

Financial Statements December 31, **2025**





MESSAGE FROM THE BOARD

The Executive Board of Banco Regional de Desenvolvimento do Extremo Sul - BRDE, a Brazilian regional development bank, in compliance with legal and regulatory requirements, presents the Financial Statements for the year ended December 31, 2025.

BRDE is a public financial institution owned by the States of Paraná, Santa Catarina, and Rio Grande do Sul, operating in Southern Region of Brazil since 1961. Its mission is to promote and lead actions to foster economic and social development, supporting governmental and private initiatives through planning and long-term technical, institutional, and credit support. The Bank also operates in Mato Grosso do Sul, as it borders the Southern Region and is a member of the Southern Development and Integration Council (Codesul), a regional council.

In 2025, the economies of Europe and the United States showed similar performance. Economic growth, inflation, and unemployment remained at reasonable levels, close to those of the previous year. The main difference between the two regions was the pace of interest rate cuts: in Europe, the process accelerated during the first half of the year, while in the United States, reductions were concentrated in the second half.

However, U.S. trade policy—marked by the imposition of import tariffs on several countries, including Brazil—generated instability in trade flows for much of the year. Subsequently, tariff adjustments impacted domestic prices, leading the U.S. government to reverse the surcharges.

China, in turn, has sought in recent years to accelerate economic growth through interest rate cuts and other investment stimulus measures. In 2025, interest rates were reduced again, but the expected effects did not materialize. The persistent crisis in the real estate sector — one of the pillars of Chinese investment — and restrained domestic consumption limited economic expansion, keeping inflation near neutrality.

In Brazil, average growth over recent years was approximately 3%, despite high interest rates, which remained at 15% during the final six months of 2025. Nonetheless, inflation slowed during the year, indicating prospects for declines in both inflation and interest rates in 2026. The labor market also posted strong performance, with the unemployment rate reaching a historic low of 5%.

In the Southern Region states, where exports are a relevant source of revenue, there was concern over rising U.S. tariffs. Despite negative impacts on certain segments, the overall effect was limited due to the diversity of export destinations. Notably, unemployment rates in these states remain low, below the national average.

In the corporate context, BRDE concluded the review of its 2025–2030 Strategic Plan, aligning it with the guidelines and objectives defined in the Regional Vision 2040. The plan highlights initiatives aimed at consolidating the Bank's legacy, strengthening



production chains, enhancing regional resilience and environmental sustainability, fostering urban development, and achieving excellence in innovation.

In practical terms, these objectives translated into BRL 5.6 billion in new financing, of which 79.1% are aligned with at least one Sustainable Development Goal (SDG). This performance drove BRDE's credit portfolio to a historic level, surpassing BRL 24.1 billion — an increase of 12% compared to the previous year.

Considering the importance of food production in the region, BRDE has provided significant support to rural producers, especially family farming, agro-industrial cooperatives, and agribusiness companies. In 2025, BRL 2.8 billion was allocated to these activities.

Within the innovation ecosystem, the Bank expanded its actions under BRDE Labs to strengthen startups' capacity to develop innovative technological solutions and attract investment. In addition, several startups in the Southern Region received capital from Private Equity Investment Funds (PEs) in which BRDE is a shareholder.

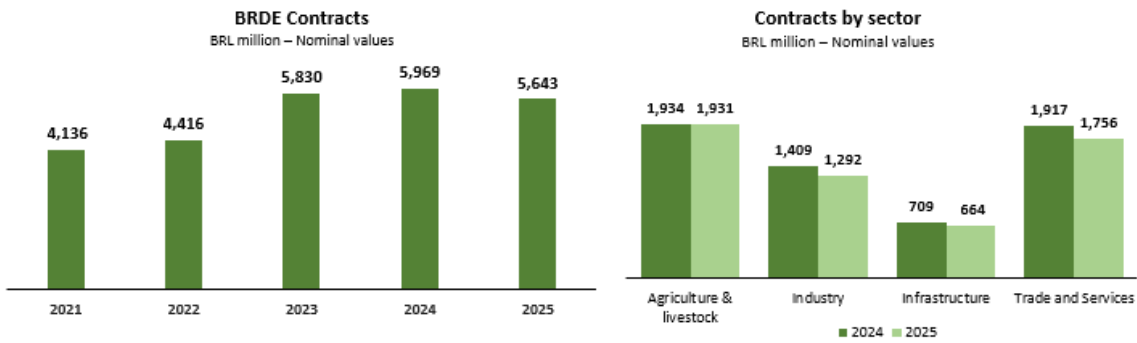
To boost the economy in its area of operation, the Bank obtained financial resources from international and national institutions, raised funds in the fixed-income capital market, and allocated its own resources for new financing operations.

It is important to highlight intensified efforts on two fronts. Regarding Public-Private Partnerships (PPPs), the Bank is involved in structuring five municipal projects, covering public lighting and early childhood education. As for the Green and Equity Fund, established in 2022, BRDE is participating in 11 initiatives, some already yielding results from supported solutions aimed at environmental sustainability and social inclusion.

OPERATIONAL PERFORMANCE

BRDE's financing contracts remained at the same level as the previous year, totaling BRL 5.6 billion in contracted credit. This amount encompasses a variety of rural and urban enterprises distributed across BRDE's area of operation.

Analyzing credit contracts in the economic sector reveals the maintenance of similar amounts over the past two years. Agriculture and livestock stood out as the sector with the highest volume of contracts, totaling BRL 1.9 billion, followed by the commerce and services sectors with BRL 1.8 billion; industry with BRL 1.3 billion; and infrastructure, which recorded BRL 664 million.



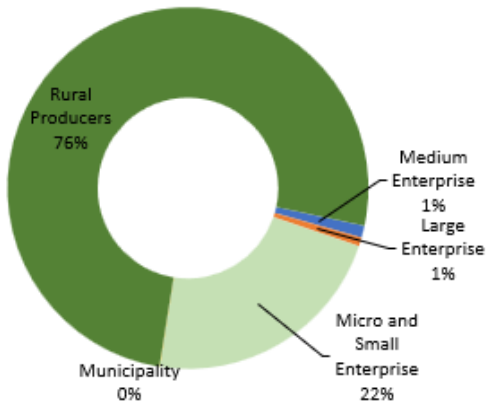
The financing contracts carried out by BRDE, classified according to client size, did not show significant changes compared to the previous year. The largest volume was granted to large companies, totaling BRL 2.3 billion, predominantly consisting of agro-industrial cooperatives, which accounted for 50.1% of the volume allocated to this category. This type of operation considers the positive impacts generated throughout the production chain associated with cooperatives, responsible for the industrialization of products from thousands of small rural producers.

Credit for rural producers totaled BRL 1.7 billion in contracts, representing a growth of 43.5% compared to the previous year. Most of these resources were allocated to small producers, with emphasis on family farming.

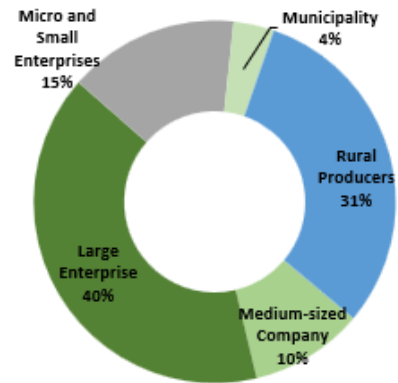
Financing for micro- and small-sized enterprises (MSEs) amounted to BRL 859 million, a value 7.5% higher than recorded in 2024, strongly driven by PRONAMPE SC. Additionally, contracts with municipalities and medium-sized companies showed a decline compared to the previous year, totaling BRL 205 million and BRL 573 million, respectively, in 2025.

Highlighting BRDE's broad capillarity and small entrepreneurs' access to credit, the financing contracting data for 2025 indicate that 75.8% of the operations were carried out with rural producers — mostly family farmers — while 22.3% corresponded to contracts signed with MSEs. A significant portion of credit operations aimed at small entrepreneurs was conducted through agreements with partner financial institutions, known as indirect operations. In 2025, this type of operation recorded growth of 24.2% compared to the previous year. These financings, characterized by smaller amounts, are mainly directed toward small rural producers and micro and small enterprises.

Contracts by size
% customer share – 2025

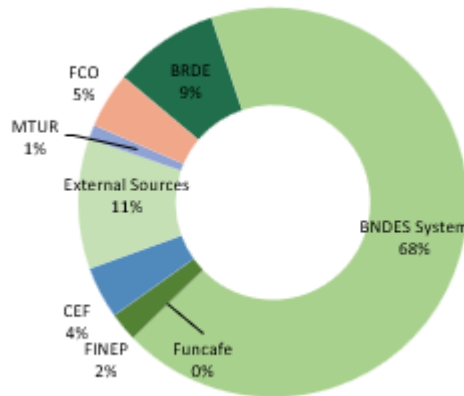


Contracts by size
Contracted value – 2025



In 2025, the Bank operated with resources originating from 12 funding providers. The participation of the BNDES System as a source of funds accounted for 67.9% of the total contracted during the year. The relative shares of each funding source are presented below.

Contracts by funding source – % – 2025

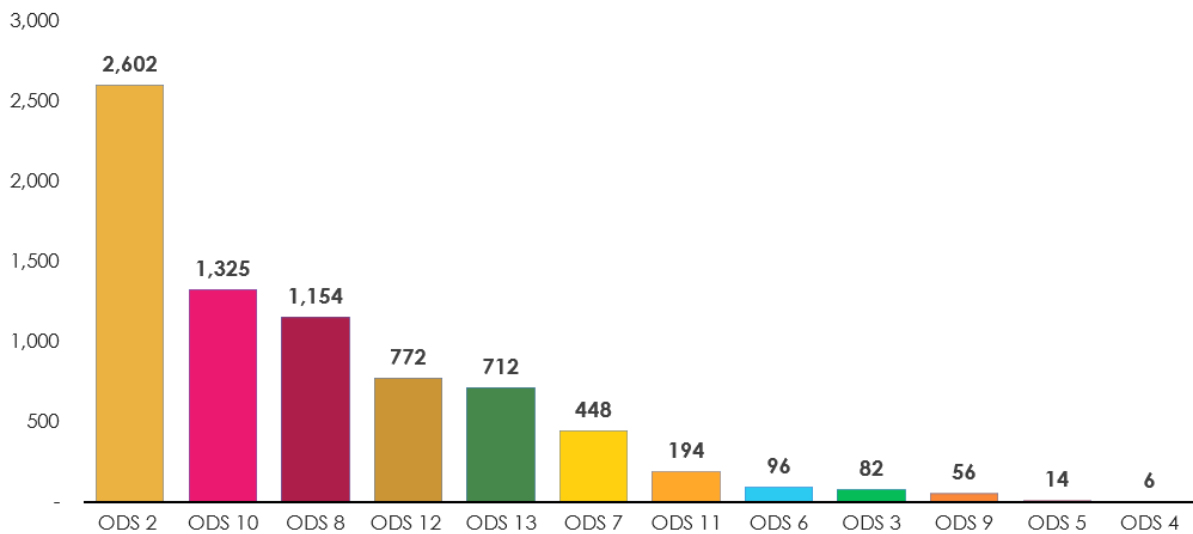


Impact of BRDE Financing

In 2025, BRDE contracted BRL 5.6 billion in credit, of which 79.1% are aligned with at least one of the Sustainable Development Goals (SDGs). This indicator, known as the alignment percentage or operational vision, reflects the Bank's commitment to sustainable development. This means that, throughout the year, BRDE allocated approximately BRL 4.5 billion to projects that directly contribute to the global effort to promote the SDGs.

In the chart below, the SDGs most positively impacted by BRDE's credit operations are highlighted.

Financing contracts by SDG – BRL million



We emphasize the financing of BRL 2.6 billion for projects related to the challenges of SDG 2 – Zero Hunger and Sustainable Agriculture, making it the objective most impacted by the Bank’s activities.

The significant volume of resources allocated to sustainable projects is also reflected in financing linked to SDG 13 — Climate Action — totaling BRL 712 million, and SDG 12 — Responsible Consumption and Production — summing BRL 772 million.

A substantial share of these resources, classified under both goals, was directed toward energy generation from renewable sources, as well as initiatives focused on energy efficiency — such as the modernization of public lighting — and the strengthening of climate resilience in municipalities.

BRDE also uses the Brazilian Input-Output Matrix as a methodology to measure the socioeconomic impacts of its contracts, but with regionalized outcomes from the perspective of employment, income, and taxes (Tax on the Circulation of Goods and Services – ICMS), considering the demand generated by the investments made possible by the Bank.

In 2025, data on BRDE investments indicated the maintenance or creation of 83,425 jobs in the CODESUL states over one year. Employment results in input-output models represent the number of workers required to expand production, not necessarily corresponding to the net creation of jobs. This means that part of these jobs may have already been filled previously and contributed to production growth through reallocation and/or increased productivity.

