Net Effect - Total</b>                      | <b>(2,264)</b>                    | <b>(54,577)</b>                     | <b>(104,740)</b>                     |

**III – Demonstration Table of Sensitivity Analysis – Effect on Variation in Fair Value - CONSOLIDATED**

| Operation            | Risk                      | MTM<br>Net Exposure | Scenario I<br>1%<br>Deterioration | Scenario II<br>25%<br>Deterioration | Scenario III<br>50%<br>Deterioration |
|----------------------|---------------------------|---------------------|-----------------------------------|-------------------------------------|--------------------------------------|
| <b>Book Exchange</b> | Foreign currency drop     | 35,960              | 217                               | 5,818                               | 12,355                               |
| <b>Pre Book</b>      | CDI raise                 | 2,195,797           | (2,481)                           | (60,395)                            | (117,095)                            |
|                      | <b>Net Effect - Total</b> | <b>2,231,757</b>    | <b>(2,264)</b>                    | <b>(54,577)</b>                     | <b>(104,740)</b>                     |



**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reals)**
**8. Credit operations, advance on exchange contract**
**a. Diversification by product**

|  | 06.2024                 | 12.2023                 |
|--|-------------------------|-------------------------|
| Private sector:  |                         |                         |
| Overdraft facilities   | 143,211                 | 142,831                 |
| Operations in foreign currencies                                       | 531,756                 | 504,542                 |
| Working capital  | 1,414,652               | 1,618,575               |
| Vendor   | 1,208                   | 1,547                   |
| Creditor rights  | 106,791                 | 52,724                  |
| Payroll loans  | 856,634                 | 825,194                 |
| Finame - Special Agency for Industrial Financing                       | 3,438                   | 4,776                   |
| Other credits:   |                         |                         |
| Advances on foreign exchange contracts (*)                             | 341,336                 | 362,851                 |
| Income receivable advances granted (*)                                 | 17,610                  | 19,237                  |
| Debtors for the purchase of securities and goods                       | 68,755                  | 72,026                  |
| Credit card  | 8,630                   | 9,660                   |
| Purchased assets (**)  | 1,602,558               | 1,580,059               |
| Total before allowance for expected losses associated with credit risk | <u>5,096,579</u>        | <u>5,194,022</u>        |
| Provision for expected losses associated with credit risk              | (83,117)                | (64,511)                |
| <b>Grand Total</b>   | <u><b>5,013,462</b></u> | <u><b>5,129,511</b></u> |
| Current  | 3,913,214               | 3,879,022               |
| Noncurrent   | 1,100,248               | 1,250,489               |

(\*) Advances on foreign exchange contracts and income receivable from advances granted are recorded in the balance sheet under "Other passive financial instruments" (see Explanatory Note nº 11).

(\*\*) These operations are classified without co-obligations on the part of the assignor, since in the purchase of assets there was a transfer of the risks and benefits of the operations.

**b. Diversification by activity**

|                          | 06.2024          | 12.2023          |
|--------------------------|------------------|------------------|
| Private sector:          |                  |                  |
| Industry                 | 841,081          | 1,013,901        |
| Trade                    | 435,360          | 356,480          |
| Financial intermediaries | 6,610            | 41,303           |
| Services                 | 2,905,714        | 2,899,114        |
| Natural person           | 907,814          | 883,224          |
| Portfolio total          | <u>5,096,579</u> | <u>5,194,022</u> |

**c. Diversification by term**

|                              | 06.2024          | 12.2023          |
|------------------------------|------------------|------------------|
| Private sector:              |                  |                  |
| Overdue                      | 125,584          | 110,249          |
| Due in up to 3 months        | 2,176,627        | 2,280,227        |
| Due between 3 and 12 months  | 1,675,880        | 1,537,331        |
| Due between 12 and 36 months | 693,201          | 779,805          |
| Due between 36 and 60 months | 280,719          | 321,229          |
| Due over 60 months           | 144,568          | 165,181          |
| Portfolio total              | <u>5,096,579</u> | <u>5,194,022</u> |

**d. Credit concentration**

|                     | 06.2024   |                | 12.2023   |                |
|---------------------|-----------|----------------|-----------|----------------|
|                     | Risk      | % of the total | Risk      | % of the total |
| Biggest debtor      | 128,055   | 2.51%          | 126,056   | 2.43%          |
| 10 biggest debtors  | 956,765   | 18.77%         | 868,413   | 16.72%         |
| 20 biggest debtors  | 1,484,105 | 29.12%         | 1,334,205 | 25.69%         |
| 50 biggest debtors  | 2,351,302 | 46.13%         | 2,132,677 | 41.06%         |
| 100 biggest debtors | 2,985,199 | 58.57%         | 2,792,566 | 53.77%         |

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reais)**
**e. Income of credit operations**

|   | Accumulated 06.2024 | Accumulated 06.2023 |
|---|---------------------|---------------------|
| Credit operations                         |                     |                     |
| Loan income                               | 204,402             | 264,844             |
| Income from credit rights                 | 107,797             | 94,370              |
| Financing income                          | 355                 | -                   |
| Recovery of credits written off as losses | 2,777               | 5,234               |
| Financing income in foreign currency      | 49,063              | 36,952              |
| Credit assignment expense (i)             | -                   | (34,026)            |
| Discounts granted                         | -                   | (11,354)            |
| Total income from credit operations       | <u>364,394</u>      | <u>356,020</u>      |

(i) In the 1st half of 2024, no credit assignment operations were conducted. In the first semester of 2023, credit operations were assigned without co-obligation in the amount of R\$ 43,986 to non-related companies, for the amount of R\$ 9,960, which generated a loss in the amount of R\$ 34,026, of which there was a provision in the amount of R\$ 14,939. The assignments were conducted in the context of redirecting the product whose operations were assigned. In the year of 2022 no credit assignment operations were conducted.

