



**20
24**

Banco Santander (Brasil) S.A.

**Consolidated Financial Statements Prepared in
accordance with International Financial Reporting
Standards - IFRS**

BANCO SANTANDER (BRASIL) S.A.
CONSOLIDATED FINANCIAL STATEMENTS

INDEX

Independent auditor's report	3
Consolidated Balance Sheet	9
Consolidated Statement of Income	11
Consolidated Statement of Comprehensive Income	12
Consolidated Statement of Changes in Stockholders' Equity	13
Consolidated Statement of Cash Flows	16
1. Operating context, presentation of consolidated financial statements and other information	17
2. Accounting policies and determination criteria	19
3. Basis for consolidation	36
4. Cash and cash equivalents	39
5. Loans and other receivables from credit institutions	39
6. Debt instruments	40
7. Equity instruments	41
8. Derivative financial instruments	42
9. Loans and advances to clients	53
10. Non-current assets held for sale	59
11. Investments in associates and joint ventures	60
12. Tangible assets	64
13. Intangible assets - Goodwill	64
14. Intangible assets - Other intangible assets	66
15. Other assets	67
16. Deposits from credit institutions	67
17. Customer deposits	67
18. Liabilities arising from securities	68
19. Debt Instruments Eligible as Capital	70
20. Other financial liabilities	70
21. Obligations for pension and similar liabilities	70
22. Provisions for judicial and administrative proceedings, commitments and other provisions	75
23. Tax assets and liabilities	79
24. Other liabilities	81
25. Other Comprehensive Income	82
26. Non-controlling interests	83
27. Shareholders' equity	84
28. Earnings per share	86
29. Fair value of financial assets and liabilities	87
30. Operational Ratios	90
31. Interest and similar income	91
32. Interest and similar expenses	91
33. Equity instrument income	91
34. Fee and commission income	92
35. Fee and commission expenses	92
36. Gains (losses) on financial assets and liabilities (net)	92
37. Foreign exchange fluctuations (net)	93
38. Other Operating Expenses (Net)	93
39. Personnel expenses	93
40. Other Administrative Expenses	97
41. Gains (losses) on disposal of assets not classified as non-current assets held for sale	97
42. Gains (losses) on disposal and expenses on non-current assets held for sale not classified as discontinued operations	98
43. Other disclosures	98
44. Business segment reporting	101
45. Related party transactions	103
46. Risk management	106
47. Subsequent Events	124
APPENDIX I – RECONCILIATION OF SHAREHOLDERS' EQUITY AND NET INCOME	125
APPENDIX II – STATEMENT OF VALUE ADDED	128
Performance Report	129
Composition of Management Bodies of December 31, 2024	133
Directors' statement on the Financial Statements	135
Directors' statement on the Independent Auditors	136
Audit Committee Report	137



(A free translation of the original in Portuguese)

Independent auditor's report

To the Board of Directors and Stockholders
Banco Santander (Brasil) S.A.

Opinion

We have audited the accompanying consolidated financial statements of Banco Santander (Brasil) S.A. ("Bank") and its subsidiaries, which comprise the consolidated balance sheet as at December 31, 2024 and the consolidated statements of income, comprehensive income, changes in stockholders' equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Bank and its subsidiaries as at December 31, 2024, and their financial performance and their cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) (currently described as "IFRS Accounting Standards" by the IFRS Foundation).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank and its subsidiaries in accordance with the ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, 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 audit opinion.

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 year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.





Banco Santander (Brasil) S.A.

Why it is a Key Audit Matter

How the matter was addressed in the audit

**Estimate impairment of credit operations
(Notes 1(c.3.1(ii)), 2(h), 9 and 46(b))**

The estimate impairment of credit operations, considering the requirements of IFRS 9 - Financial Instruments, involves a high level of judgment made by Management. The determination of the estimate impairment of credit operations considers, among other elements, the existence of one or more events that negatively impact the future cash flows and, consequently, the recoverable amount of significant credits, both individually and collectively for assets that are not significant, as well as the deterioration of credit risk and the classification of credits in the stages prescribed by IFRS 9.

This process involves the use of several assumptions and internal and external factors, including credit quality, portfolio size, concentration and economic factors.

Therefore, this remains an area of focus in our audit.