BRDE disbursements in 2025 contributed BRL 6.5 billion to the Gross Value Added (GVA) of the CODESUL region. This corresponds to an impact of BRL 1.17 in GVA for every BRL 1 disbursed by the Bank. GVA represents the value each economic sector – agriculture, industry, and services – adds to the total production in a region. This indicator reflects the wealth generated and plays a significant role in calculating the

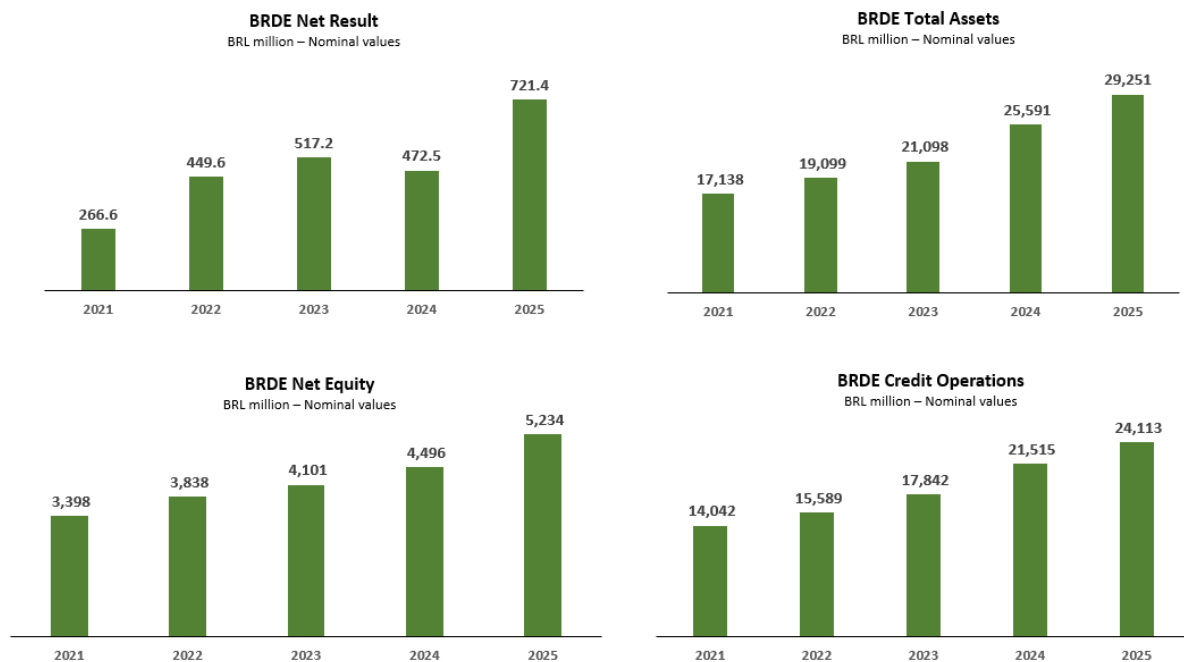


Gross Domestic Product (GDP) of each state. The study also points out that BRDE financing generated a significant impact on ICMS collection, the main state tax shared among municipalities, estimated at BRL 666 million in the CODESUL region. Additionally, there was a notable impact on the wage bill, which reached BRL 3.0 billion.

FINANCIAL PERFORMANCE

BRDE's net income in 2025 reached BRL 721.4 million, representing growth of 52.7% compared to the 2024 result. This strong performance was driven mainly by the increase in operating revenues, in line with the expansion of the Bank's credit portfolio. Total assets grew by 14.3% compared to the previous year, reaching BRL 29.2 billion at the end of 2025, also influenced by the growth in outstanding credit operations. BRDE's equity continued its growth trajectory, closing the year at BRL 5.2 billion, an increase of 16.4% compared to 2024. This result is mainly due to the Bank's profits, which are fully reinvested. The strengthening of equity expands BRDE's leverage capacity, enabling it to intensify support for economic development in its area of operation.

The balance of BRDE's credit operations and financial transfers grew by 12.1% in 2025, totaling BRL 24.1 billion. This result reflects the pace of new loan and financing agreements. The portfolio comprises 44.8 thousand active clients, whose financed projects were located in 1,211 municipalities, including 1,136 in the Southern Region. It is noteworthy that BRDE's financing operations are present in 95.4% of the municipalities in the Southern Region.





BRDE's Basel Index reached 19.94 in fiscal year 2025, maintaining adequate capitalization levels.

Fundraising in the Fixed-Income Market

BRDE's funding diversification policy establishes the issuance of fixed-income instruments as one of its funding strategies. In 2025, BRL 484 million was issued through Development Credit Notes (LCDs), Bank Deposit Certificates (CDBs), and Financial Bills (LFs), allowing BRDE to reach BRL 1.17 billion in funds raised. The consistent demand for BRDE securities in 2025 and the expansion of relationships with brokerage firms, investment funds, and the Bank's direct clients highlight market recognition of the institution's soundness.

External Fundraising

Focusing primarily on projects with high environmental and climate impact, BRDE signed a new operation with the Agence Française de Développement (AFD) in June, amounting to € 120 million. The funds will be allocated to financing in the southern states of Brazil, emphasizing projects in education, health, cultural preservation, and natural disaster response – one of the major innovations of this partnership. In addition to credit, the operation also includes resources for technical assistance aimed, among other aspects, at the development and institutional strengthening of BRDE.

This is the fourth resource mobilization by BRDE with AFD and the largest in volume since the collaboration began. Previous operations occurred in 2018 (€ 50 million), 2020 (€ 70 million), and 2022 (€ 100 million), all aimed at sustainability initiatives. With the new operation, the total raised through the partnership reaches € 340 million.

Rating

BRDE is periodically subjected to risk assessments by rating agencies. Currently, Fitch Ratings, Moody's Investors Service, and Moody's Local BR are the agencies that evaluate the Bank.

In its analysis conducted in May 2025, Fitch Ratings affirmed BRDE's credit ratings. The Bank's Long-Term Issuer Default Ratings (IDRs) in foreign and local currency remained at BB, in line with the sovereign rating, while the Short-Term IDRs in foreign and local currency were affirmed at B, with a stable outlook. Fitch also affirmed the Bank's National Long-Term Rating at AAA(bra) and its National Short-Term Rating at F1+(bra). It is considered that the credit quality of the three controlling states strongly influences the Bank's ratings.

In September 2025, Moody's Investors Service maintained BRDE's global long-term rating at ba2, with a stable outlook. Moody's Local BR ("Moody's Local") also maintained BRDE's issuer rating at AA-.br, with a stable outlook, in December 2025.

The Bank's credit profile is strengthened by its high level of capitalization, driven by profit reinvestment. Additionally, its credit rating reflects the significant support from its controlling states — Paraná, Santa Catarina, and Rio Grande do Sul — due to the



institution's strategic role in the development of the Southern Region, especially as a key agent in financing the agribusiness sector.

Febraban

In October, BRDE became a member of the Brazilian Federation of Banks (FEBRABAN), reinforcing its presence in the capital markets and its position as the second-largest public development institution in the country.

FEBRABAN comprises 112 of the largest banks operating in Brazil, and BRDE is now the second development institution to join, alongside BNDES. Founded in 1967, the entity's mission is to strengthen the National Financial System (SFN) and its relationship with society, contributing to the country's economic and sustainable development.

INSTITUTIONAL HIGHLIGHTS

Green and Equity Fund

The Green and Equity Fund, established in 2022, consists of a set of initiatives, such as forming partnerships, structuring public calls, and selecting projects to promote positive socioenvironmental and climate impact, as well as the preservation of historical and cultural heritage in the Southern Region. The Fund is endowed with up to 1.5% of the annual net profit earned by the Bank in the immediately preceding year, in addition to possible contributions, donations, transfers, or earmarks with specific destinations.

Between 2024 and 2025, BRDE conducted 11 selections in cooperation with operational partners to receive financing with resources from the Fund. The following actions, launched in 2025 with institutional partners, were supported by the Green and Equity Fund:

- **Water Security Projects:** an initiative of the Teia de Soluções | CAMP Viva Água — Positive impacts on water security through the selection, training, and financing of projects focused on water security in municipalities served by the Integrated Public Water Supply System of Greater Curitiba, within the Upper Iguaçu River basin;
- **Matchfunding TrilhaRS:** a collaborative public call created to support projects aimed at the regeneration and recovery of Rio Grande do Sul, severely affected by climate-related disasters;
- **Biodiversity Credits in Paraná:** an unprecedented initiative among development banks, selecting Private Natural Heritage Reserves (RPPNs) to participate in a project focused on the generation and acquisition of Biodiversity Credits;
- **Paraná Industry Decarbonization Program:** an initiative that supports companies in the transition to a low-carbon economy, aligned with the ESG agenda and the SDGs;
- **Basic Sanitation Diagnosis in Santa Catarina:** a public call launched for the preparation of the Basic Sanitation Diagnosis in Santa Catarina, a fundamental step toward the development of the State Basic Sanitation Plan;

- Decarbonization Hub – Biogas SC Program: a pilot project that impacted 50 rural producers and delivered customized business plans, with the purpose of accelerating the decarbonization of the production chain, considering the technical and financial feasibility of solutions;
- Regional Climate Action Plan for the Middle Itajaí Valley: developed to reconcile sustainable urban development with environmental issues, aligned with national and international guidelines addressing climate, biodiversity, and civil protection factors for 17 municipalities in the region;
- Women Transform: a new phase of the program focused on training women entrepreneurs affected by the 2024 floods in the Humaitá neighborhood (Porto Alegre) and in Eldorado do Sul, one of the cities most impacted by the disaster.

COP30 in Belém

The 30th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP30), held in Belém, Pará, marked a decisive moment for the global climate agenda and for Brazil's role in international negotiations on sustainability, adaptation, and ecological transition.

For BRDE, COP30 represented a strategic opportunity to strengthen partnerships, present impactful regional projects, and consolidate its role as a financial agent committed to the climate agenda and sustainable development in southern Brazil.

BRDE's participation at COP30 included:

- Participation in six thematic panels, presenting financing solutions, structured partnerships, and projects focused on climate adaptation, disaster prevention, and territorial resilience;
- Articulation between municipalities and investors, ensuring that climate change mitigation and adaptation strategies reach the most vulnerable communities and ecosystems;
- Presentation of the Regional Climate Action Plan for the Middle Itajaí Valley, developed in partnership with the Intermunicipal Consortium of the Middle Itajaí Valley (CIMVI), the Association of Municipalities of the European Valley (AMVE), and ICLEI – Local Governments for Sustainability, focused on disaster prevention and climate adaptation.

Support for Innovation

BRDE has established the promotion of the innovation ecosystem in the Southern Region of Brazil as one of its strategic priorities. To achieve this objective, the Bank operates on three complementary fronts, targeting companies of different sizes and stages of development. Actions include the provision of financing, facilitation of interaction between startups and the managers of Private Equity Investment Funds (PEs) in which BRDE is a shareholder — with a view toward potential investments — as well as support provided through participation in acceleration programs.

In the financing pillar, BRDE financed 65 companies to implement innovative projects, totaling BRL 345.7 million. To enable these operations, BRDE used resources from



Finep — the main funding source in Brazil for such projects — as well as resources from partner financial institutions such as BNDES, AFD, and IDB, in addition to the Bank's own resources.

Beyond innovation project financing, BRDE is an investor in four Private Equity Investment Funds (PEs) focused on supporting startups at various stages of development: Criatec 3, Criatec 4, FIP Anjo, and Quartzo Capital VC4. The Bank subscribed BRL 47 million to these funds, which have to date invested in 34 innovative companies in the Southern Region, totaling BRL 133.0 million in investments. In addition, at the end of 2025, the Bank approved subscriptions to the Sul Ventures and Antler Brasil I, still pending certain requirements for effective subscription.

BRDE Labs

The BRDE Labs program was developed to strengthen the innovation environment in the Southern Region. It proposes establishing continuous, non-credit support for startups, with BRDE acting as a public agent aligned with the demands of the innovative market. The program's main goal is to accelerate the growth of startups, enabling access to future resources and partnerships that drive their success. Furthermore, it offers free training and business development opportunities.

At Labs, the Bank also facilitates interaction between startups and the PEs in which it is a quota holder, in addition to fostering connections with established companies that are its clients, aiming to find solutions for various challenges.

The sixth edition of BRDE Labs Paraná, held with the support of Hotmilk (PUCPR) and the American Chamber of Commerce for Brazil (Amcham-Brasil), selected Artificial Intelligence (AI) as its central theme. Of the 155 startups registered, 19 were selected for the immersion phase, which included meetings with companies, Proof of Concept (PoC) mentoring, proposal evaluation consulting, and workshops. Ultimately, ten startups were supported in the development of their Proofs of Concept.

The 2025 edition of BRDE Labs, coordinated by the Rio Grande do Sul Branch, once again partnered with Feevale Techpark. The program aimed to support startup development in the operational phase across five priority areas: agribusiness; health; industry, commerce, and services; and information technology. Of the 150 applicants, 15 were selected to participate in the acceleration process. In addition to the four main winners, the other 11 graduating startups received financial awards from BRDE to support their activities.

To support startups that had already gone through acceleration processes in Rio Grande do Sul, BRDE launched BRDE Labs RS 2.0 in partnership with Tecnopuc, located in Porto Alegre. The initiative focuses on generating business opportunities between startups and companies that served as anchors in acceleration programs promoted by the Bank over the past six years. Priority areas include agribusiness, health, Industry 4.0, logistics, GovTech, environment, and fintechs.

The 2025 edition of BRDE Labs Santa Catarina included three support tracks: Growth, Venture, and Innovation, each with specific objectives to boost the state's innovation



ecosystem. BRDE Labs Growth, aimed at startups in the operational and traction phase, supported 64 companies in structuring commercial processes, scaling sales, and validating business models. Throughout the year, workshops, group mentoring sessions, and regional meetings were held, along with awards totaling BRL 360 thousand shared among 18 winning startups, three from each of the state's six regions.

Focused on investment readiness, BRDE Labs Venture selected 30 startups that had previously participated in Growth editions. At Investor Day, 14 finalists presented their projects, resulting in two startups receiving investments.

The main innovation of the edition, BRDE Labs Innovation, promoted open innovation and connections between startups and four major companies from Santa Catarina. These anchor companies presented their challenges and evaluated 20 proposed solutions. Three startups have already been hired to implement their solutions.

BRDE as a Strategic Agent of Public Policies

BRDE considers it essential to play a strategic role for the controlling states in the creation, promotion, and implementation of public policies aimed at states and municipalities. The Bank's institutional mission includes integrating development policies, acting as an interlocutor and facilitator of initiatives in society.

As a development bank, BRDE utilizes its technical knowledge to connect the economy's needs with public policy objectives.

Below are the financing programs developed with the participation of the controlling states in 2025, as well as activities related to Public-Private Partnerships (PPPs):

Program for Micro and Small Enterprises in Santa Catarina

BRDE has acted as a strategic partner to the Government of Santa Catarina in the development and execution of the new edition of the Program to Support Micro and Small Enterprises (PRONAMPE SC). The objective is to foster a business environment and boost the productivity and competitiveness of micro and small enterprises in Santa Catarina.

To access credit, companies must meet one of three criteria: adherence to the Sustainable Development Goals (SDGs), participation in export or internationalization programs, and proof of innovation. The program offers working capital financing with attractive conditions: a six-month grace period, amortization over up to 24 months, and a reduced interest rate. By December, BRDE had financed BRL 283.7 million for 1,945 companies, with an average value of BRL 145,900 per operation, demonstrating improved credit access for small businesses.

Irriga Paraná Program

The Government of Paraná launched the Irriga Paraná program with the objective of expanding the irrigated area in the state, increasing crop productivity, and reducing the impacts of long dry periods on agricultural production.