**9. Provision for expected losses associated with credit risk**

The net change in the provision for expected losses associated with credit risk was as follows:

|                                      | 06.2024         | 06.2023         |
|--------------------------------------|-----------------|-----------------|
| Balance at the beginning of semester | (64,511)        | (50,336)        |
| Net provision                        | (34,353)        | (16,489)        |
| Write-off for loss                   | 15,747          | 16,414          |
| Balance at the end of semester       | <u>(83,117)</u> | <u>(50,411)</u> |

We present below the composition of the portfolio by risk levels:

| Risk level      | 06.2024                |                  |                |                  | Allowance for expected losses associated with credit risk |  |
|-----------------|------------------------|------------------|----------------|------------------|---|--|
|                 | Total of operations    |                  |                |                  | Total   |  |
|                 | Provisioning Level (%) | Regular Course   | In arrears     | Total            |   |  |
| AA              | 0.0                    | 3,368,906        | -              | 3,368,906        |   |  |
| A               | 0.5                    | 1,295,146        | -              | 1,295,146        |   |  |
| B               | 1.0                    | 241,321          | 15,320         | 256,641          |   |  |
| C               | 3.0                    | 28,245           | 18,023         | 46,268           |   |  |
| D               | 10.0                   | 15,624           | 17,454         | 33,078           |   |  |
| E               | 30.0                   | 12,225           | 9,832          | 22,057           |   |  |
| F               | 50.0                   | 1,138            | 19,608         | 20,746           |   |  |
| G               | 70.0                   | 946              | 3,545          | 4,491            |   |  |
| H               | 100.0                  | 7,444            | 41,802         | 49,246           |   |  |
| Portfolio total |                        | <u>4,970,995</u> | <u>125,584</u> | <u>5,096,579</u> |   |  |

| Risk level      | 12.2023                |                  |                |                  | Allowance for expected losses associated with credit risk |  |
|-----------------|------------------------|------------------|----------------|------------------|---|--|
|                 | Total of operations    |                  |                |                  | Total   |  |
|                 | Provisioning Level (%) | Regular Course   | In arrears     | Total            |   |  |
| AA              | 0.0                    | 3,508,993        | -              | 3,508,993        |   |  |
| A               | 0.5                    | 1,315,430        | -              | 1,315,430        |   |  |
| B               | 1.0                    | 161,941          | 10,754         | 172,695          |   |  |
| C               | 3.0                    | 51,762           | 13,012         | 64,774           |   |  |
| D               | 10.0                   | 16,378           | 31,644         | 48,022           |   |  |
| E               | 30.0                   | 20,849           | 13,602         | 34,451           |   |  |
| F               | 50.0                   | 899              | 11,588         | 12,487           |   |  |
| G               | 70.0                   | 472              | 13,818         | 14,290           |   |  |
| H               | 100.0                  | 7,049            | 15,831         | 22,880           |   |  |
| Portfolio total |                        | <u>5,083,773</u> | <u>110,249</u> | <u>5,194,022</u> |   |  |

Credits in the amount of R\$ 2,777 were recovered in the 1<sup>st</sup> semester 2024 (R\$ 5,234 in the 1<sup>st</sup> semester 2023). Credits in the amount of R\$ 14,236 in 2024 (R\$ 28,723 in 2023). The balance presented considers as renegotiation any agreement or change in the due dates and payment conditions originally agreed upon in credit operations.

**10. Other financial instruments – Credits linked****Composition of the balance**

The balance of linked credits was thus represented:

|                                    | 06.2024       | 12.2023       |
|------------------------------------|---------------|---------------|
| Compensation service               | 27,083        | -             |
| PIX reserve requirement            | 10,871        | 5,048         |
| Demand deposit reserve requirement | 298           | 602           |
| Microcredit reserve requirement    | 3,891         | 4,705         |
| Current (Explanatory note n° 12)   | <u>42,143</u> | <u>10,355</u> |

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reals)**

**11. Other financial instruments – Currency exchange portfolio**

|  | 06.2024            | 12.2023            |
|--|--------------------|--------------------|
| Currency purchased to be settled                         | 382,305            | 351,953            |
| Rights on exchange sales                                 | 6,176              | 2,984              |
| Advances received in domestic currency                   | (314)              | (791)              |
| Income receivable from advances granted                  | 17,610             | 19,237             |
| <b>Total</b>   | <b>405,777</b>     | <b>373,383</b>     |
| <b>Liability – Other financial instruments liability</b> |                    |                    |
| Currency purchased to be settled                         | 6,168              | 2,965              |
| Rights on exchange sales                                 | 351,814            | 365,858            |
| Advances received in domestic currency                   | (331,477)          | (357,999)          |
| Income receivable from advances granted                  | (9,860)            | (4,851)            |
| <b>Total</b>   | <b>16,645</b>      | <b>5,973</b>       |
|  |                    |                    |
|  | <b>Accumulated</b> | <b>Accumulated</b> |
|  | <b>06.2024</b>     | <b>06.2023</b>     |
| <b>Exchange income</b>                                   |                    |                    |
| Exchange income  | 98,992             | 145,676            |
| Exchange expenses  | (5,301)            | (100,044)          |
| <b>Total</b>   | <b>93,691</b>      | <b>45,632</b>      |

Liabilities for open import credits in the amount of R\$ 19,990 on June 30, 2024 (R\$ 27.073 on December 31, 2023) are recorded in memorandum accounts.

**12. Other financial instruments**

|   | 06.2024        | 12.2023        |
|---|----------------|----------------|
| Exchange portfolio (Explanatory note nº 11) | 405,777        | 373,383        |
| Income receivable                           | 297            | 337            |
| Securities trading and brokerage            | 2,999          | -              |
| Advances and prepayments                    | 3,366          | 14,930         |
| Debtors for guaranteed deposit              | 90,167         | 88,841         |
| Income tax to be compensated                | 12,551         | 25,674         |
| Tax incentive options                       | 271            | 271            |
| Miscellaneous debtors - domestic / abroad   | 17,747         | 1,827          |
| Linked credits (Explanatory note nº 10)     | 42,143         | 10,355         |
| Miscellaneous                               | 146            | 146            |
| <b>Total</b>                                | <b>575,464</b> | <b>515,764</b> |
| Current                                     | 485,026        | 426,652        |
| Noncurrent                                  | 90,438         | 89,112         |

**13. Income tax and social contribution**

**a. Deferred tax asset**

The Bank adopts procedures for recognizing Income Tax (IR) and Social Contribution (CS) tax credits on temporary differences, tax loss and social contribution negative basis, based on the current rates of 25% for income tax and 20% for social contribution. Tax credits are set up in accordance with CMN Resolution No. 4.842 of July 30, 2020, and consider the history of profitability and the expectation of generating future taxable income based on a technical feasibility study.

**(i) Nature and origin of the deferred tax asset**

|   | 06.2024       |               |               | 12.2023       |               |               |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
|   | IR            | CS            | Total         | IR            | CS            | Total         |
| Temporary differences:                                    |               |               |               |               |               |               |
| Provision for expected losses associated with credit risk | 21,001        | 16,803        | 37,804        | 16,371        | 13,097        | 29,468        |
| TVM / BNDU fair value                                     | 8,901         | 7,123         | 16,024        | 7,287         | 5,829         | 13,116        |
| Contingent liabilities                                    | 17,830        | 13,522        | 31,352        | 18,056        | 13,701        | 31,757        |
| <b>Total</b>  | <b>47,732</b> | <b>37,448</b> | <b>85,180</b> | <b>41,714</b> | <b>32,627</b> | <b>74,341</b> |

**(ii) Accomplishment expectation**

Based on a technical study prepared by Management, an accomplishment expectation of tax credits on June 30, 2024 is as follows:

| Years | Accomplishment expectation per year | Present value (i) |
|-------|-------------------------------------|-------------------|
| 2024  | 18,887                              | 18,016            |
| 2025  | 4,333                               | 3,761             |
| 2026  | 19,066                              | 15,057            |
| 2027  | 2,326                               | 1,671             |
| 2028  | 40,568                              | 26,524            |
|       | <b>85,180</b>                       | <b>65,029</b>     |

(i) To discount the deferred tax asset at present value, the DI rate on June 30, 2024 (0.79% a.m.) was used.