With projected investments of BRL 200 million, the program combines credit lines with subsidized interest rates and incentives for scientific research. BRDE participated in the program's development and is responsible for operationalizing the credit line, intended for the acquisition of irrigation systems for crops. Through this program, the Bank financed 11 irrigation projects, totaling BRL 6.9 million and benefiting a total area of 218.9 hectares.

Estrada Boa Rural in Santa Catarina

Launched in July by the Government of Santa Catarina, the Estrada Boa Rural program aims to promote the paving of roads in rural areas, improving road infrastructure, traffic safety, regional integration, and the transportation of agricultural and agro-industrial production. The plan is to pave 2,500 kilometers of rural roads across all 295 municipalities in the state, with total investments of BRL 2.5 billion, partially transferred directly to municipalities and partially financed by BRDE.

By improving road conditions, the program will directly reduce transportation costs for producers, facilitate production flow, and strengthen the entire agro-industrial supply chain. Investments also foresee reduced travel times to essential public services, such as healthcare and education facilities, and fewer traffic accidents.

By December, BRDE had received requests from 54 municipalities under the program, totaling BRL 226.8 million in investments.

Program to Support Exporting Companies in the Southern Region

The new import tariffs on Brazilian products, announced in July by the United States government, impacted various exporting sectors in Brazil's Southern Region. To mitigate the negative effects of these new international trade rules, BRDE, in conjunction with the governments of Rio Grande do Sul, Paraná, and Santa Catarina, developed and implemented a working capital financing program for exporting companies and cooperatives that maintain or have maintained commercial relations, direct or indirect, with the U.S. and that were affected by the import tariffs imposed by that country. Each state has its own criteria, but, in common, there is a partial payment of the interest cost of the loans.

The program resulted in BRL 185.4 million in financing contracts for 78 companies, with an average financing of BRL 2.4 million per company.

Emergency Credit for Entrepreneurs Affected by Climate Events

To support companies, cooperatives, and rural producers impacted by storms and tornadoes that struck Paraná in November, BRDE launched the BRDE Promote/Recover South credit line, offering differentiated conditions for business recovery.

In Santa Catarina, where several municipalities were also affected by heavy rainfall at the end of November, BRDE made BRL 50 million available through the PRONAMPE SC Natural Disasters Program. The program's execution occurs in partnership with



credit cooperatives operating in Santa Catarina. By the end of 2025, six companies and twenty rural producers had accessed a total of BRL 1.9 million through this financing line in the state.

Public-Private Partnerships (PPPs)

BRDE not only provides credit and technical support for private and municipal projects aligned with the public policies of its controlling states, but also plays a fundamental role in structuring PPPs, concessions, and other forms of private sector participation in public service management and delivery. The Bank has partnered with states and municipalities in its area of operation, seeking to facilitate the development of public infrastructure.

In 2025, BRDE and the municipalities of São Bento do Sul and Jaraguá do Sul (Santa Catarina), and Tramandaí and Alvorada (Rio Grande do Sul), signed PPP structuring agreements. The common objective of these projects is the delegation — through administrative concessions—of public lighting in the municipalities, including modernization, efficiency improvements, expansion, operation, and maintenance of municipal public lighting networks.

A contract was also formalized between BRDE, BNDES, and the Municipality of Santa Maria (Rio Grande do Sul) to structure a PPP focused on upgrading the municipality's educational infrastructure. The partnership model includes delegating the management and operation of up to 30 school units to the future concessionaire, enabling education professionals to focus on pedagogical activities.

Regional Vision 2040

In April, BRDE presented the final version of the Regional Vision 2040 project during the meeting of the governors of the Southern Development and Integration Council (CODESUL). The study was developed by specialists from the University of Vale do Rio dos Sinos (UNISINOS), with technical support from the executive secretaries of CODESUL, BRDE, and the planning secretariats of the member states.

The initiative proposes an integrated and long-term vision for the development of the CODESUL region, based on a comprehensive diagnosis. The study includes the survey of planned investments, the mapping of potential and bottlenecks, as well as the definition of priority axes, strategic guidelines, indicators, and goals for the next 15 years.

BRDE Strategic Plan 2025–2030

BRDE completed the comprehensive review of its Strategic Planning in 2025, reaffirming its commitment to sustainable regional development. The new planning establishes, as institutional legacies, the strengthening of production chains, support for cities, the encouragement of innovation, and the promotion of sustainability. From these, objectives and strategic actions were defined that will guide the Bank's operations in the coming years, with a focus on generating value for society.



BRDE's mission became "To support those who produce and transform lives." Following this, the new Strategic Map was constructed, which features nine main axes, four legacies, 18 objectives, 39 indicators, and 26 strategic actions. Finally, the model for monitoring and evaluating the strategy was defined, as well as the Strategic Planning Communication Plan.

Risk Management

In compliance with National Monetary Council Resolution No. 4,557/2017 and complementary regulations, BRDE has a risk management structure that is separate from other business units and the internal audit unit. The Superintendency of Risk Management, Internal Controls, and Compliance (SURIS) is responsible for preparing and reviewing risk management policies and reports. It operates under the administration of the Chief Risk Officer (CRO) and reports directly to the Risk Committee, the CEO, and the Board of Directors. The report outlining the continuous risk and capital management structure is available on the Bank's website: <https://www.brde.com.br/gestao-de-riscos/estrutura/>

In compliance with Central Bank of Brazil Resolution No. 54/2020, BRDE publishes its Pillar 3 Report, which provides a comprehensive set of information on its risk and capital management. By offering stakeholders broad access to risk and management data, BRDE aims to meet the recommendations of the Basel Committee on Banking Supervision, particularly regarding transparency, market discipline, and reducing information asymmetry. The Pillar 3 Report is available at: <https://www.brde.com.br/gestao-de-riscos/pilar-3/>

It is also available as open data according to specifications established by the Central Bank of Brazil: <https://dadosabertos.bcb.gov.br/dataset/pilar3> .

Acknowledgements

The results presented to society in this report would not have been possible without the joint efforts of the controlling states and representatives of civil society. In this context, the Executive Board extends its appreciation to clients for their trust in BRDE's support, to funding partners for their continuous and growing collaboration in the development process, to the governments of the controlling states, to the Board of Directors, to advisory committees, and to all other partners for the trust placed in the institution. The Executive Board also thanks the Bank's employees and reaffirms its recognition for their commitment and contributions.

Porto Alegre, December 31, 2025.



Shape the future
with confidence

Setor Hoteleiro Sul - Quadra 06
Conjunto A - Bloco A
1º andar - salas 104 e 105
70316-000 - Brasília - DF - Brasil
Tel: +55 61 2104-0100
ey.com.br

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

Independent auditor's report on financial statements

To the
Controlling Shareholders and Executive Board of
Banco Regional de Desenvolvimento do Extremo Sul – BRDE
Porto Alegre - RS

Opinion

We have audited the financial statements of Banco Regional de Desenvolvimento do Extremo Sul – BRDE (the “Bank”), which comprise the statement of financial position as at December 31, 2025, and the statements of profit or loss, of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with the accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN).

Basis for opinion

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

Emphasis of Matter – Absence of Comparative Amounts

We draw attention to Note 2 to the financial statements, which describes that these financial statements have been prepared in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank of Brazil, considering the exemption from presenting, in the financial statements for the year ending in 2025, comparative amounts related to prior periods, as provided for in National Monetary Council (CMN) Resolution No. 4,966/2021. Our opinion is not modified in respect of this matter.



Shape the future
with confidence

Key audit matters

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

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

Allowance for expected losses associated with credit risk

As disclosed in Notes 8 and 9 to the financial statements, the bank had, as at December 31, 2025, credit operations totaling R\$24.244.919 thousand, with a corresponding provision for expected credit losses amounting to R\$640.495 thousand. These provisions take into consideration the economic environment, historical experience, attached collateral, delays, and the history of renegotiations, in accordance with the parameters established by National Monetary Council (CMN) Resolution No. 4,966/21. The Bank also adopts an internal provisioning model based on several internal and external assumptions and factors, aimed at identifying, in advance, the deterioration of the related financial instruments.

We considered the provision for expected credit losses as one of the key audit matters due to the materiality of the amounts involved and because the classification of counterparties' risk levels, the assessment of collateral, and the current and prospective economic environment involve significant management judgment.

How our audit addressed this matter

Our audit procedures included, among others: obtaining an understanding of the parameters used in the Expected Credit Loss calculation, such as the probability of the instrument being characterized as a credit-impaired asset, the expected recovery of the financial instrument, the present value calculation, carrying amount, credit conversion factor, and effective interest rate, as developed by the Bank and related to the assumptions adopted by Management for provisioning expected credit losses, as well as testing their effectiveness; (ii) analyzing stage classifications, credit-impaired assets, homogeneous groups, portfolios, definitions of renegotiation and restructuring; (iii) assessing the collateral and monitoring renegotiated transactions performed by Management; (iv) analyzing the economic and financial assessment carried out by the Bank at the time of determining the counterparties' risk level, through a selected sample for testing; (v) recalculating the provision for expected credit losses based on the parameters established by CMN Resolution No. 4,966/21; (vi)



**Shape the future
with confidence**

reconciling accounting records with analytical controls; and (vii) analyzing the disclosures related to this matter in the financial statements made by the Bank's Management.

Based on the results of the audit procedures performed on the expected credit loss provisions, which are consistent with Management's assessment, we consider that the criteria and assumptions adopted by Management, as well as the related disclosures in Note 9, are acceptable in the context of the individual and consolidated financial statements taken as a whole.

Post-employment benefit plans

The Bank records actuarial liabilities related to post-employment benefit plans which, as mentioned in Note 17 to the financial statements, comprise pension benefits and health care programs, totaling R\$279.904 thousand as at December 31, 2025. This was considered a key audit matter given the materiality of the amounts involved and the complexity of the actuarial liability assessment models, which include the use of long-term assumptions, such as: general mortality, disability, medical costs, salary growth, family structure, discount rate, and inflation.

How our audit addressed this matter

With the support of our actuarial specialists, we conducted the following procedures, among others: analysis of the methodology and of the main assumptions used by the board of directors in assessing actuarial obligations arising from post-employment benefit plans; verification of the mathematical accuracy of the calculation of reserves; and analysis of the consistency of the results in relation to the parameters used in the assessments. Our audit procedures also included testing of the integrity of master record information used in actuarial projections and the sufficiency of disclosures related to post-employment benefit plans in the financial statements.

Based on the result of the audit procedures carried out on the post-employment benefit plans, which is consistent with the executive board's assessment, we consider that the criteria and assumptions for assessment of actuarial obligations adopted by the executive board, as well as the respective disclosures in Note 17 to the financial statements, are acceptable, in the context of the financial statements taken as a whole.

Recoverability of tax credits

As at December 31, 2025, the Bank records deferred tax assets in the amount of R\$431.410 thousand, as presented in Note No. 16 to the financial statements, consisting substantially of temporary differences in the calculation of the income and social contribution tax bases, arising substantially from losses on temporarily nondeductible credits, allowance for expected losses, and provision for contingencies and for post-employment benefits.

This was considered a key audit matter given the materiality of the recorded amount and the reasonable level of judgment required to determine assumptions about the Bank's future performance and in the study of realization of these assets, as described in Note 16 to the financial statements.



**Shape the future
with confidence**

How our audit addressed this matter

Among other procedures, we involved our tax specialists to validate the taxable bases and the changes in credit in accordance with current legislation. We also analyzed the methodology and assumptions used by the executive board in the study of realization of tax credits, including projections of future income, as well as compliance with the requirements of the Central Bank of Brazil. We verified the mathematical accuracy of the calculation and the consistency between the data used and the accounting balances, as well as consistency with previous assessments, reasonableness of the assumptions used, and sufficiency of the disclosures in explanatory notes.

Based on the results of audit procedures performed on tax credits, which are consistent with the executive board's assessment, we consider that the recorded balances and criteria and assumptions used in the study of realization of tax credits, including projections of future income, prepared by the executive board, as well as the respective disclosures in Note 16, are acceptable in the context of the financial statements taken as a whole.

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

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

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

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

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

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

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



**Shape the future
with confidence**

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

Auditor's responsibilities for the audit of the financial statements

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

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

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



**Shape the future
with confidence**

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

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

Brasília, March 25, 2026.

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

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

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

BALANCE SHEET

ASSETS	Note	12/31/2025
Cash	5	7,445
Financial assets		29,333,697
At fair value through profit or loss	6	4,904,218
At fair value through other comprehensive income	7	71,638
At amortized cost		24,357,841
Loans and other credit operations	8.1	24,244,919
Other financial assets	8.2	112,922
(-) Provision for expected losses related to credit risk	9	(640,495)
Other assets	10	73,590
Deferred tax assets	16.2	431,410
Fixed assets, net		38,599
Fixed assets in use		77,649
(-) Accumulated depreciation		(39,050)
Intangible assets, net		7,014
Intangible assets		56,534
(-) Accumulated amortization		(49,520)
TOTAL ASSETS		29,251,260
LIABILITIES	Note	12/31/2025
Financial liabilities at amortized cost		22,686,540
Deposits and funding	11	1,263,903
Domestic onlendings	12	17,225,374
Foreign borrowings and onlendings	12	3,681,865
Other financial liabilities	13	515,398
Financial liabilities at fair value through profit or loss	6.3	19,466
Other liabilities	14	837,831
Provisions	15	159,280
Deferred tax	16.2	34,342
Actuarial liabilities	17	279,904
TOTAL LIABILITIES		24,017,363
EQUITY	Note	12/31/2025
Capital	18.1	3,499,877
Profit reserves	18.2	1,774,113
Other comprehensive income		(40,093)
TOTAL EQUITY		5,233,897
TOTAL LIABILITIES AND EQUITY		29,251,260

The accompanying notes are an integral part of these Financial Statements.

STATEMENT OF INCOME

	Note	2 nd semester	Year
Income from financial intermediation	19	1,691,669	3,231,237
Loans and other credit operations		1,385,236	2,697,948
Securities and derivative financial instruments		306,433	533,289
Expenses from financial intermediation	19	(816,460)	(1,562,293)
Funding		(85,841)	(149,942)
Borrowings and onlendings		(714,834)	(1,371,598)
Securities and derivative financial instruments		(15,785)	(40,753)
Net income from financial intermediation	19	875,209	1,668,944
Provision for expected losses related to credit risk	9.3	(145,149)	(133,389)
Other operating income (expenses)		(288,628)	(488,415)
Income from services	20	32,153	61,179
Personnel expenses	21	(141,941)	(274,697)
Other administrative expenses	22	(70,192)	(119,670)
Tax expenses	23	(42,470)	(79,539)
Civil and labor claims		5,660	(10,607)
Other operating income (expenses)	24	(71,838)	(65,081)
Net income before tax and profit sharing		441,432	1,047,140
Income tax and social contribution	16.1	(35,037)	(305,314)
Current		(124,129)	(409,830)
Deferred	16.2	89,092	104,516
Profit sharing		(10,425)	(20,460)
NET INCOME		395,970	721,366
Basic and diluted earnings per share (lot of 1000 shares)		0.11	0.21

The accompanying notes are an integral part of these Financial Statements.

STATEMENT OF COMPREHENSIVE INCOME

	2 nd semester	Year
Net income	395,970	721,366
Items that may be reclassified to the income statement		
Financial assets at fair value through other comprehensive income	(71)	22
Change in fair value	(71)	22
Tax effect	-	-
Items that cannot be reclassified to the income statement		
Post-employment benefits	(7,725)	(5,347)
Remeasurement of actuarial liabilities	(10,372)	(16,418)
Tax effect	2,647	11,071
Total other comprehensive income	(7,796)	(5,325)
TOTAL COMPREHENSIVE INCOME	388,174	716,041

The accompanying notes are an integral part of these Financial Statements.

STATEMENT OF CHANGES IN EQUITY

	Note	Capital	Profit reserves	Other comprehensive income	Retained earnings	Total
Balances on 07/01/2025		3,499,877	1,781,847	(32,297)	-	5,249,427
Changes to market value of securities				(71)		(71)
Actuarial valuation changes				(7,725)		(7,725)
Capital increase						
Interest on equity			(403,704)			(403,704)
Net income					395,970	395,970
Constitution of reserves			395,970		(395,970)	-
Balances on 12/31/2025		3,499,877	1,774,113	(40,093)	-	5,233,897

	Note	Capital	Profit reserves	Other comprehensive income	Retained earnings	Total
Balances on 12/31/2024		2,487,333	2,043,333	(34,768)	-	4,495,898
Effects on the initial adoption of CMN Resolution No. 4,966	18.2		25,052			25,052
Balances on 01/01/2025		2,487,333	2,068,385	(34,768)	-	4,520,950
Changes to market value of securities				22		22
Actuarial valuation changes				(5,347)		(5,347)
Capital increase	18.1	1,012,544	(611,934)			400,610
Interest on equity			(403,704)			(403,704)
Net income					721,366	721,366
Constitution of reserves			721,366		(721,366)	-
Balances on 12/31/2025		3,499,877	1,774,113	(40,093)	-	5,233,897

The accompanying notes are an integral part of these Financial Statements.



STATEMENT OF CASH FLOWS

	2 nd semester	Year
Cash flow from operating activities		
Net income before tax and profit sharing	441,432	1,047,140
Adjustments that do not affect cash flow from operating activities	226,704	252,095
Depreciation and amortization	3,734	7,282
Provision for expected losses related to credit risk	145,149	133,389
(Reversal)/Provision for expected losses not related to credit risk	(5,660)	10,607
Provision for losses on other assets	230	4,031
Loss on sale of non-financial assets held for sale	-	166
Cost on actuarial liabilities	83,251	96,620
Changes in assets and liabilities	(357,207)	(1,062,324)
(Increase) / decrease in securities and derivative financial instruments	(305,308)	(538,862)
(Increase) / decrease in loans and other credit operations	(1,057,396)	(2,581,671)
(Increase) / decrease in other financial assets	3,722	6,428
(Increase) / decrease in other assets	(14,055)	(29,089)
Increase / (decrease) in financial liabilities	1,056,048	2,798,508
Increase / (decrease) in other liabilities	45,040	(451,275)
Increase / (decrease) in provisions and actuarial liabilities	(33,138)	(36,192)
Paid income tax and social contribution	(52,120)	(230,171)
Net cash generated from (used in) operating activities	310,929	236,911
Cash flow from investing activities		
Investment in intangible assets	(2,209)	(3,240)
Investment in fixed assets	(803)	(3,263)
Sale of fixed assets	38	38
Net cash generated from (used in) investing activities	(2,974)	(6,465)
Cash flow from financing activities		
Capitalized interest on equity and resources from Fundo Impulsiona Sul	-	200,610
Contribution to capital by partners	-	200,000
Net cash generated from (used in) financing activities		400,610
Increase / (decrease) in cash and cash equivalents	307,955	631,056
Changes in the financial position		
Cash and cash equivalents at the beginning of the period	1,829,450	1,506,349
Cash and cash equivalents at the end of the period	2,137,405	2,137,405
Increase / (decrease) in cash and cash equivalents	307,955	631,056

The accompanying notes are an integral part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1. OPERATING CONTEXT

Banco Regional de Desenvolvimento do Extremo Sul ("BRDE") is a privately held public financial institution established under the form of an agreement signed between its controlling States: Rio Grande do Sul, Santa Catarina and Paraná.

As a financial institution that drives regional development, BRDE aims to promote and lead actions to stimulate economic and social development, through planning and long-term technical and credit support, with the main activities:

- I. Loans and financing;
- II. Guarantee granting;
- III. Investments;
- IV. Services;
- V. Agreements of any nature;
- VI. Other modalities compatible with the nature of the institution and authorized by the Central Bank of Brazil.

As it has legal personality under private law, BRDE is subject to the rules applicable to private companies regarding labor, tax, civil and commercial obligations defined in the legal system, and as a financial institution BRDE is subject to the rules defined by the National Monetary Council – CMN and by the Central Bank of Brazil – BACEN.

BRDE is headquartered at Rua Uruguai, 155, Centro, Porto Alegre – RS, and has one operational agency in each capital of the controlling States: Porto Alegre, Florianópolis and Curitiba.

2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS**2.1 Approval and functional currency of Financial Statements**

The Financial Statements are presented in Real (R\$), which is the functional currency. Amounts are expressed in thousands of Reais, unless otherwise indicated.

These Financial Statements, after consideration by the Fiscal Council, Audit Committee and the Executive Board, were approved by the Board of Directors at a meeting held on March 25, 2026.

2.2 Basis of preparation and presentation of financial statements

The financial statements were prepared in accordance with BACEN and CMN regulations, and based on the provisions of the Brazilian Corporation Law, as long as they do not conflict with the regulations issued by regulatory bodies.

The presentation of the statements is in accordance with the Accounting Plan for Institutions of the Financial System – COSIF and with the pronouncements issued by the Accounting Pronouncements Committee – CPC, which were received by the regulatory bodies.

The Balance Sheet is presented in order of liquidity and enforceability, for the asset and liability accounts, respectively, as per the prerogative provided for in art. 23 of BACEN Resolution No. 2/2020, with the segregation of short- and long-term values presented in note 4.

On November 25, 2021, the National Monetary Council published CMN Resolution No. 4,966/21, effective January 1, 2025, establishing the accounting criteria applicable to financial instruments, incorporating the basic concepts of international standard IFRS 9 and CPC 48. The main impact of

CMN Resolution No. 4,966/21 was to abolish CMN Resolution No. 2,682/99, which defined the measurement basis for the provision for expected losses associated with credit risk based on the incurred loss concept. Additionally, BCB Resolution No. 352/23 defines specific criteria for recognizing, measuring, and providing for credit risk in financial instruments.

The accounting criteria arising from this Resolution were applied prospectively from its effective date, and the effects of adjustments arising from changes in accounting criteria methodology were recorded as a counterpart to Accumulated Profits and Losses, for their balance net of tax effects.

Following the guidelines of article 79 of CMN Resolution 4,966/21, during the fiscal year 2025, financial statements of previous periods will not be presented for comparative purposes.

3. MAIN ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents include cash in national and foreign currency, bank deposits and securities, among all those that make up the investment fund portfolio, whose maturities are up to 90 days and which present an insignificant risk of change in value.

3.2 Financial assets and liabilities

Financial assets and liabilities are recognized on the date of their acquisition, origination or issuance, at their transaction value or fair value, where applicable.

a. Financial assets

The classification and subsequent measurement is made based on the business model for managing financial assets and the contractual cash flow characteristics (SPPI test).

- Business model: refers to the way in which BRDE manages its financial assets to generate cash flow, which may be: (i) a business model whose objective is to maintain the assets in order to receive contractual cash flows; (ii) a business model whose objective is achieved both by receiving contractual cash flows and by selling them; (iii) other models.
- SPPI Test: assesses the cash characteristics of financial assets, with the aim of demonstrating whether the cash flows of these assets are solely formed by the payment of principal and interest.

Financial assets are classified into the following categories:

- Amortized cost (AC): financial assets that meet the SPPI test criteria, with the purpose to hold the assets to collect contractual cash flows. In this category, financial assets are initially recognized at fair value including transaction costs and subsequently accounted for at amortized cost using the effective interest rate.
- Fair value through other comprehensive income (FVOCI): financial assets that meet the criteria of the SPPI test, with the purpose to hold the assets to receive contractual cash flows or to sell them. Assets are initially and subsequently recognized at fair value plus transaction costs, and unrealized gains and losses (except expected credit losses, exchange differences, dividends, and interest income) are recognized in other comprehensive income.

- Fair value through profit or loss (FVPL): assets that do not meet the classification criteria of the previous categories or are designated at initial recognition as FVPL to eliminate or reduce accounting mismatches. They are initially and subsequently measured at fair value, with transaction costs and subsequent changes in fair value recognized directly in profit or loss for the period.

b. Financial liabilities

At BRDE, as a general rule, financial liabilities are classified at amortized cost, reflecting the expected contractual cash flow over time. Exceptions to the general rule are derivative liabilities, transactions involving loans or leases of financial assets, and liabilities resulting from the transfer of assets, which should be classified as fair value through profit or loss.

Credit commitments, credits to be released and financial guarantees granted follow specific recognition and measurement criteria, taking into account both the expectation of expected losses and the fair value at the initial moment.

c. Derivative financial instruments

BRDE's operations in the derivatives market are limited to swap transactions, exclusively to protect its active and passive positions.

Transactions involving derivative financial instruments are recorded at fair value, considering the mark-to-market methodologies adopted by BRDE. Gains and losses resulting from these transactions are recorded in the income statement.

BRDE adopts hedge accounting, in the fair value hedge category, for eligible swap transactions. Instruments classified in this category are intended to offset risks arising from exposure to changes in the market value of the hedged item, with the amounts of gains and losses, whether realized or not, recorded in the income statement.

The ineffective portion of the hedge is immediately recognized in the income statement.

Detailed information on the operations involved, their strategies, and risk management objectives, including their effectiveness, are documented from the beginning of the operations in order to highlight the main elements involved, namely: (i) hedging objective; (ii) documentary identification of the hedged risk and risk management; (iii) hedge classification and strategy; (iv) internal accounting procedures; (v) identification of the hedged object and instrument.

d. Fair value measurement

To measure fair value, BRDE classifies financial instruments according to the following hierarchy:

- Level 1: prices traded in active markets for the same financial instrument;
- Level 2: prices traded in active markets for similar financial instruments or based on a pricing model in which the significant parameters are based on observable data in active markets;
- Level 3: pricing models that use price references, rates and unobservable market data.

e. **Effective interest rate**

The effective interest rate is the rate that discounts payments received from estimated future cash flows over the expected life of the financial asset or liability.

The application of the effective interest rate occurs on the gross book value of the financial instrument, adjusted as follows:

- For financial assets, transaction costs individually attributable to the operation must be added and any amounts received upon acquisition or origination of the instrument must be deducted;
- For financial liabilities, transaction costs individually attributable to the operation must be deducted and any amounts received upon issuance of the instrument must be added.

After a technical study prepared for this purpose, BRDE adopted the materiality criterion provided for in art. 13 of BCB Resolution No. 352/2023 for attributable costs and revenues, so that its effective interest rate is equal to the contractual rate.

f. **Provision for expected losses related to credit risk**

CMN Resolution No. 4,966/2021 determines that the recognition of losses related to credit risk are currently based on a prospective model of expected losses. Due to its classification (S3 segment) BRDE is required to adopt the full methodology.

BRDE recognizes a provision for credit losses from the moment of initial recognition of the financial asset, based on the expectation of future loss. From this moment on, it assesses whether the credit risk has increased significantly individually and collectively, across homogeneous groups, resulting in the financial instrument being classified into one of the following stages:

- Stage 1: Financial instruments are allocated that are not characterized as financial assets with credit recovery problems upon initial recognition, and whose credit risk has not increased significantly after initial recognition;
- Stage 2: financial instruments whose credit risk has increased significantly in relation to that determined in the original allocation in the first stage and which are no longer characterized as assets with credit recovery problems are allocated; and
- Stage 3: Financial instruments with credit recovery problems, considered as problematic assets. This stage includes: (i) non-performing financial assets (more than 90 days past due); (ii) financial assets that indicate they have not fully honored their obligations; (iii) restructured financial assets.

For non-performing financial assets, a provision for incurred losses is recognized as part of the total expected provision. The level of provision for operations must correspond to the amount resulting from applying the percentages defined in Annex I of BCB Resolution No. 352/2023, considering the periods of delay and the portfolios defined by this Resolution, to the gross book value of the asset.

Recognizing revenue generated by impaired assets in the income statement for the period is prohibited (stop accrual). This revenue is recognized in the income statement upon actual receipt and does not apply to revenue generated by the recovery of written-off assets.

Regularization of the delay, in addition to other factors defined in the Policy approved by the BRDE Administration, justifies the reclassification of the operation to a lower risk category (cure).

BRDE, through internal statistical models, calculates expected losses, considering the following factors:

- PD – Probability of default occurring within a predetermined time window;
- EAD – Exposure at default;
- LGD (Loss given default) – Percentage of loss given the default event.

g. Write-off of financial instruments

The write-off of a financial asset, as defined in CMN Resolution No. 4,966/2021, occurs when:

- the contractual rights to the cash flows expire;
- the sale or transfer of this asset occurs;
- there is no longer any expectation of recovery.