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reals)**
**(iii) Deferred tax asset movement**

|   | 06.2024       | 12.2023       |
|---|---------------|---------------|
| Balance at the beginning of the period                    | 74,341        | 69,293        |
| Constitution in the period                                | 18,401        | 23,882        |
| Reversal / realization in the period                      | (7,562)       | (18,834)      |
| Balance at the end of the period                          | <u>85,180</u> | <u>74,341</u> |
| Representation of tax credits on shareholders' equity (%) | <u>11.10%</u> | <u>10.00%</u> |

**b. Income tax and social contribution expense – (accumulated)**

|   | 06.2024       |               | 06.2023      |              |
|---|---------------|---------------|--------------|--------------|
|   | IR            | CS            | IR           | CS           |
| Net income before taxation                                    | 66,094        | 66,094        | 64,150       | 64,150       |
| Capital remuneration (JCP)                                    | (23,800)      | (23,800)      | (24,800)     | (24,800)     |
| Net income before income tax and social contribution          | 42,294        | 42,294        | 39,350       | 39,350       |
| <b>Additions / Deletions</b>                                  | <b>13,097</b> | <b>13,097</b> | <b>3,747</b> | <b>3,747</b> |
| Equity Income   | (4,960)       | (4,960)       | (2,967)      | (2,967)      |
| Credits written off as loss                                   | (15,905)      | (15,905)      | (16,255)     | (16,255)     |
| Provision for expected losses associated with credit risk     | 34,462        | 34,462        | 17,117       | 17,117       |
| Contingent, civil / labor and tax liabilities                 | (900)         | (900)         | 1,587        | 1,587        |
| Adjustment to market value                                    | (562)         | (562)         | 3,548        | 3,548        |
| Profit abroad   | 1,419         | 1,419         | 509          | 509          |
| Dividends receivable  | (705)         | (705)         | -            | -            |
| Other inclusions / exclusions                                 | 248           | 248           | 208          | 208          |
| Calculation basis   | 55,391        | 55,391        | 43,097       | 43,097       |
| Charges at the rates of 15% (IR) and 20% (CS)                 | 8,309         | 11,078        | 6,464        | 8,619        |
| Additional 10% to income tax on installment exceeding BRL 240 | 5,527         | -             | 4,298        | -            |
| Tax incentives  | (375)         | -             | (273)        | -            |
| Deferred IR/CS  | 137           | 110           | (887)        | (709)        |
| Income tax / social contribution                              | 13,598        | 11,188        | 9,602        | 7,910        |

**14. Other assets**

|                                   | 06.2024        | 12.2023       |
|-----------------------------------|----------------|---------------|
| <b>Goods not for personal use</b> |                |               |
| Real estate                       | 111,118        | 54,435        |
| <b>Prepaid expense</b>            |                |               |
| Prepaid expenses (i)              | 3,064          | 515           |
| <b>Total</b>                      | <u>114,182</u> | <u>54,950</u> |
| Current                           | 114,182        | 54,950        |

(i) Represented by commissions paid to external consultants due to the hiring of external lines.

**15. Investments in participation in controlled companies**

|   | 06.2024 |            |            |        |
|---|---------|------------|------------|--------|
|   | IB DTVM | IB Credits | Other      | Total  |
| Information about investments                           |         |            |            |        |
| Share capital paid up                                   | 5,118   | 5,930      | -          | -      |
| Net worth   | 5,448   | 11,296     | -          | -      |
| Net profit for the semester                             | 116     | 3,425      | -          | -      |
| Quotas  | 683,500 | 1,482,436  | -          | -      |
| Participation in the capital - %                        | 99.64   | 99.99      | -          | -      |
| Interest balance in controlled company for the semester | 116     | 3,425      | -          | 3,541  |
| Investment book value                                   | 5,544   | 14,720     | 25,304 (*) | 45,568 |
| Operations conducted in controlled companies (**)       |         |            |            |        |
| Asset:  |         |            |            |        |
| Availability  | 87      | 321        | -          | 408    |
| Investment in interbank deposits                        | 5,399   | -          | -          | 5,399  |
| Bonds and Securities                                    | -       | 15,633     | -          | 15,633 |
| Semester Balance:                                       |         |            |            |        |
| Income from bonds and securities                        | 279     | 705        | -          | 984    |
| Service provision income                                | -       | 7,449      | -          | 7,449  |

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
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|   | 12.2023 |            |            |        |
|---|---------|------------|------------|--------|
|   | IB DTVM | IB Credits | Other      | Total  |
| Information about investments                     |         |            |            |        |
| Share capital paid up                             | 5,118   | 5,930      | -          | -      |
| Net worth   | 5,448   | 11,296     | -          | -      |
| Net profit for the semester                       | 309     | 4,972      | -          | -      |
| Quotas  | 683,500 | 1,482,436  | -          | -      |
| Participation in the capital - %                  | 99.64   | 99.99      | -          | -      |
| Interest balance in controlled company            | 309     | 4,972      | -          | 5,281  |
| Investment book value                             | 5,428   | 11,295     | 25,304 (*) | 42,027 |
| Operations conducted in controlled companies (**) |         |            |            |        |
| Asset:  |         |            |            |        |
| Availabilities                                    | 43      | 608        | -          | 651    |
| Investment in interbank deposits                  | 5,472   | -          | -          | 5,472  |
| Bonds and Securities                              | -       | 12,323     | -          | 12,323 |
| Balance:  |         |            |            |        |
| Income from bonds and securities                  | 649     | 1,196      | -          | 1,845  |
| Service provision income                          | -       | 11,449     | -          | 11,449 |

(\*) Investment for tax incentives R\$ 19 (R\$ 19 in December in 2023), equity securities R\$ 10 (R\$ 185 in December in 2023), shares and quotas R\$ 11,350 (R\$ 11,350 in December in 2023), works of art R\$ 45 (R\$ 45 in December in 2023) and propriety for investment R\$ 13,880 (R\$ 13,880 in December in 2023).

(\*\*) Operations carried out under market conditions, considering the absence of risk.