According to the policy approved by the BRDE Administration, write-off occurs in the 21st month after being classified as defaulting (delay of more than 90 days), but the Bank maintains controls to identify the written-off financial assets until all collection procedures have been exhausted, observing a minimum period of 5 (five) years.

Financial liabilities are written off when extinguished, that is, when the obligation specified in the contract is settled, cancelled, matured or expired.

h. Recovery and restructuring

Renegotiation is an agreement that implies the modification of the originally agreed conditions of the instrument or the replacement of the original financial instrument by another, with partial or full settlement or refinancing of the respective original obligation.

Restructuring is a renegotiation that involves significant concessions to the counterparty due to a significant deterioration in its credit quality, which would not have been granted had such deterioration not occurred. In this case, the gross book value of the financial instrument must be revalued to represent the present value of the restructured contractual cash flows, discounted at the originally agreed effective interest rate or at the renegotiated interest rate. CMN Resolution No. 5,146/2024 allows, until December 2026, the use of the renegotiated effective interest rate.

3.3 Other assets

BRDE's other assets are basically formed by non-financial assets held for sale and prepaid expenses. Non-financial assets held for sale correspond to goods received in settlement of financial instruments that are difficult or doubtful to resolve and are not intended for own use, and goods for own use that are no longer usable and available for sale.

These assets are measured annually and if the amount determined is lower than the amount recorded, a provision is made for the impairment.

3.4 Fixed and intangible assets

Fixed assets are recorded at acquisition cost, less accumulated depreciation and adjusted to recoverable amount, when applicable. Depreciation is calculated using the straight-line method based on the useful lives of the assets.

Intangible assets refer primarily to software and usage rights, acquired or developed internally for the institution's maintenance or exercised for that purpose. They are stated at acquisition cost and other directly attributable costs, less accumulated amortization and adjusted for impairment, when applicable. Amortization of assets with finite useful lives is calculated using the straight-line method, based on their estimated useful life.

3.5 Income Tax and Social Contribution

The provision for Income Tax (IRPJ) and Social Contribution on Net Income (CSLL) is composed of current taxes, which are paid in the applicable period, and deferred taxes, represented by deferred tax assets and liabilities, arising from temporary differences between the accounting and tax calculation basis of assets and liabilities, at the end of each period.

The IRPJ provision consists of a rate of 15% of taxable income, plus an additional 10%. The CSLL rate for BRDE is 20%.

The recognition of deferred IRPJ/CSLL tax assets and liabilities is based on the estimated realization date, as per a semi-annual technical study, considering the tax rates in effect during the year in which these assets are realized. Deferred tax assets are recorded based on the expected future results and comply with the recognition, maintenance, and write-off criteria established by CMN Resolution No. 4,842/2020. In the case of deferred tax liabilities, this legislation does not establish limits for recognition and maintenance, since their realization does not require future profits.

Deferred tax assets and deferred tax liabilities are subject to realization according to their origin.

Those arising from temporary differences are realized through the use or reversal of the provisions that served as the basis for their constitution, with the main realization criteria being:

- Provision for expected losses associated with credit risk:
 - a) credit reimbursement schedule; and
 - b) classification as losses in accordance with Law No. 14,467/2022;
- Other provisions: payment estimate date.

3.6 Contingent assets and liabilities

The recognition, measurement and disclosure of active and passive contingencies and legal obligations are carried out in accordance with the criteria defined in CMN Resolution No. 3,823/2009.

Contingent assets: contingent assets are not recognized in accounting, except when Management has total control of the situation or when there are real guarantees or favorable decisions, over

which no further appeals can be made, characterizing the realization of the asset as practically certain.

Contingencies: basically arise from judicial and administrative proceedings, inherent to the normal course of business brought by third parties, former employees and public bodies, in civil, labor, tax and social security actions and other risks. These contingencies, consistent with conservative practices adopted, are evaluated by legal advisors and take into account the probability that financial resources will be required to settle the obligations and that their amount can be estimated with sufficient certainty. The values of contingencies are quantified using models and criteria that allow them to be measured appropriately, based on documentary or accounting support, or a history of similar facts, despite the uncertainty inherent to the term or value. Contingencies classified as probable are those for which provisions are set up; possible contingencies require only disclosure and remote contingencies do not require provisions or disclosure.

3.7 Post-employment benefits

The Bank is a sponsor of the Fundação BRDE de Previdência Complementar - ISBRE, whose main purpose is to maintain retirement and pension plans (note 17). The actuarial system for calculating the cost and contributions of the plans is capitalization, evaluated every six months by an independent actuary.

Actuarial gains or losses recognized for a given period correspond to increases or decreases in the present value of the defined benefit obligation due to changes in actuarial assumptions and adjustments based on experience.

Post-employment benefits are recognized in the income statement as follows:

- Cost of current service: increase in the plan commitment (actuarial liabilities) resulting from the service provided by the employee in the period, that is, due to the “acquisition” of the right for the time of service provision for another period.
- Cost of interest on the actuarial liability: defined as the increase, during the period, in the present value of the obligations as a result of the passage of time.
- Valuation adjustments in net equity: actuarial gains and losses, return on plan assets excluding amounts considered in defined benefit net interest and any change in the effect of the asset ceiling excluding amounts considered in defined benefit net interest.

In accordance with CPC 33 (R1), during the process of allocating a special reserve of a Benefit Plan, determined in accordance with rules issued by regulatory authorities, as a sponsor and in order to effectively represent the economic benefit entitled to BRDE at present value, the Bank constitutes an actuarial asset for this purpose.

3.8 Net income recognition

Revenues and expenses are recognized in profit or loss on an accrual basis, using the effective interest method, including income, charges, and monetary or exchange rate variations at official rates, applicable to current and long-term assets and liabilities. This also includes the effects of adjustments of assets to market or realizable value.

3.9 Non-recurring result

BRDE understands that a non-recurring result is one that is not related to the typical activities of the institution and is in some way not expected to occur with eventual frequency in future years. When this occurs, we demonstrate this result in an explanatory note.

4. CURRENT AND NON-CURRENT SEGREGATION

In compliance with art. 23 of BACEN Resolution No. 02/2020, we present, for balance sheet items, the current and non-current segregation.

ASSETS	Current	Non-current
Cash	7,445	-
Financial assets:	6,905,857	22,427,840
At fair value through profit or loss	2,934,005	1,970,213
At fair value through other comprehensive income	-	71,638
At amortized cost:	3,971,852	20,385,989
Loans and other credit operations	3,943,897	20,301,022
Other financial assets	27,955	84,967
(-) Provision for expected losses related to credit risk	(117,579)	(522,916)
Other assets	28,840	44,750
Deferred tax assets	-	431,410
Fixed assets, net	-	38,599
Intangible assets, net	-	7,014
LIABILITIES	Current	Non-current
Deposits and funding	360,917	902,986
Domestic onlendings	2,641,328	14,584,046
Foreign borrowings and onlendings	545,297	3,136,568
Other financial liabilities	515,398	-
Financial liabilities at fair value through profit or loss	8,418	11,048
Other liabilities	815,115	22,716
Provisions	30,328	128,952
Deferred tax	-	34,342
Actuarial liabilities	-	279,904

5. CASH AND CASH EQUIVALENTS

	12/31/2025
Cash	7,445
Investment fund quotas	2,129,960
Total	2,137,405

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

6.1 Portfolio composition

	Acquisition cost	Fair value		Balance on 12/31/2025
		Level 1	Level 2	
Fixed income investment fund quotas - note 5	2,129,960	2,129,960	-	2,129,960
Fixed income investment fund quotas ⁽¹⁾	2,136,563	2,392,890	-	2,392,890
Fixed income investment fund quotas – FSA resources	332,652	332,652	-	332,652
Quotas of participation funds ⁽²⁾	37,350	47,478	-	47,478
Derivative financial instruments - note 6.3	38	-	38	38
Other	1,200	1,200	-	1,200
Total	4,637,763	4,904,180	38	4,904,218

(1) Of this amount, R\$ 9,778 are subject to labor lawsuits.

(2) They represent quotas of funds in participations or guarantors, which are managed by private institutions, with their quotas updated by the values disclosed by the respective administrators.

6.2 Financial assets at fair value through profit or loss by maturity

	Up to 1 year	From 1 to 3 years	Above 3 years	Total
Fixed income investment fund quotas	2,601,353	1,150,770	770,727	4,522,850
Fixed income investment fund quotas – FSA resources	332,652	-	-	332,652
Quotas of participation funds	-	-	47,478	47,478
Derivative financial instruments	-	38	-	38
Other	-	-	1,200	1,200
Total	2,934,005	1,150,808	819,405	4,904,218

6.3. Derivative financial instruments

	12/31/2025
Assets	38
Swap contracts – not designated to hedge accounting	38
Liabilities	19,466
Swap contracts – designated to hedge accounting – note 6.4	19,334
Swap contracts – not designated to hedge accounting	132

6.4 Hedge accounting

BRDE has market value hedge structures to protect itself from the risks arising from exchange rate variations in the external funding operation (hedge object) carried out by BRDE with international financial institutions.

Protection occurs through swap contracts, under the following conditions:

- Asset index: Euro + SOFR + contractual rate;
- Liability index: Real + CDI + contractual rate.
- Frequency and maturity: identical to that of the hedge object.

Mark-to-market variations of hedge instruments and hedge objects in market value structures are recognized directly in profit or loss.

	Notional	Curve value	Market value adjustment	Market value
Instrument	208,433	18,361	973	19,334
Object	208,433	200,364	(990)	199,374

The effectiveness of the hedge structure is assessed at the time of designation and reviewed periodically at the time of accounting closing. The methodology adopted for effectiveness testing is based on the ratio between the fair value adjustment of the hedge instrument and the fair value adjustment of the hedge object, which allows BRDE to assess the market variation, net of accruals.

External funding protected by derivatives:

Institution	Contracted value ⁽¹⁾	Initial date	Final date	Indexer
CAF	U\$ 30,000	04/10/2025	02/15/2028	SOFR6M+1.3% per year
CAF	U\$ 5,700	09/15/2025	08/15/2029	SOFR6m+1.85% per year

(1) amount expressed in thousands in the contractual currency.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

7.1 Portfolio composition

	Acquisition cost	Fair value		Balance on 12/31/2025
		Level 1	Level 2	
Financial Treasury Letter - LFT	71,638	71,638	-	71,638
Total	71,638	71,638	-	71,638

7.2 Financial assets at fair value through other comprehensive income by maturity

	Up to 1 year	From 1 to 3 years	Above 3 years	Total
Financial Treasury Letter - LFT	-	38,988	32,650	71,638
Total	-	38,988	32,650	71,638

8. FINANCIAL ASSETS AT AMORTIZED COST

8.1 LOANS AND OTHER CREDIT OPERATIONS

a. Composition by type of operation and stage

	Stage 1	Stage 2	Stage 3	Total
Loans	2,115,377	317,167	110,380	2,542,924
Financing	8,763,493	1,384,758	585,546	10,733,797
Rural financing	9,507,414	1,198,517	84,609	10,790,540
Total loans and other credit operations	20,386,284	2,900,442	780,535	24,067,261
Interbank onlendings	45,627	-	-	45,627
Honored sureties and guarantees	358	-	3,842	4,200
Securities with credit characteristics	66,943	-	-	66,943
Term sale of non-financial assets	53,859	6,955	74	60,888
Total operations with credit characteristics	166,787	6,955	3,916	177,658
Total portfolio	20,553,071	2,907,397	784,451	24,244,919

b. Changes in the credit portfolio

	Stage 1	Stage 2	Stage 3	Total
Initial balance	20,958,562	88,965	621,687	21,669,214
Net constitution / (reversal)	970,375	1,598,032	13,264	2,581,671
Write-off	-	-	(5,966)	(5,966)
Changes in stages:	(1,375,866)	1,220,400	155,466	-
between stages 1 and 2	(1,257,717)	1,257,717	-	-
between stages 1 and 3	(118,149)	-	118,149	-
between stages 2 and 3	-	(37,317)	37,317	-
Final balance	20,553,071	2,907,397	784,451	24,244,919

c. Composition by maturity

	Stage 1	Stage 2	Stage 3	Total
Up to 1 year	3,496,880	290,515	156,502	3,943,897
From 1 to 5 years	10,208,465	1,280,523	252,298	11,741,286
Above 5 years	6,847,726	1,336,359	375,651	8,559,736
Total portfolio	20,553,071	2,907,397	784,451	24,244,919
Overdue for more than 30 days	-	184,533	478,488	663,021

d. Concentration by economic activity sector

	12/31/2025	%
Public sector	1,463,414	6.04%
Private sector	22,781,505	93.96%
Farming and cattle raising	6,615,278	27.28%
Industry	5,407,857	22.31%
Infrastructure	4,705,790	19.41%
Commerce	3,848,697	15.87%
Services	974,979	4.02%
Tourism	359,095	1.48%
Health	135,175	0.56%
Financial intermediation	354,287	1.46%
Recreation and leisure	220,399	0.91%
Food supply	76,822	0.32%

Education	83,126	0.34%
Total portfolio	24,244,919	100%

e. Concentration by client

	12/31/2025	%
Largest debtor	382,387	1.58%
Next 10 largest debtors	2,429,919	10.02%
Next 20 largest debtors	2,747,908	11.33%
Next 50 largest debtors	3,581,169	14.77%
Next 100 largest debtors	3,033,807	12.51%
Other debtors	12,069,729	49.79%
Total portfolio	24,244,919	100%

f. Write-off and recovery of financial instruments

	12/31/2025
Written-off financial instruments	5,966
Recovered financial instruments	233,073

g. Renegotiated operations

	12/31/2025	%
Renegotiated operations	12,634	100%
Restructured	10,874	86.07%
Non-restructured	1,760	13.93%

h. Financial assets with credit recovery problems

	12/31/2025
Unrecognized income from troubled assets	485,116
Expected recovery from troubled assets	293,281

8.2 OTHER FINANCIAL ASSETS

	12/31/2025
Income receivable	16,189
Guarantee deposits	69,438
Actuarial asset – post-employment benefit (note 17.2.1)	22,430

Advances and salary anticipations	2,991
Other financial assets	1,874
Total	112,922

9. PROVISION FOR EXPECTED LOSSES RELATED TO CREDIT RISK

9.1 Composition of the provision by portfolio stage

	Stage 1	Stage 2	Stage 3	Total
Loans	7,555	2,756	74,510	84,821
Financing	28,124	14,113	433,153	475,390
Rural financing	13,534	5,466	59,585	78,585
Operations with credit characteristics	176	44	1,479	1,699
Total expected loss	49,389	22,379	568,727	640,495

9.2 Changes in portfolio provision

	Stage 1	Stage 2	Stage 3	Total
Initial balance	63,855	1,349	460,796	526,000
Net constitution / (reversal)	(30,179)	13,069	135,470	118,360
Write-off	-	-	(3,865)	(3,865)
Changes in stages:	15,713	7,961	(23,674)	-
between stages 1 and 2	(1,372)	1,372	-	-
between stages 1 and 3	17,085	-	(17,085)	-
between stages 2 and 3	-	6,589	(6,589)	-
Final balance	49,389	22,379	568,727	640,495

9.3 Expense (income) from provision for expected losses related to credit risk

	2 nd semester	Year
Constitution (reversal) of provision on credit portfolio	128,791	120,461
Constitution (reversal) of provision on financial guarantees granted	16,247	12,794
Constitution (reversal) of provision on credits to be released	111	134
Total	145,149	133,389

10. OTHER ASSETS

	12/31/2025
Prepaid expenses	5,164
Works of art	270
Non-financial assets held for sale	80,945
Impairment of non-financial assets held for sale	(12,789)
Total	73,590

11. DEPOSITS AND FUNDING

	Up to 1 year	From 1 to 3 years	Above 3 years	Total
Time deposits - CDB and RDB	137,488	41,579	16,998	196,065
Development letters of credit - LCD	148,862	74,615	317,386	540,863
Agribusiness letters of credit - LCA	74,567	336,433	-	411,000
Financial letters - LF	-	99,317	16,658	115,975
Total	360,917	551,944	351,042	1,263,903

12. BORROWINGS AND ONLENDINGS

	Up to 1 year	From 1 to 3 years	Above 3 years	Total
Domestic	2,641,328	8,905,131	5,678,915	17,225,374
BNDES	1,770,909	5,881,334	3,960,087	11,612,330
FINAME	349,023	1,303,703	441,639	2,094,365
FINEP	268,562	939,213	199,535	1,407,310
BB	55,326	213,667	253,117	522,110
CEF	86,062	275,532	508,352	869,946
FUNGETUR	99,096	286,206	302,686	687,988
Other	12,350	5,476	13,499	31,325
Foreign	545,297	1,203,385	1,933,183	3,681,865
AFD	181,764	477,779	552,680	1,212,223
CAF	141,553	275,060	10,275	426,888
BEI	52,158	175,535	187,887	415,580
NDB	33,230	111,495	631,804	776,529
BID	123,879	131,376	468,267	723,522
BIRD	12,713	32,140	82,270	127,123

Total - 12/31/2025	3,186,625	10,108,516	7,612,098	20,907,239
--------------------	-----------	------------	-----------	------------

Agence Française de Développement (AFD), New Development Bank (NDB), Inter-American Development Bank (IDB), European Investment Bank (EIB) and International Bank of Reconstruction and Development (IBRD) – onlending operations in which the effects of exchange rate variations are passed on to the final customer;

Corporación Andina de Fomento (CAF) – borrowing operations with resources internalized in Reais (offshore swap).

13. OTHER FINANCIAL LIABILITIES

	12/31/2025
Fundo Setorial do Audiovisual - FSA ⁽¹⁾	320,704
Ministry of Tourism - FUNGETUR ⁽²⁾	34,252
Fundo Impulsiona Sul ⁽³⁾	151,986
Client values to be regularized ⁽⁴⁾	8,456
Total	515,398

(1) These are resources, managed by BRDE, destined for the production chain of audiovisual activity in Brazil.

(2) Resources made available by the Ministry of Tourism for financing operations related to the main activity.

(3) Resources from the interest on equity of the controlling States destined for Fundo Impulsiona Sul (note 25.d).

(4) Amounts received from clients in advance of credit renegotiations, pending formalization, and replacement of contracted guarantees.

14. OTHER LIABILITIES

	12/31/2025
Interest on equity	403,704
Payable taxes and contributions	338,265
Profit sharing and payable results	13,773
Guarantee fund honors	22,716
Other	59,373
Total	837,831

15. PROVISIONS

Provisions composition:

	12/31/2025
Provisions for contingencies (note 15.1)	106,740
Provision for payments to be made ⁽¹⁾	30,328
Provision for financial guarantees ⁽²⁾	16,607
Provision for credits to be released ⁽³⁾	5,605
Total	159,280

- (1) Provisioning for personnel expenses (vacation pay, 13th salary, bonus leave, among others).
 (2) The guaranteed amount is R\$ 236,732. All financial guarantee operations granted have a real guarantee.
 (3) Provision constituted on the balance of contracted operations, which total R\$ 1,131,351, whose resources have not yet been released to clients.

15.1 Provision for contingencies

	Labor	Civil	Total
Initial balance - 01/01/2025	36,629	75,463	112,092
Constitution	1,550	-	1,550
Adjustment / Interest	2,562	6,697	9,259
Write-off by reversal	(5,887)	(1,495)	(7,382)
Write-off by payment	(4,263)	(4,516)	(8,779)
Final balance - 12/31/2025	30,591	76,149	106,740

According to note 3.6, the amount of labor provision refers to actions classified as probable loss. Furthermore, there are labor claims considered as possible loss by the bank's legal advisors in the amount of R\$ 26,537.

The civil provisions refer to the following facts:

- R\$ 65,645 refer to attorney's fees due to loss;
- R\$ 10,502 refer to embargoes filed by a debtor against execution of default.

Of the total provision for civil lawsuits, the amount of R\$ 65,832 has been deposited for legal guarantee. Additionally, there are other civil actions classified as possible loss amounting to R\$ 7,422.

During the 2017 financial year, BRDE was fined by the Brazilian Federal Revenue Service for excluding active monetary variations arising from judicial deposits of a civil nature from the IRPJ and CSLL calculation basis. The process is in the administrative phase and according to our legal advisors, the probability of loss is possible and its value is R\$ 33,406.

16. INCOME TAX AND SOCIAL CONTRIBUTION

16.1 Calculation of income tax and social contribution

Demonstration of the calculation of IRPJ and CSLL in the period.

	2nd semester	Year
Net income before tax and profit sharing	441,432	1,047,140
Profit sharing	(10,425)	(20,460)
Net income before tax	431,007	1,026,680
Current rates	45%	45%
IRPJ and CSLL at current rates	(193,953)	(462,006)

Effects on tax calculation:

Non-deductible expenses and non-taxable income	(121,554)	(139,409)
Interest on equity	181,666	181,666
Tax incentives	9,603	9,706
Other	109	213
Current IRPJ and CSLL	(124,129)	(409,830)
Deferred IRPJ and CSLL	89,092	104,516
Total IRPJ and CSLL recorded in the income statement	(35,037)	(305,314)

16.2 Deferred income tax and social contribution

The effective date of CMN Resolution No. 4,966/2021 and Law No. 14,467/2022, starting on 01/01/2025, had the following impacts:

- Changing the calculation of expected losses associated with credit risk, which are not deductible for calculating income tax and social contributions; and
- Losses determined on January 1, 2025, related to credits that were in default on December 31, 2024, which have not been deducted up to that date and which have not been recovered, should be excluded from net profit, in determining real profit and the CSLL calculation basis, at a rate of 1/84 (one eighty-fourth) for each month of the calculation period, starting in January 2026.

a) Changes in deferred tax credits and debts

DEFERRED ASSET	01/01/2025	Constitution	Reversal	12/31/2025
Effect on net income	429,083	184,640	(200,990)	412,733
Provision for expected loss related to credit risk	216,059	146,108	(117,963)	244,204
Provision for contingencies	50,442	4,009	(6,418)	48,033
Provision for medical assistance	33,403	9,581	(3,106)	39,878
Written-off credits - Transition Law 14,467	106,044	-	(49,803)	56,241
Defaulted 12/31/2024 - Transition Law 14,467	18,579	-	-	18,579
Other	4,556	24,942	(23,700)	5,798
Effect on equity	18,051	4,296	(3,670)	18,677
Provision for medical assistance	18,051	4,296	(3,670)	18,677
Total – deferred asset	447,134	188,936	(204,660)	431,410
DEFERRED LIABILITY	01/01/2025	Constitution	Reversal	12/31/2025
Effect on net income	145,115	19,395	(140,261)	24,249
Renegotiations taxed upon receipt	121,652	16,767	(138,419)	-

Update of judicial deposits	23,463	2,628	(1,842)	24,249
Effect on equity	10,928	88	(923)	10,093
Actuarial asset – post-employment benefit (PB I)	10,928	88	(923)	10,093
Total – deferred liability	156,043	19,483	(141,184)	34,342

b) Expectation of realization of deferred tax assets and liabilities

Year of realization	Deferred tax assets			Deferred tax liabilities		
	Current value	Present value	%	Current value	Present value	%
2026	106,843	103,119	24.77%	3,106	2,997	9.04%
2027	76,573	68,926	17.75%	27,354	24,623	79.65%
2028	30,901	25,941	7.16%	3,106	2,607	9.04%
2029	26,860	21,029	6.23%	776	608	2.27%
2030	25,799	18,838	5.98%	-	-	0.00%
2031 to 2035	164,434	94,440	38.11%	-	-	0.00%
Total	431,410	332,293	100%	34,342	30,835	100%

c) Unrecognized deferred tax assets

Those tax credits expected to be realized over a period of more than 10 years, not recognized in the balance sheet as of December 31, 2025 total R\$ 73,472.

17. POST-EMPLOYMENT BENEFITS

The Bank offers pension benefit plans and a health care program that are classified as postemployment benefit plans, in accordance with Technical Pronouncement CPC 33 (R1) – Employee Benefits, approved by CMN Resolution No. 4,877/2020.

The accounting of post-employment liabilities/assets and respective expenses/revenues related to post-employment benefit plans is carried out in accordance with the referred Technical Pronouncement and with a report prepared by independent actuaries for December 31, 2025.

17.1 Characteristics of benefit plans

17.1.1 – Pension benefit plans

BRDE is a sponsor of the Fundação BRDE de Previdência Complementar – ISBRE, a closed, non-profit complementary pension entity, created with the aim of offering employees of its sponsors, BRDE and ISBRE itself, supplementary benefits to those of the Official Pension, in special retirement and pension supplementation. The Bank participates in the governance of ISBRE through the appointment of members of the Foundation's Deliberative Council and Fiscal Council.

ISBRE operates within the regulatory structure of the closed supplementary pension system, with the National Complementary Pension Council (CNPC) as its regulatory body and the National Complementary Pension Superintendence (PREVIC) as supervisor, considering the standards issued by these bodies, as well as the provisions of Complementary Law No. 108/2001 and Complementary Law No. 109/2001 and the guidelines established by the National Monetary Council (CMN) for the application of plan guarantee resources. ISBRE manages two pension benefit plans, both sponsored by BRDE:

Benefit Plan I (PB I): structured in the Defined Benefit modality, in which the level of benefits granted by the Plan is determined in advance and depending on the participant's salary in the activity phase, it is closed to new adhesions. The majority of the group of participants is in the inactive phase, and the participants still active have already met, for the most part, the necessary requirements for eligibility to begin retirement under the Plan.

PB I exposes the Bank to risks related to longevity, due to the payment of lifetime benefits, and interest rates. PB I is in a surplus situation, determined in accordance with local rules issued by CNPC and PREVIC, with surplus resources allocated to the Contingency Reserve and the excess of the limit established by law to the Special Reserve. According to the decision of the ISBRE Deliberative Council, the process of allocating the PB-I Special Reserve was approved as of 12/31/2024, in accordance with local rules issued by the CNPC and Previc.

On 12/31/2025, the Bank is a sponsor of 14 active participants (12/31/2024 - 44), 401 retirees (12/31/2024 - 378) and 103 pensioners (12/31/2024 - 104).

Benefit Plan II (PB II): implemented in the first half of 2002, structured in the Variable Contribution modality, in which the programmed lifetime income benefits are determined on the date the benefit is granted based on the capitalized amount of BRDE and participants' contributions in individual account balances. The majority of the group of participants is in the activity phase.

PB II exposes the Bank to risks related to longevity, due to the payment of lifetime benefits, and interest rates, although to a lesser extent than PB I, due to its structure in the Variable Contribution modality, in which during the period of activity, contributions are allocated to individual accounts and there are only risks arising from the probability of death or disability of participants.

On 12/31/2025, the Bank is a sponsor of 415 active participants (12/31/2024 - 406), 11 retirees (12/31/2024 - 6) and 14 pensioners (12/31/2024 - 15).

Due to paragraph 3 of art. 202 of the Federal Constitution, BRDE is limited to making contributions to ISBRE of, at most, the same value as the contributions made by participants. In PB I, contributions made by BRDE are equal to those made by its employees, even inactive ones. In PB II, contributions made by BRDE are equal to those made by its employees up to a pre-determined level, in compliance with the Regulations and the annual funding plan. No normal contribution is foreseen for those benefiting from Benefit Plan II.

As part of the management of pension benefit plans, ISBRE implements asset/liability comparison strategies by carrying out annual Asset and Liability Management – ALM studies, as well as carrying out periodic adherence studies of the actuarial tables used in projections of cash flows with future payment of benefits.

17.1.2 – Health assistance program – PAS and Unified health assistance program - PASU

BRDE offers its retired employees, as well as their respective dependents and active employees, a Health Assistance Program (PAS) with partial reimbursement of medical expenses. Until the establishment of the Unified Health Assistance Program (PASU) statute in 2025, this rule only applied to those linked to Personal Regulations I. From the establishment of the Unified Health Assistance Program (PASU), post-employment coverage also includes future BRDE retirees from Personal Regulations II and III and their dependents. PAS and PASU are operationalized through health insurance administered by the operator Unimed Seguro Saúde S/A, in Outpatient and Hospital modalities with national coverage. PAS beneficiaries are also former employees who receive supplementary retirement benefits from ISBRE's PB I, and their respective dependents, as well as dependents of deceased employees, reflecting the need for recognition of post-employment liabilities by BRDE, registered under other liabilities.