**16. Fixed assets for use**

|                         |                         | 06.2024       |                          | 12.2023       |                          |
|-------------------------|-------------------------|---------------|--------------------------|---------------|--------------------------|
|                         | Yearly depreciation (%) | Purchase cost | Accumulated depreciation | Purchase cost | Accumulated depreciation |
| <b>Fixed assets:</b>    |                         |               |                          |               |                          |
| <b>Others:</b>          |                         |               |                          |               |                          |
| Furniture and equipment | 10                      | 3,902         | (2,280)                  | 3,902         | (2,153)                  |
| Communication system    | 20                      | 408           | (297)                    | 408           | (294)                    |
| Data processing system  | 20                      | 5,599         | (4,279)                  | 5,521         | (4,007)                  |
| Security system         | 10                      | 71            | (71)                     | 71            | (71)                     |
| Aircraft / Vehicles     | 20                      | 69,504        | (11,166)                 | 29,612        | (9,262)                  |
| <b>Total</b>            |                         | <b>79,484</b> | <b>(18,093)</b>          | <b>39,514</b> | <b>(15,787)</b>          |

**17. Deposits and other financial liability instruments – Financial institutions and other clients**

**a. Diversification by product**

|  | 06.2024          | 12.2023          |
|--|------------------|------------------|
| Demand deposits  | 171,955          | 188,550          |
| Interbank deposits                                       | 1,152,951        | 986,095          |
| Time deposits  | 2,158,986        | 1,923,202        |
| Commitment operations                                    | 103,693          | 127,867          |
| Resources from acceptance and issuance of securities (*) | 1,666,172        | 1,507,711        |
| Loans abroad (**)  | 566,002          | 526,371          |
| Obligations for transfers abroad (***)                   | 385,877          | 273,264          |
| Obligations for domestic transfers                       | 3,432            | 4,767            |
| Subordinated debts (****)                                | 152,487          | 140,452          |
| Other Resources  | 4,410            | 10,355           |
| <b>Total</b>   | <b>6,365,965</b> | <b>5,688,634</b> |

(\*) Financial Bills R\$ 1,444,929 (12/31/2023 – R\$ 1,069,242), Real Estate Credit Bills R\$ 9,839 (12/31/2023 – R\$ 41,664), Agribusiness Credit Bills R\$ 211,404 (12/31/2023 – R\$ 396,805) with guarantee via receivables from the financial institution.

(\*\*) They are composed of external lines to finance exports and imports of Brazilian companies due by June 2025.

(\*\*\*) On June 30, 2020, the Bank received a senior loan of US\$ 12.0 million from DEG (Deutsche Investitions-Und Entwicklungsgesellschaft MbH) maturing in 7 years (after partial amortization, balance at the end of period represents US\$ 9.0 million). In December 2021, the Bank raised a new senior loan from DEG and Proparco (Société de Promotion et de Participation Pour la Coopération Economique S.A.) of US\$ 40.0 million for 7 years. The resources of these lines are intended for medium-sized companies, PMEs. In February 2024, the Bank received US\$ 20.0 million from Finance in Motion through eco.business Fund maturing in 3 years. Resources from these lines are destined to companies which have sustainable practices/certifications. All abovementioned lines of credit require the maintenance of minimum financial ratios (financial covenants), which are monitored quarterly.

(\*\*\*\*) They consist of funding in Financial Bills with maturities in January 2033 and 2035, that are being used for Tier II capital (see Explanatory Note No. 25).

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**b. Diversification by term**

|                               | 06.2024          | 12.2023          |
|-------------------------------|------------------|------------------|
| No maturity                   | 171,955          | 188,550          |
| Due in up to 3 months         | 1,440,881        | 1,384,079        |
| Due between 3 and 12 months   | 2,649,853        | 2,507,463        |
| Due between 12 and 36 months  | 1,788,505        | 1,350,376        |
| Due between 36 and 60 months  | 159,122          | 117,714          |
| Due between 60 and 180 months | 155,649          | 140,452          |
| <b>Total</b>                  | <b>6,365,965</b> | <b>5,688,634</b> |

**c. Expenses in abstractions, loans, assignments, and transfers**

|   | Accumulated<br>06.2024 | Accumulated<br>06.2023 |
|---|------------------------|------------------------|
| <b>Operations in funding at the Marketplace</b> |                        |                        |
| Interbank deposits                              | (51,554)               | (40,114)               |
| Time deposits                                   | (93,957)               | (84,958)               |
| Open market funding                             | (3,531)                | (774)                  |
| Agribusiness credit bills                       | (14,663)               | (32,763)               |
| Real estate credit bills                        | (1,264)                | (5,523)                |
| Financial bills                                 | (72,683)               | (93,801)               |
| Others  | (1,489)                | (1,389)                |
| <b>Subtotal</b>                                 | <b>(239,141)</b>       | <b>(259,322)</b>       |
| <b>Loan and transfer operations</b>             |                        |                        |
| Expense of obligations with banker abroad       | (74,473)               | (35,481)               |
| Expenses for domestic transfers                 | (530)                  | -                      |
| Expenses for transfers abroad                   | (69,487)               | (8,850)                |
| <b>Subtotal</b>                                 | <b>(144,490)</b>       | <b>(44,331)</b>        |
| <b>Total</b>                                    | <b>(383,631)</b>       | <b>(303,653)</b>       |

**18. Provisions**

Banco Industrial is a party to lawsuits and administrative proceedings before various courts and government agencies, arising from the normal course of operations, involving tax, labor, civil, and other matters.

**a. Liability contingencies and legal obligations**

The provisions recognized in the accounts are represented by: (i) Labor claims that aim to see recognition of labor rights, such as overtime, ancillary funds, among others; and (ii) Tax and Social Security – Allowance for Tax Risks represented by proceedings in which the constitutionality or legality of the requirement of various taxes and contributions is discussed; (iii) Civil - promoted by the client and/or third party, aiming at the reimbursement of expenses and/or damages resulting from a financial transaction or alleged non-compliance with a legal obligation. When required by the Court, judicial deposits are made, presented under the heading "Other financial instruments - Debtors for guaranteed deposits" (Explanatory Note no. 12).

The Bank, based on the opinion of its legal advisors, does not expect losses to occur in the outcome of these processes, in addition to those already provisioned.

There are six cases of labor claims, in the amount of R\$ 868 in June 2024 (11 cases – R\$ 1,560 in December 2023) and 28 civil actions classified as possible by our legal advisors, in the amount of R\$ 22,689 (28 cases – R\$ 20,757 in December 2023).

The scenario of uncertainty regarding the duration of the proceedings and the possibility of changes in the jurisprudence of the courts, make the amounts and the expected schedule of exits uncertain. The estimated consumption of provisions is up to five years.