PAS is structured in a post-payment modality, offering lifetime health care coverage for policyholders, who are also assisted by ISBRE, and their dependents. Therefore, the Program exposes the Bank to risks related to longevity, due to lifetime coverage, interest rates and increased medical costs.

On 12/31/2025, the total number of beneficiaries with post-employment coverage is 1.199 (12/31/2024 – 807). The significant increase is due to the expansion of the plan, which generated an expectation of 400 new active employees being added with post-employment coverage.

17.2 Net value of defined benefit liability (asset)

17.2.1 – Defined benefit liability (asset)

	PB I	PB II	PAS&PASU
Present value of actuarial liabilities	844,082	32,632	279,904
Fair value of plan assets	(1,159,699)	(47,085)	-
Deficit (surplus)	(315,617)	(14,453)	279,904
Effect of asset ceiling	293,187	14,453	-
Net actuarial liabilities (assets)	(22,430)	-	279,904

The ISBRE Deliberative Council approved the process of allocating the PB-I Special Reserve, calculated according to local rules issued by the CNPC and Previc.

The Asset Ceiling is defined by CPC 33(R1) as “the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan”. Thus, considering the surplus distribution process of the PB-I plan, initiated 12/31/2024, it is understood that the amount allocated for the benefit of sponsors effectively represents an economic benefit for BRDE. Considering that the proportion of BRDE's obligation in relation to the total obligation of the plan is 97%, the present value of the economic benefit was estimated at R\$ 22,430.

The application of these criteria aimed to estimate the present value of economic benefits available to the company in the form of reductions in future contributions to the plan, as defined in CPC 33 (R1), resulting in an Asset Ceiling of R\$ 24,430.

17.2.2 – Reconciliation of the present value of actuarial obligations

	PB I	PB II	PAS&PASU
Actuarial obligations at the beginning of the period	773,474	25,652	194,123
Current service cost	17	1,204	140
Past service cost	-	-	71,197
Contributions from participants in the period	530	-	-
Interest expenses	96,292	3,333	23,886
Benefits paid in the period	(46,547)	(1,585)	(12,345)
(Gains)/losses – changes in demographic assumptions	18,901	(204)	8,089
(Gains)/losses – changes in financial assumptions	13,892	1,123	1,939
(Gains)/losses – adjustments by experience	(12,477)	3,109	(7,125)
Actuarial obligations at the end of the period	844,082	32,632	279,904

17.2.3 – Reconciliation of fair value of assets

	PB I	PB II
Fair value of assets at the beginning of the year	(1,093,188)	(34,107)
Benefits paid in the year	46,547	1,585
Contributions from participants in the year	(530)	-
Contributions from the employer in the year	(6,895)	(2,621)
Interest income	(130,663)	(4,534)
Return on assets below (above) interest income	25,030	(7,408)
Fair value of assets at the end of the year	(1,159,699)	(47,085)

17.2.4 – Reconciliation of effect of asset ceiling

	PB I	PB II
Effect of asset ceiling at the beginning of the year	295,431	8,455
Interest expenses	30,638	1,053
Changes in the effect of asset ceiling	(32,882)	4,945
Effect of asset ceiling at the end of the year	293,187	14,453

17.3 Recognition of defined benefit costs

According to item 120 of CPC 33(R1), BRDE must recognize the cost of the service and net interest on the net value of actuarial liabilities (assets) in profit or loss and the remeasurements of the net value of liabilities (assets) in other comprehensive income.

The following table presents the recognition of the defined benefit cost components in profit or loss and other comprehensive income, as well as the reconciliation of the net actuarial liability (asset).

	PB I	PB II	PAS&PASU
Net actuarial liabilities (assets) at the beginning of the year	(24,283)	-	194,123
Net current service cost	17	1,204	140
Past service cost	-	-	71,197
Interest expenses – present value of actuarial liabilities	96,292	3,333	23,886
Interest expenses – effect of asset ceiling	30,638	1,053	-
Interest income – fair value of assets	(130,663)	(4,534)	-
Expenses (income) through profit or loss	(3,716)	1,056	95,223
(Gains)/losses on present value of actuarial liabilities	20,316	4,028	2,903
Changes in the effect of asset ceiling	(32,882)	4,945	-
Return on assets below (above) interest income	25,030	(7,408)	-
Remeasurements in other comprehensive income	12,464	1,565	2,903
Contributions from the Bank in the year	(6,895)	(2,621)	(12,345)
Net actuarial liabilities (assets) at the end of the year	(22,430)	-	279,904

17.4 Composition of fair value of assets

The PB I and PB II plans maintain assets that are used to cover actuarial obligations fully or partially. The table below shows the composition of the plans' investment portfolio into classes according to the nature and risk of these assets.

	PB I	PB II
Cash and cash equivalents	0.00%	0.00%
Fixed income	80.28%	80.48%
Variable income	3.46%	3.48%
Real estate	8.00%	55.00%
Structured	8.81%	8.86%
Loan portfolio	1.78%	0.45%
Other	5.59%	6.18%

17.5 Actuarial assumptions

The measurement of the Bank's liability with post-employment benefit plans requires the adoption of long-term actuarial and financial estimates and assumptions, as well as the application and interpretation of current regulatory standards. Therefore, the use of estimates and assumptions may result in divergences between the value recorded and the amount actually realized, causing negative or positive impacts on the Bank's operations.

The discount rates, in real terms, were calculated considering the interpolation of reference rates from the IMA-B index, published by ANBIMA, according to the duration of each post-employment benefit plan: 7.36 years for PB I, 16.25 years for PB II and 14.08 years for PAS & PASU.

The following table presents the actuarial assumptions used to determine the present value of the actuarial liability.

	PB I	PB II	PAS
Real actuarial discount rate	7.38%	7.16%	7.16%
Expected real return on assets	7.38%	7.16%	7.16%
Real salary growth rate for active employees	2.74%	*	N/A
Capacity factor on benefits	98.20%	100.00%	100.00%
Capacity factor on salaries	98.20%	100.00%	100.00%
Expected inflation rate	4.05%	4.05%	4.05%
Nominal discount rate	11.73%	11.50%	11.50%
Expected nominal return on assets	11.73%	11.50%	11.50%
Nominal salary growth rate for active employees	6.90%	*	N/A
Nominal growth in plan benefits during receipt	4.05%	4.05%	N/A
General mortality table	AT 2012 softened gender specific (10%)		AT 2012 softened gender specific (10%)
Mortality table (disabled)	AT 49, gender specific		
Disability entry table	Álvaro Vindas		
Annual turnover rate	Null		
Retirement entry	100% when eligible	100% when eligible for the scheduled benefit	M: 65 years F: 62 years
Family composition	Average family For retirees and pensioners, real family (as registered)		RP I: Real family (as registered); RP-II and RP-III: average family
HCCTR (“medical inflation”)	N/A	N/A	4,10%
Aging fator	N/A	N/A	Mirador experience: Up to 29 years: 2.0% 30 to 49 years: 2.3% 50 to 79 years: 4.0% 80 to 89 years: 3.2% 89 years or more: 0.0%
Take up	N/A	N/A	100%

* according to individually projected salary progression, considering BRDE's job and salary plan

17.5.1 – Sensitivity analysis of actuarial assumptions

The table below presents a sensitivity analysis of significant actuarial assumptions, in relation to the effect on the present value of the actuarial liability in the event of a change in assumption, considering reasonably possible variations at the actuarial valuation date.

Assumption	Sensitivity analysis	Impact (in thousands of Reais)			Impact (%)		
		PB I	PB II	PAS	PB I	PB II	PAS
Discount rate	Increase of 0.5 p.p	(26,542)	(2,305)	(17,302)	(3.30%)	(7.06%)	(6.18%)
	Decrease of 0.5 p.p	28,271	2,588	19,729	3.51%	7.93%	6.89%
Life expectancy	Increase of 1 year	19,276	80	12,114	2.39%	0.24%	4.33%
	Decrease of 1 year	(19,724)	(68)	(12,051)	(2.45%)	(0.21%)	(4.31%)
HCCTR	Increase of 0.5 p.p	-	-	20,338	-	-	7.27%
	Decrease of 0.5 p.p	-	-	(18,363)	-	-	(6.56%)

17.6 Future cash flows
17.6.1 – Cash flow occurred in the period and expected for the next period

	Expected 06-2026			Occurred 12-2025		
	PB I	PB II	PAS	PB I	PB II	PAS
Contributions from employee	1,725	1,281	7,908	4,802	1,224	7,361
Contributions from participants	14	-	-	14	-	-
Benefits paid by the plan	43,207	968	7,908	43,735	748	7,361

17.6.2 – Maturity profile of the actuarial liability

The amounts presented in the table below, in millions of Reais, represent the expected payment of benefits under the pension benefit plans and, in the case of PAS, cash expenditure by the Bank to cover obligations.

	PB I	PB II	PAS
Next 5 years	428	11	70
From 6 to 10 years	370	11	60
After 10 years	696	121	150

18. EQUITY
18.1 Capital

The subscribed and paid-up capital is represented by 3,499,877,000 common shares with a nominal value of R\$ 1.00 per share, and is divided in equal portions between the States of Rio Grande do Sul, Santa Catarina and Paraná. These portions are paid by incorporating any financial contributions and the results generated in each participating State, which are calculated and controlled separately.

In 2025 the following capital increases were carried out:

	Capital
Balances on December 31, 2024	2,487,333
Capital increase from profit reserves	611,934
Capital increase from interest in equity	158,787
Capital increase from part of Impulsiona Sul Fund	41,823
Capital increase from contribution by shareholder (1)	200,000
Balances on December 31, 2025	3,499,877

(1) Funds deposited to BRDE in December 2024 as an allocation for future capital increase, implemented in June 2025, after authorization from the Central Bank of Brazil.

The capital increases carried out in 2025 occurred in accordance with the corporate acts of CODESUL on December 3, 2024 (R\$ 125,468), the Board of Directors on March 26, 2025 (R\$ 287,076) and CODESUL on April 23, 2025 (R\$ 600,000).

The increases were approved by the Central Bank of Brazil on April 9, May 14, and June 12, 2025, respectively.

18.2 Profit reserves

BRDE's profit reserves are formed by the historical amount arising from the accumulation of results generated by the Bank, discounting the portions that are subject to capitalization or distribution to controlling shareholders in the form of Interest on Equity. Changes to profit reserves that occurred in 2025 were the following:

	Profit reserves
Balances on December 31, 2024	2,043,333
Effects of the initial adoption of CMN Resolution No. 4,966	25,052
Amount allocated for capital increase	(611,934)
Interest on equity	(403,704)
Net income	721,366
Balances on December 31, 2025	1,774,113

As determined by the sole paragraph of art. 70 of CMN Resolution No. 4,966/21, the effects of the adjustments resulting from the initial adoption of said Resolution must be recorded in Equity, at the net value of tax effects, with its effects, on 01/01/2025, being the following:

	12/31/2024	01/01/2025	Variation
Expected losses related to credit risk	580,508	(535,285)	45,223
Tax credits on expected losses	(254,988)	234,638	(20,350)
Unrecognized revenue between the 61st and 90th day of overdue	-	179	179
Initial effect on equity			25,052

19. NET INCOME FROM FINANCIAL INTERMEDIATION

	2nd semester	Year
Income from loans	187,343	346,070
Income from financing	650,137	1,256,334
Income from rural financing	431,161	816,024
Income from operations with credit characteristics	17,603	33,814
Income from recovery of written-off credits	98,992	245,707
Income from fixed income securities	4,003	17,468
Income from investment fund quotas	295,557	502,952
Income from derivative financial instruments	6,873	12,868
Total income from financial intermediation	1,691,669	3,231,237
Expense with funding – deposits	(10,586)	(18,092)
Expense with funding – LCA	(28,419)	(52,051)
Expense with funding – LCD	(39,979)	(69,641)
Expense with funding – other	(6,857)	(10,158)
Expense with domestic onlendings	(599,406)	(1,146,965)
Expense with foreign borrowings and onlendings	(115,428)	(224,633)
Expense with derivative financial instruments	(15,785)	(40,753)
Total expense with financial intermediation	(816,460)	(1,562,293)
Net income from financial intermediation	875,209	1,668,944

20. INCOME FROM SERVICES

	2nd semester	Year
Analysis fee	11,094	22,740
Inspection and monitoring fee	5,276	11,321
Registration fee	1,787	3,415
Early settlement fee	1,988	4,873
Fee for changing or structuring guarantees	613	1,119
Fee for preparing an opinion/report/technical study	591	1,080
Fee for providing financial guarantees	2,050	5,239
Income from technical and financial advisory services	2,952	2,952
FSA administration compensation	5,608	8,011
Other fees and income	194	429
Total	32,153	61,179

21. PERSONNEL EXPENSES

	2nd semester	Year
Salaries	85,740	164,450
Social charges	34,952	70,049
Benefits	14,244	27,065
Fees	4,055	7,657
Other	2,950	5,476
Total	141,941	274,697

22. OTHER ADMINISTRATIVE EXPENSES

	2nd semester	Year
Rent, water and energy	2,017	4,171
Communications	812	1,677
Assets maintenance and conservation	2,470	4,092
Data processing	16,109	28,842
Promotions and public relations	5,280	6,503
Advertising	4,382	6,833
Financial system services	752	1,874
Third party services	4,030	8,207
Specialized technical services	5,616	12,073
Surveillance and security	712	1,411
Transport and travel	5,532	10,311
Judicial and notary fees	763	1,423
Statutory expenses (CODESUL)	3,651	6,784
Tax incentives	9,463	9,610
Depreciation and amortization	3,734	7,282
Other administrative expenses	4,869	8,577
Total	70,192	119,670

23. TAX EXPENSES

	2nd semester	Year
ISS	1,516	2,822
COFINS	33,034	61,920
PIS/PASEP	5,368	10,062
Other tax expenses	2,552	4,735
Total	42,470	79,539

24. OTHER OPERATING (EXPENSES)/INCOME

	2nd semester	Year
Exchange rate variation on cash	(1)	(6)
Exchange rate variation on loans and other credit operations	21,554	(28,511)
Exchange rate variation on borrowings and onlendings	(25,079)	35,604
Income / (expense) from exchange rate variation	(3,526)	7,087
Fair value adjustment	(533)	(4,903)
Fair value hedge adjustment	1,162	3,493
Update on judicial deposits	2,822	5,537
Interest on actuarial liabilities	(83,251)	(96,620)
Sale of written off credit operations ⁽¹⁾	12,000	26,280
Discounts granted in renegotiation	-	(4,017)
Other income (expenses)	(514)	(1,938)
Total	(71,838)	(65,081)

(1) This involves the assignment of overdue credits that are fully written-off as losses, without co-obligation, arising from their credit operations to buyers not characterized as related parties.