**b. Composition of provisions**

Management, based on information from its legal advisors, analysis of pending lawsuits and, about labor claims, based on previous experience with respect to indemnified amounts, set up a provision in an amount considered sufficient to cover estimated losses with ongoing claims, as follows:

|                             | 06.2024 | 12.2023 |
|-----------------------------|---------|---------|
| Provision for contingencies | 116,658 | 115,353 |
| Labor                       | 19,624  | 20,781  |
| Other tax contingencies (*) | 80,953  | 78,748  |
| Civil (**)                  | 16,081  | 15,824  |

(\*) Main processes, 1 – The lawsuit aims the cancel os debit entry regarding PIS and COFINS related to the period from 05/2009 to 02/2010, charged thought administrative process, value of the main one R\$ 8,719, updated to R\$ 8,770 and updated total of R\$ 17,489.  
2 - Lawsuit aims tax credit fulfillment (COFINS) regarding Jan/2007 to Nov/2008, due to lack of payment because the discussion about legality of tax base change calculation, main value R\$ 21,817, updated to R\$ 27,925, and total updated to R\$ 49,742.

(\*\*) It represents the Bank's historical loss in relation to open lawsuits. Judicial questions about indexation of contracts, among others. The provision is made based on the effective disbursement of historically signed agreements.



**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reais)**

In general, provisions related to lawsuits are considered long-term, due to the unpredictability of the duration of lawsuits in the Brazilian legal system, which is why the estimate regarding the specific year in which these lawsuits will be closed was not disclosed. Credits are granted through endorsements and guarantees linked to bidding contracts, judicial guarantees, and others in the amount of R\$ 245,575 (R\$ 217,701 on December 31 2023).

|  | 06.2024        | 12.2023        |
|--|----------------|----------------|
| <b>Guarantees provided</b>               |                |                |
| Linked to bids and auctions              | 92             | 92             |
| Supply of goods                          | 80,450         | 69,025         |
| Lawsuits                                 | 90,797         | 86,316         |
| Bank guarantees                          | 71,144         | 62,268         |
| Other guarantees                         | 3,092          | -              |
| <b>Total</b>                             | <b>245,575</b> | <b>217,701</b> |
| <b>Provision for guarantees provided</b> |                |                |
| Supply of goods                          | 23             | 17             |
| Lawsuits                                 | 427            | 406            |
| Bank guarantees                          | 80             | 76             |
| Other guarantees                         | 31             | -              |
| <b>Total</b>                             | <b>561</b>     | <b>499</b>     |

**c. Movement of provisions**

|                                   | 12.2023        |                       | 06.2024        |              |                |
|-----------------------------------|----------------|-----------------------|----------------|--------------|----------------|
|                                   | Final balance  | Addition to provision | Use / Reversal | Selic Update | Final balance  |
| Provision for contingencies       | 115,353        | 1,690                 | (2,590)        | 2,205        | 116,658        |
| Labor                             | 20,781         | 1,433                 | (2,590)        | -            | 19,624         |
| Other tax contingencies           | 78,748         | -                     | -              | 2,205        | 80,953         |
| Civil                             | 15,824         | 257                   | -              | -            | 16,081         |
| Provision for guarantees provided | 499            | 62                    | -              | -            | 561            |
| <b>Total of provision</b>         | <b>115,852</b> | <b>1,752</b>          | <b>(2,590)</b> | <b>2,205</b> | <b>117,219</b> |

  

|                                   | 12.2022        |                       | 12.2023         |              |                |
|-----------------------------------|----------------|-----------------------|-----------------|--------------|----------------|
|                                   | Final balance  | Addition to provision | Use / reversion | Selic Update | Final balance  |
| Provision for contingencies       | 106,759        | 6,853                 | (2,472)         | 4,213        | 115,353        |
| Labor                             | 17,858         | 5,395                 | (2,472)         | -            | 20,781         |
| Other tax contingencies           | 74,535         | -                     | -               | 4,213        | 78,748         |
| Civil                             | 14,366         | 1,458                 | -               | -            | 15,824         |
| Provision for guarantees provided | 816            | -                     | (317)           | -            | 499            |
| <b>Total of provision</b>         | <b>107,575</b> | <b>6,853</b>          | <b>(2,789)</b>  | <b>4,213</b> | <b>115,852</b> |

**19. Other liabilities**

|   | 06.2024       | 12.2023       |
|---|---------------|---------------|
| Billing and collection of taxes and similar | 2,937         | 950           |
| Social and statutory                        | 10,230        | -             |
| Tax and social security                     | 32,102        | 49,996        |
| Profit tax payables                         | 24,539        | 41,581        |
| Income taxes payable                        | 7,563         | 8,415         |
| Provision for payments to be made           | 23,737        | 23,705        |
| Miscellaneous creditors - Country / abroad  | 17,836        | 7,442         |
| Miscellaneous                               | -             | 1             |
| <b>Total</b>                                | <b>86,842</b> | <b>82,094</b> |
| Current                                     | <b>86,842</b> | <b>82,094</b> |

**20. Net equity**
**a. Share capital**

On June 30, 2024, share capital of R\$ 387,448 (12/31/2022 – R\$ 387,448) of the Bank, fully paid up, is represented by nominative shares, of which 119,651,813 are common and 60,576,453 are preferred, at the value nominal amount of R\$2.149763. Shareholders are assured minimum earnings of 25% on net income adjusted in accordance with current legislation.

**b. Reserves**
**Profit reserve - Legal reserve**

The legal reserve is set up in accordance with current legislation by allocating 5% of net income for the period, limited to 20% of paid-up capital, or 30% of capital, plus capital reserves. The amount constituted of the legal reserve on June 30, 2024 was R\$ 2,463 (12/31/2023 – R\$ 5,306). The balance of the legal reserve on June 30, 2024 reached the amount of R\$ 45,753 (12/31/2022 – R\$ 43,290).

**Profit retention – statutory reserve**

The Bank's bylaws provide for the allocation of a reserve, available to statutory bodies, for future investments with the portion of profits not distributed to shareholders. The amount constituted of the statutory reserve on June 30, 2024 was R\$ 22,971 (12/31/2023 – R\$ 42,292). The balance of the statutory reserve on June 30, 2024 reached the amount of R\$ 349,626 (12/31/2023 – R\$ 326,655).

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reais)**

**c. Dividends**

Shareholders are assured minimum earnings of 25% on net income adjusted in accordance with current legislation. The shareholders approved the non-distribution of these earnings. During the first semester of 2024 was decided to distribute remuneration on equity (JCP) to shareholders, calculated on shareholders' equity accounts, based on the variation of the Long-Term Interest Rate (TJLP), following Law No. 9.249, of December 26, 1995, in the amount of R\$ 23,800 (R\$ 24,800 distributed in the first semester of 2023).

**21. Personnel expenses**

|   | Accumulated<br>06.2024 | Accumulated<br>06.2023 |
|---|------------------------|------------------------|
| Fees - Executive Board and Board of Directors | (3,625)                | (3,589)                |
| Benefits (i)                                  | (9,656)                | (8,837)                |
| Social charges                                | (8,647)                | (7,819)                |
| Earnings                                      | (30,573)               | (23,487)               |
| Others  | (419)                  | (283)                  |
| <b>Total</b>                                  | <b>(52,920)</b>        | <b>(44,015)</b>        |

(i) Includes the following benefits: medical assistance, food, transportation vouchers, among others.

**22. Other administrative expenses**

|   | Accumulated<br>06.2024 | Accumulated<br>06.2023 |
|---|------------------------|------------------------|
| Water, electricity, and gas                 | (381)                  | (378)                  |
| Rent  | (3,709)                | (3,976)                |
| Communications                              | (707)                  | (895)                  |
| Maintenance and preservation of assets      | (1,483)                | (1,394)                |
| Material                                    | (311)                  | (180)                  |
| Data processing                             | (6,027)                | (5,712)                |
| Promotions and public relations             | (2,930)                | (1,350)                |
| Publications                                | (244)                  | (234)                  |
| Insurance                                   | (125)                  | (84)                   |
| Financial system services                   | (1,037)                | (1,043)                |
| Third-party services                        | (5,958)                | (5,809)                |
| Specialized technical services <sup>1</sup> | (9,192)                | (5,479)                |
| Transport                                   | (160)                  | (120)                  |
| Trips                                       | (440)                  | (423)                  |
| Amortization and depreciation               | (2,305)                | (1,963)                |
| Other administrative expenses               | (403)                  | (288)                  |
| <b>Total</b>                                | <b>(35,412)</b>        | <b>(29,328)</b>        |

<sup>1</sup> Includes audit fees regarding the first semester 2024 of R\$ 464 (R\$ 371 in 2023). Total amount of contracted fees for the year 2024 was R\$ 991 (R\$ 865 in 2023).

**23. Tax expenses**

|                         | Accumulated<br>06.2024 | Accumulated<br>06.2023 |
|-------------------------|------------------------|------------------------|
| Federal/municipal taxes | (3,492)                | (1,164)                |
| ISS                     | (912)                  | (848)                  |
| COFINS                  | (9,208)                | (9,604)                |
| PIS                     | (1,496)                | (1,561)                |
| Monetary Variables      | (2,204)                | (2,328)                |
| <b>Total</b>            | <b>(17,312)</b>        | <b>(15,505)</b>        |

**24. Other Operating Income/Expenses**

|   | Accumulated<br>06.2024 | Accumulated<br>06.2023 |
|---|------------------------|------------------------|
| <b>Other operating income</b>           | <b>4,832</b>           | <b>5,991</b>           |
| Monetary variations                     | 2,199                  | 2,391                  |
| Profit on the sale of values and assets | 133                    | 609                    |
| Provision reversal                      | 2,439                  | 2,472                  |
| Other income                            | 61                     | 519                    |
| <b>Others operating expenses</b>        | <b>(1,695)</b>         | <b>(5,229)</b>         |
| Contingency provisions                  | (1,529)                | (4,060)                |
| Loss on the sale of values and assets   | (72)                   | (505)                  |
| Other income                            | (94)                   | (664)                  |
| <b>Total</b>                            | <b>3,137</b>           | <b>762</b>             |

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reals)**

**25. Risk indicators (Basel) and operational limits**

The commitment ratio of the reference equity for the risk of operations is 15.1% on June, 31, 2024 (15.1% on December, 31, 2023).

|  | Conglomerate |           |
|--|--------------|-----------|
|  | 06.2024      | 12.2023   |
| <b>Tier I Reference Assets</b>                   |              |           |
| Subordinated debt instruments                    | 767,079      | 743,279   |
| <b>Tier II Reference Assets</b>                  | 152,487      | 140,452   |
| <b>Reference assets total (tier I + tier II)</b> | 919,566      | 883,731   |
| <b>Reference asset (a)</b>                       | 919,566      | 883,731   |
| <b>Allocation of capital by risk</b>             |              |           |
| RWAcpad – credit                                 | 427,446      | 401,889   |
| RWAcam – exchange                                | 8,036        | 17,916    |
| RWAjur – market                                  | 5,847        | 7,090     |
| RWAopad – operational                            | 46,073       | 42,264    |
| <b>Equity in reference required (b)</b>          | 487,402      | 469,159   |
| <b>Margin (a - b)</b>                            | 432,164      | 414,572   |
| IRRBB – interest rate risk in the banking book   | (82,713)     | (76,088)  |
| <b>Margin (a - b)</b>                            | 349,451      | 338,484   |
| <b>Risk-weighted asset (i) (c)</b>               | 6,092,525    | 5,864,488 |
| <b>Basel Ratio (a/c)</b>                         | 15.1%        | 15.1%     |

Table below already contains all changes on Resolution BCB nº 229/22, in force as of July 2023, regarding the credit risk (RWAcpad).

**26. Market value of financial instruments**

The Financial Statements are prepared based on accounting criteria that assume the normal continuity of the Bank's operations. The book value of financial instruments, recorded or not in equity accounts, approximates the value that could be obtained for them through trading in an active market or, in the absence of this, approximates the present value of cash flows adjusted by the rate interest rates prevailing in the market.

This does not apply to the following items, for which we state the book value and the respective value that would be obtained in an active market or the present value of cash flows, which we call market value.

The estimated realizable values of the Bank's financial assets and liabilities were determined using information available in the market and appropriate valuation methodologies. However, considerable judgment was required in interpreting market data to produce the most appropriate estimate of realizable value. As a result, the estimates below do not necessarily indicate the amounts that could be realized in the current exchange market. The use of different market methodologies may have a material effect on estimated realization values. The management of these instruments is conducted through operational strategies, aiming at liquidity, profitability, and security. The control policy consists of permanent monitoring of contracted rates versus those in force in the market. The Bank does not make investments of a speculative nature, in derivatives or any other risk assets.