25. RELATED PARTIES

a) Fundação BRDE de Previdência Complementar – ISBRE

The relationship between BRDE and ISBRE takes place through the following events:

- BRDE rents rooms owned by the ISBRE Foundation for use in its operational activities;
- Assignment of an employee to serve as director of the ISBRE Foundation, with compensation and charges reimbursed; and

- The Bank pays the Foundation monthly contributions as sponsor of the post-employment benefit plans.

The income and expenses incurred with ISBRE are presented below:

	2nd semester	Year
Rent	(476)	(935)
Salary reimbursement	-	642
Employer contribution	(7,156)	(15,211)
Total	(7,632)	(15,504)

b) Remuneration on key management personnel

Related parties are individuals who are members of the Executive Board, Board of Directors, Fiscal Council and Audit Committee, thus considered as key Management personnel, who received the following amounts consisting of remuneration, charges and benefits:

	2nd semester	Year
Short-term benefits	5,294	10,152
Executive Board	4,853	9,308
Board of Directors	209	466
Fiscal Council	116	189
Audit Committee	116	189
Contract termination benefits	-	-
Total	5,294	10,152

c) Banrisul S/A Corretora de Valores Mobiliários e Câmbio

BRDE obtained resources through the issuance of securities to 3 funds managed by Banrisul Corretora, whose balance as of 12/31/2025 is R\$ 52,057.

d) Controlling States - Fundo Impulsiona Sul

Fund created with the objective of equalizing charges and/or providing guarantees in direct or indirect operations contracted by BRDE as support for economic activities and/or productive financing programs of interest to the controlling States, determined by act of their respective Governor or by manifestation of the Conselho de Desenvolvimento e Integração Sul – CODESUL.

The balance, as of December 31, 2025, of each State's fund is as follow:

Paraná	Santa Catarina	Rio Grande do Sul	Total
43,305	46,616	62,065	151,986

26. RISK MANAGEMENT, CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS

BRDE's risk management is developed in accordance with the provisions of Resolution 4,557/2017 of the National Monetary Council applicable to financial institutions classified in the S3 segment and with internal regulations based on objectives and policies established by the Board of Directors, as consolidated in the Declaration of Risk Appetite – BRDE RAS. In this sense, it can be considered as a process in constant evolution, where efforts and work are developed in order to promote and guarantee the continuous improvement of risk management processes, criteria and methodologies.

To achieve its strategic objectives, BRDE assumes risks of different types and natures inherent to banking practice and to this end defines acceptable levels of risks that it is willing to incur and maintains controls for their identification, measurement, evaluation, monitoring, reporting, control and mitigation, in addition to managing them through specific processes that emphasize integrity, effectiveness, prudence and public responsibility.

BRDE also has policies, plans, standards and procedures that guide risk management, providing a uniform and coherent normative basis that ensures a control structure compatible with the nature of its operations, with the complexity of its activities, processes and systems and with the dimension of its exposure to risk. Such processes are included in the risk management structure, coordinated by a specific area, separate from the business and support units, subordinate to the director responsible for risk management (Chief Risk Officer – CRO) and supervised by a specific internal committee (Risk Committee – CORIS) linked to the Board of Directors and composed of members external to the institution.

The Central Bank of Brazil establishes that financial institutions have sufficient Reference Equity to cover the risks to which they are exposed, depending on the activities they carry out. Risk Weighted Assets (RWA) are a measure of the minimum equity required by financial institutions to face the risks associated with their activities. In the period reported, BRDE complied with the capital requirements set out in current legislation.

BRDE does not receive demand or savings deposits, nor does it have funds of a fiscal or parafiscal nature. In this way, its capital is composed exclusively of social capital and accumulated profit reserves. BRDE also maintains a three-year capital contingency plan, identifying the actions to be considered in possible capital crisis scenarios, with the definition of the governance necessary to reestablish appropriate standards. Capital management procedures include monthly analysis by the risk management area and periodic assessment by the risk, management and audit committees, as well as by the Executive Board and Board of Directors. Constant monitoring of capital adequacy, through the aforementioned controls, aims to anticipate the possibility of contingency events occurring, enabling corrective and mitigating actions, in accordance with the Capital Contingency Plan.

Finally, in accordance with and in compliance with the guidelines of BCB Resolution No. 54/2020 for the disclosure of information related to risk management, BRDE publishes the Pillar 3 Report on a quarterly basis, which is available for access at the following address: <https://www.brde.com.br/gestao-de-riscos/pilar-3/>. The information contained in this document is not part of the Bank's financial statements.

In relation to the provisions of item XX of art. 90 of BCB Resolution No. 352/2023, it is worth highlighting:

- The main risks to which the institution is exposed, according to its capital requirements, are credit risk, market risk, and operational risk. Liquidity risk, in the case of BRDE, is constantly monitored. However, given the bank's operating characteristics, which largely rely on onlendings, the likelihood of liquidity problems occurring is mitigated.
- The policies and processes for risk management, containing the management principles and instruments through which BRDE seeks to ensure compliance with the parameters and other provisions of the Risk Appetite Declaration (RAS), are available for access at the following address: <https://www.brde.com.br/gestao-de-riscos/estrutura/>.
- At BRDE, the methods used to measure risk are those permitted by the Central Bank of Brazil, in the format of standardized approaches, according to the resolutions, circulars and normative instructions related to each risk.
- the summary of quantitative data on risk exposures, their descriptions and respective concentrations are presented in the subsequent note.

27. REGULATORY CAPITAL AND CAPITAL REQUIREMENT

In accordance with the criteria established in CMN Resolutions No. 4,955 and 4,958/2021, and other complementary standards, we present the values of the Reference Equity, Risk-Weighted Assets and the Basel Ratio, as of December 31, 2025:

Capital Indicators	12/31/2025
Reference Equity (A)	5,204,454
Level 1 Reference Equity	5,204,454
Core Capital	5,204,454
Reference Equity for comparison to RWA – (A) – (B)	5,204,454
Capital Detachment (B)	0
Total risk-weighted assets (RWA)	26,104,286
Credit Risk - RWACPAD	22,299,379
Market Risk- RWAMPAD	2,565,519
RWA _{JUR1} (Interest Rate Risk)	1,881
RWA _{CAM} (Exchange Rate Risk)	2,562,367
RWA _{CVA} (Counterparty Credit Assessment Risk)	1,271
Operational Risk - RWAOPAD	1,239,388
Basel Ratio	19.94%

The definitions of credit, market, operational, liquidity and other relevant risks for BRDE are all derived from the respective definitions established by CMN Resolution no. 4,557/2017, namely:

Credit Risk is defined as the possibility of losses occurring associated with:

- Non-compliance by the counterparty with its obligations under the agreed terms;

- ii) Devaluation, reduction of remuneration and expected gains in a financial instrument resulting from the deterioration of the credit quality of the counterparty, the intervening party or the mitigating instrument;
- iii) Restructuring of financial instruments; or
- iv) Costs of recovering exposures characterized as assets with credit recovery problems.

Market Risk is defined as the possibility of losses resulting from fluctuations in the market values of instruments held by BRDE arising from the risk of changes in interest rates and stock prices, for instruments classified in the trading book; and from the risk of exchange rate changes and commodity prices, for instruments classified in the trading book or banking book.

During the period reported, BRDE's market risk stemmed primarily from its exposure to exchange rate fluctuations resulting from spreads on loan transactions carried out with funds raised in foreign currency without hedging mechanisms (RWA_{CAM} - Exchange Rate Risk), to variations in the fixed interest rate for instruments in the trading portfolio (RWA_{JUR1} - Fixed Interest Rate Risk), and to variations in the value of derivative instruments due to changes in the counterparty's credit quality (RWA_{CVA} - Counterparty Credit Assessment Risk).

The Interest Risk Rate in the Banking Book (IRRBB) is defined as the current or prospective risk of the impact of adverse interest rate movements on BRDE's capital and results for instruments classified in the banking portfolio. The IRRBB, which does not generate a capital requirement, is measured using economic value (EVE) and net income from financial intermediation (NII) approaches in accordance with the requirements of current regulations.

Operational Risk is defined as the possibility of losses resulting from external events or from failure, deficiency, or inadequacy of internal processes, people, or systems. This definition also includes the legal risk associated with:

- i) Inadequacy or deficiency in contracts signed by BRDE; and
- ii) Sanctions for non-compliance with legal provisions and compensation for damages to third parties arising from the activities carried out.

Liquidity Risk is defined as:

- i) The possibility that the institution will not be able to efficiently honor its expected and unexpected current and future obligations, including those arising from the binding of guarantees, without affecting its daily operations and without incurring significant losses; and
- ii) The possibility that the institution may not be able to negotiate a position at market price, due to its large size in relation to the volume normally traded or due to some discontinuity in the market.

Social, environmental, and climate risks are defined as the possibility of losses occurring for BRDE, respectively from:

- i) Events associated with the violation of fundamental rights and guarantees or acts harmful to the common interest;
- ii) Events associated with environmental degradation, including the excessive use of natural resources; and

- iii) Events associated with transition risk and physical climate risk.

Finally, it is worth noting that exposures to credit, market, and operational risks generate capital requirements that are calculated according to standardized approaches established by the regulator. The other risks presented above, although relevant and under constant monitoring, do not affect capital indicators.

28. SENSITIVITY ANALYSIS

In compliance with art. 35 of BCB Resolution No. 2/2020 we present 3 scenarios for sensitivity tests: one pessimistic and two optimistic scenarios. To define these scenarios, we consider the current situation of the economy, the demand for financing and the interest projection for 2026 and their effects on the main balance sheet items:

- ➔ Provision for expected losses related to credit risk: scenarios of changes considering the current economic scenario and the Bank's default history;
- ➔ Net income from financial intermediation: considers the relationship between the availability of funding and the demand for credit;
- ➔ Financial income: the scenarios were defined by maintaining the CDI rate or presenting a variation of 1 percentage point up or down;
- ➔ Provision for contingencies: possible increase given the uncertain times the economy is in;
- ➔ Tax assets: impact resulting from the movement occurring in the items and scenarios described above.

The following table presents the indicators used in each scenario and their effect on net income:

Scenarios	Scenario 1	Scenario 2	Scenario 3
Item	Quality of the credit portfolio – changes in provision		
Assumption	Decrease of 5%	Decrease of 7%	Decrease of 10%
Effect on net income	(32,025)	(44,835)	(64,050)
Item	Gross income of financial intermediation		
Assumption	Decrease of 5%	Increase of 10%	Increase of 15%
Effect on net income	(83,447)	166,894	250,342
Item	Net financial income		
Assumption	CDI -1% per year	CDI	CDI +1% per year
Effect on net income	274,733	292,954	311,091
Item	Increase in the provision for contingencies		
Assumption	Decrease of 5%	Increase of 5%	Increase of 10%
Effect on net income	5,337	(5,337)	(10,674)
Item	Impact on tax assets		
Assumption	Decrease of 5%	Decrease of 7%	Decrease of 10%
Effect on net income	(21,571)	(30,199)	(43,141)

29. OTHER INFORMATION

a. Floods in Rio Grande do Sul

The major adverse weather events that affected the state of Rio Grande do Sul between April and May 2024 caused countless losses of lives, damage to property in general and disruptions to infrastructure, among other important consequences that affected the society from Rio Grande do Sul as a whole.

Regarding its operations, BRDE has taken the opportunity to suspend payments on credit operations (standstill) for those customers affected by the floods that occurred in Rio Grande do Sul, which varied from 6 to 12 months depending on funding or its own decision.

In total 288 contracts were renegotiated. The current situation of these contracts is as follows:

	12/31/2025	% ⁽¹⁾	% ⁽²⁾
1. Total portfolio	24,244,919	100.00%	
2. Total renegotiated portfolio due to the floods	1,248,278	5.15%	100.00%
Portfolio with amortization payments up to date.	965,827	3.98%	77.37%
Renegotiated portfolio with overdue payments under 90 days	130,141	0.54%	10.43%
Renegotiated portfolio with overdue payments over 90 days	152,310	0.63%	12.20%

(1) on the total credit portfolio

(2) on the total renegotiated portfolio

b. Cyber incident

In December 2025, BRDE identified a cyber incident in its technology environment, without resulting in restricted access to the Bank's systems and digital service channels.

Following the diagnosis, BRDE acted prudently to mitigate the associated risks and, with the support of a contracted specialized company, promptly conducted an investigation, assessed the circumstances, and determined the extent of the incident, concluding that there was no exposure or consequences that could have impacted BRDE's financial statements for the fiscal year ended December 31, 2025. Additionally, it should be noted that, as reported to the National Data Protection Authority, no evidence of information leaks that could impact BRDE's financial statements was identified, maintaining the integrity of the Institution's systemic environment.

c. Subsequent events

As stipulated by Federal Law No. 9,249/95, BRDE calculated Interest on Equity for the fiscal year 2022 in the amount of R\$ 237,559, through the application of the 2022 accumulated TJLP (Long-Term Interest Rate) to the Bank's equity position. The interest on equity calculation was approved on March 25, 2026 by the Board of Directors.

EXECUTIVE BOARD

Chief Executive Officer RENÊ DE OLIVEIRA GARCIA JUNIOR	Deputy CEO and Credit Monitoring and Recovery Director MAURO MARIANI
Planning Director LEONARDO MARANHÃO BUSATTO	Operations Director RANOLFO VIEIRA JUNIOR
Financial Director JOÃO PAULO KARAM KLEINÜBING	Administrative Director HERALDO ALVES DAS NEVES

BOARD OF DIRECTORS

Chairman
RENÊ DE OLIVEIRA GARCIA JUNIOR

Board Members
WAGNER CARLOS AICHNER
CARLOS PASCOAL BORDONI
IVAN CESAR RANZOLIN
LEANDRO RIBEIRO MACIEL
FRANCISCO SÉRGIO TURRA
THAÍS POMPERMAYER

FABIANO MEASSI
Accountant – CRCRS – 70.237/O-6