**a. Composition of balances**

|  | 06.2024          |            |                       |
|--|------------------|------------|-----------------------|
|  | Accounting value | Fair value | Potential gain (loss) |
| <b>Assets</b>  |                  |            |                       |
| Credit operation (Explanatory Note nº 8a)  | 5,096,579        | 5,515,724  | 419,145               |
| <b>Liabilities</b>   |                  |            |                       |
| Deposits and funds from acceptance and issuance of securities (Explanatory Note no. 17a) | 5,150,064        | 5,184,663  | (34,599)              |
| Obligations for transfers abroad (Explanatory Note nº 17a)                               | 385,877          | 376,206    | 9,671                 |
| <b>Total</b>   |                  |            | 394,217               |
|  | 12.2023          |            |                       |
|  | Accounting value | Fair value | Potential gain (loss) |
| <b>Assets</b>  |                  |            |                       |
| Credit operation (Explanatory Note nº 8a)  | 5,194,022        | 5,707,773  | 513,751               |
| <b>Liabilities</b>   |                  |            |                       |
| Deposits and funds from acceptance and issuance of securities (Explanatory Note no. 17a) | 4,605,558        | 4,640,647  | (35,089)              |
| Obligations for transfers abroad (Explanatory Note nº 17a)                               | 273,264          | 265,142    | 8,122                 |
| <b>Total</b>   |                  |            | 486,784               |

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reals)**
**b. Criteria, assumptions, and limitations used in the calculation of market value**

Bonds and securities and derivative financial instruments and investments: based on quoted market prices on the balance sheet date. If there were no quoted market prices, values would be estimated based on quotes from distributors, pricing models, quote models or price quotes for instruments with similar characteristics. Fixed-rate credit operations: determined by discounting estimated cash flows, adopting the interest rates practiced by the Bank in new contracts with similar characteristics. Said rates are compatible with the market on the balance sheet date.

Deposits and funds from lending were calculated by discounting the difference between cash flows under contractual conditions and the rates practiced in the market on the balance sheet date. Limitations: Market values were estimated at the balance sheet date, based on "relevant market information." Changes in assumptions can significantly affect the estimates presented.

**c. Guarantees**

The Bank, in the formalization of its financial instruments, does not have guarantees that can be sold or pledged without the debtor defaulting.

**27. Transactions with related parties**

Pursuant to CPC 05, related parties are defined as their controllers and shareholders with a relevant stake, companies related to them, their managers and other key management personnel and their family members. The main asset and liability balances on June 30, 2024 and on December 31, 2023, as well as the transactions that influenced the balance for the periods, are summarized in Note 15 (Investment in equity interests in Subsidiaries and Affiliates). In addition to these amounts, time deposits, real estate letters of credit, agribusiness letters of credit, and debentures with related parties total R\$ 142,081 on June 30, 2024 (R\$ 142,086 on December 31, 2023), whose rates are between 93% to 135% of the DI, with maturities up to June 2026. Credit limit in the amount of R\$ 7,804 from Savana SPE Incorporação Ltda., and R\$ 1,438 from River Participações e Incorporação Ltda, Credit operations in the amount of R\$ 34,074 from River Participação e Incorporação Ltda., R\$ 12,358 from Savana SPE Incorporação Ltda., R\$ 7,982 from Muse Itaim Participações e Incorporações Ltda, R\$ 1,156 from Camacorp Visão Gráfica Ltda., R\$ 150 from Bosque Ipiranga Participação e Incorporação Ltda., R\$ 26 from Nova Corretora de Seguros Ltda., R\$ 4 from Instituto de Ensino Superior Indaiatuba Ltda., and R\$ 420 natural persons (individuals) and other operations in the amount of R\$ 2,357 on June, 30, 2024 (credit limit in the amount of R\$ 20,000 from Savana SPE Incorporação Ltda., R\$ 310 from Camacorp Visão Gráfica, R\$ 269 from Muse Itaim Participações e Incorporação Ltda, and R\$ 296 from River Participações e Incorporação Ltda., Credit operations in the amount of R\$ 35,116 from River Participação e Incorporação Ltda., R\$ 1.463 from Camacorp Visão Gráfica Ltda., R\$ 122 from CCM31 Participações e Incorporação Ltda., R\$ 31 from Instituto de Ensino Superior Indaiatuba Ltda., R\$ 5,796 from Muse Itaim Participações e Incorporações Ltda., R\$ 28 da Nova Corretora de Seguros Ltda, and R\$ 112 from Red Seas Investimentos Ltda., and R\$ 420 natural persons (individuals) and other operations in the amount of R\$ 2,192 on December 31, 2023), credit operations are in accordance with BACEN Resolution No 4.693/18.

Remuneration of the Officers and Board of Directors: (i) the Officers are the Bank's legal representatives, responsible for its day-to-day management and for the implementation of the general policies and guidelines established by the Board of Directors. They are all Brazilians and residents of Brazil. De According to the Bank's Bylaws, the Board of Executive Officers must be composed of 5 to 12 members. (Article 6 of the Bank's Bylaws). In the first semester 2024, a management compensation made up of fixed fees totaled R\$ 3,625 (R\$ 3,589 in 2023).

Expenses with directors' compensation are recorded under the heading "Fee expenses – Executive Board and Board of Directors." Management compensation was set at R\$ 10,000 at the Annual General Meeting of April 28, 2023.

**28. Insurance**

The Bank adopts the policy of taking out insurance coverage for assets subject to risk for amounts considered sufficient to cover possible claims, considering the nature of its activity. Risk assumptions, given their nature, are not part of the scope of a review of financial statements, consequently, they were not examined by our independent auditors. The insurance was acquired with Fairfax Brasil Seguros, with validity from June 17, 2024 to June 17, 2025, comprising a single policy guaranteeing headquarters and branches.

**29. Other information**

- The Bank no he has per policy to offer flat in pension and/or any types in benefits post-employment to employees.
- The Bank account with one single shareholder, Mr. Carlos Alberto Mansur, which accumulate yet to the functions in CEO It is president of Advice in Administration.

**30. Composition of cash and cash equivalents**

| Description                           | 06.2024          | 12.2023        |
|---------------------------------------|------------------|----------------|
| <b>At the beginning of the period</b> | <b>654,179</b>   | <b>643,055</b> |
| Availability                          | 41,543           | 63,963         |
| Interbank investments                 | 12,636           | 579,092        |
| <b>At the end of the period</b>       | <b>1,145,634</b> | <b>654,179</b> |
| Availability                          | 30,348           | 41,543         |
| Interbank investments                 | 1,115,286        | 612,636        |

Short-term interbank investments (investments in the open market and in foreign currency), characterized by operations maturing in up to 90 days, configuring cash equivalents.

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**SEMESTER ENDED ON JUNE 30, 2024 - (In thousands of Reals)****31. Risk management**

Risk management processes were implemented based on Central Bank of Brazil determinations, recommendations of Basel Accords I, II, III, and best market practices, considering the structure, nature, and complexity of the Institution's activities. The details of the procedures, roles, and responsibilities are described in specific policies, which should address, at a minimum, the identification of risks, their assessment, monitoring, control, and mitigation, or the requirements established by Organs regulatory bodies, when specified.

For the proper management of the various risk events to which the Bank is exposed in the performance of its activities, risk classes were instituted, and established according to their predominant characteristics, namely: Credit Risk, Liquidity Risk, Market Risk, Operational Risk, Social and Environmental Risk. In addition to these, the Bank established other types of control approaches, observing the following aspects: Solvency, Profitability, Business Continuity Management, Sustainability and Socio-environmental Responsibility, and monitoring of Risk Appetite (Risk Appetite Statement – RAS).

**32. Implementation Plan of Resolution nº 4.966/21**

Complementing to CMN Resolution No. 4.966/21, Central Bank discloses on 11/23/2023 Resolution BCB nº 352, in which clarifies the account procedures about definition of financial assets of flow cash as only payment of loan and taxes (SPPJ test), methodology to assess effective interest rate of financial instruments, provision to losses associated to credit risk, describing summarized methodology (directly impacting the institution, since current segment is "S4"), and information regarding financial instruments pointed out in explicative notes.

In addition on 12/01/2023, Central Bank defined the reformulation of COSIF chart accounts, setting the new structures, as well as limiting chart accounts accrual level. These mentioned points were published through Normative Instructions BCB nº 426 to 433.

Please, find below the updated implementation planning:

**PHASE 1: (Completed in 2022)**

- Diagnosis of accounting changes;
- Mapping of impacted systems, integrations, and systemic architecture.

**PHASE 2 and 3: (Completed in 2023)**

- Details of action plans;
- Start activities of systemic specifications; systemic architecture;
- Development of policies, procedures, and new proceedings.

**PHASES 4 and 5: (ongoing in 2024)**

- Approval of policies, procedures, and new proceedings;
- "From-To" Chart of Accounts and new accounting scripts;
- Systemic developments;
- Development of new methodology of calculations (model of expected losses, TJEO, etc.);
- Implementation follow-up;
- Test systemic changes in a homologation environment and make necessary adjustments;
- Implementation of tested systemic developments;
- Definition of the new disclosure model;
- Calculation of the opening balance and calculation of the impacts of adoption;
- Training.

**PHASE 6: (to be complemented on 01/01/2025)**

- Effective adoption of Resolution.

**33. Subsequent events**

There are no subsequent events to disclose for June, 30, 2024 and December, 31, 2023

**MANAGEMENT COUNCIL****THE BOARDS OF DIRECTORS****DALMO GOES - Accountant**

CRC 1SP 144.600/O-2 - CPF 028.235.258-90

**INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS**

To the Shareholders and Board of Directors of  
**Banco Industrial do Brasil S.A.**  
São Paulo - SP

**Opinion**

We audited the financial statements of Banco Industrial do Brasil S.A. ("Bank"), which comprise the balance sheet on June 30, 2024 and the respective statements of income, comprehensive income, changes in equity, and cash flows for the semester and year ended on that date, as well as the corresponding explanatory notes, including the summary of the main accounting practices.

In our opinion, the financial statements adequately present, in all material respects, the equity and financial position of Banco Industrial do Brasil S.A. on June, 30, 2024, the performance of its operations, and its cash flows for the semester and year ended on that date, following accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN).

**Basis for opinion**

Our audit was conducted following Brazilian and international auditing standards. Our responsibilities under these standards are described in the following section entitled "Auditor's Responsibilities for the Audit of Financial Statements." We are independent of the Institution, by the relevant ethical principles outlined in the Code of Professional Ethics for Accountants and in the professional standards issued by the Federal Accounting Council, and we comply with other ethical responsibilities under these standards. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

**Other information accompanying the financial statements and the auditor's report**

The Institution's management is responsible for this other information that comprises the Management Report.

Our opinion on the financial statements does not cover the Management Report and we do not express any form of audit conclusion on this report.

In connection with the audit of the 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 with our knowledge obtained in the audit, or otherwise, it is significantly distorted. If based on the work performed, we conclude that there is a material misstatement in the Management Report, we are required to communicate this fact. We have nothing to report in this regard.

**Responsibility of management and governance for financial statements**

Management is responsible for the preparation and fair presentation of the financial statements following accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil and for such internal controls as it has determined are necessary to permit the preparation of financial statements free from material misstatement, whether caused by fraud or error.

In preparing the financial statements, Management is responsible for assessing the Institution's capacity to continue operating, disclosing, when applicable, matters related to its going concern basis and the use of its accounting basis in the preparation of the financial statements, unless the management intends to liquidate the Institution or cease its operations, or has no realistic alternative to avoid the closure of operations.

Those responsible for the Institution's governance are those responsible for supervising the process of preparing the financial statements.

**Auditor's Responsibilities for Auditing the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error and to issue an auditor's report containing our opinion. Reasonable security is an elevated level of security, but not a guarantee that the audit carried out following Brazilian and international auditing standards always detects any material misstatements that exist. Misstatements may arise from fraud or error and are considered material when, individually, or jointly, they could influence, within a reasonable perspective, the economic decisions of users taken based on said financial statements. As part of the audit performed as per Brazilian and international auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. Also:

- We identified and assessed the risks of material misstatement in the financial statements, whether due to fraud or error, plan and perform audit procedures in response to such risks and obtain sufficient appropriate audit evidence to support our opinion. The risk of not detecting a material misstatement resulting from fraud is greater than that resulting from error, as fraud can involve circumventing internal controls, collusion, forgery, omission, or intentional misrepresentation.
- We obtained an understanding of the internal controls relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institution's internal controls.
- We evaluated the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by Management.
- We concluded on the adequacy of management's use of a going concern basis and, based on the audit evidence obtained, whether there is material uncertainty regarding events or circumstances that may raise significant doubt regarding the Institution's going concern basis. If we conclude that a material uncertainty exists, we must draw attention in our auditor's report to the related disclosures in the financial statements or include a modification in our opinion if the disclosures are inadequate. Our conclusions are based on audit evidence obtained up to the date of our report. However, future events or conditions may lead the Institution to no longer remain in a going concern basis.
- We evaluated the overall presentation, structure, and content of the financial statements, including the disclosures and whether the financial statements represent the related transactions and events in a manner consistent with the objective of fair presentation.
- We obtained sufficient appropriate audit evidence concerning the financial information of entities or group business activities to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the group audit and, accordingly, for the audit opinion.

We reached those in charge of governance regarding, among other things, the scope and timing of planned audit engagements and significant audit findings, including any significant deficiencies in internal controls that we identify during our engagements.

São Paulo, July 29, 2024.



**Auditores Independentes Ltda.**  
CRC 2SP-027685/O-0

**Marco Antonio Pontieri**  
Accountant CRC 1SP2153569/O-0