We updated our understanding and tested the relevant internal controls in the calculation and recognition of the expected credit losses, mainly including the following main processes: (i) models and assumptions adopted by Management to determine the recoverable value of the credits; (ii) measurement of the guarantees in the determination of the recoverable value; (iii) approval and accounting of the operations renegotiated; (iv) processing and accounting of the expected credit losses; (v) reconciliation of the accounting balances with the analytical position; (vi) preparation of the explanatory notes.

For the loss estimate calculated considering the individual evaluation, we assessed and tested, on a sample basis, the criteria used to determine the recoverable value based on the credit risk.

For the loss estimate calculated considering the collective assessment, we tested the process of approval and validation of models applied in the determination of the recoverable value of credit. With the support of our specialists, we tested, on a sampling basis, the aforementioned models, considering the parameters developed for the most significant portfolios, as well as the integrity of the database used for the calculations.

We also tested the classification of the credits as established in IFRS 9. The classification considers the debtor's credit risk level, and when applicable, the deterioration of this risk, as well as the financial difficulty of the debtor, delays in their contractual obligations, renegotiations, guarantees, cash flow projections, among other aspects.

We considered that the criteria and assumptions that Management adopted to determine and account estimate impairment of credit operations based on IFRS 9 are consistent with the information examined in our audit.



Banco Santander (Brasil) S.A.

Why it is a Key Audit Matter	How the matter was addressed in the audit
<p>Provisions for legal and administrative proceedings (Notes 1(c.3.1(iv)), 2(q) and 22)</p> <p>The Bank and its subsidiaries are parties to legal and administrative tax, labor, and civil proceedings arising from the normal course of their activities.</p> <p>In general, these proceedings are terminated after a long period and involve not only discussions on merits, but also complex procedural aspects, in accordance with applicable legislation.</p> <p>The decision to recognize a liability and the measurement basis requires the exercise of judgment made by Management, which is periodically reassessed, including when preparing the consolidated financial statements, and considering new events. In these circumstances, this remains an area of focus in our audit.</p>	<p>We updated our understanding and tested the relevant internal controls over the identification and recording of provisions for legal and administrative proceedings, of tax, labor and civil nature, and the disclosures in accompanying notes, including, among others, the internal controls related to the calculation model used to account for the provisions for labor and civil judicial and administrative proceedings that are carried out under the historical average loss criteria for actions that are considered as common and similar in nature.</p> <p>We tested the application of the mathematical models of historical average loss calculation, when applicable, related to labor and civil judicial and administrative proceedings. We also tested the ongoing proceedings at the base date of the consolidated financial statements.</p> <p>We carried out confirmation procedures with the law firms that sponsor the judicial and administrative proceedings to confirm the existence of the proceedings and their information. Additionally, we assessed the reasonableness of the prognosis of the proceedings assigned by Management.</p> <p>We consider that the criteria and assumptions that Management adopted to determine and record the provisions for legal and administrative proceedings are consistent with the information examined in our audit.</p>

Why it is a Key Audit Matter	How the matter was addressed in the audit
-------------------------------------	--



Banco Santander (Brasil) S.A.

Information Technology environment (Note 46(d))

The Bank and its subsidiaries have a business environment that is highly dependent on technology, requiring a complex infrastructure to support the high volume of transactions processed in its several systems on a daily basis.

The risks inherent to Information Technology, associated with possible deficiencies in processes and controls that support the processing of the technology systems, considering the legacy systems and existing technology environments, could result in the incorrect processing of critical information, including those used in the preparation of the consolidated financial statements.

For this reason, this remains an area of focus in our audit.

With the assistance of our system specialists, we updated our evaluation of the design and tested the operating effectiveness of the controls related to the management of the Information Technology environment, including the compensating controls established, when applicable.

The procedures carried out involved the combination of the control tests, and, when applicable, the testing of compensating controls, as well as the testing of the key processes related to information security, development and maintenance of systems, and operation of computers related to the infrastructure that supports the Bank and its subsidiaries' business.

As a result of this work, we considered that the technology environment processes and controls provided a reasonable basis to determine the nature, timing and extent of our audit procedures in relation to the consolidated financial statements.

Other matters

Reconciliation of stockholders' equity and net income

The reconciliation of stockholders' equity as of December 31, 2024 and net income attributed to the Bank for the year then ended, between accounting practices adopted in Brazil applicable to institutions authorized to operate by the Brazilian Central Bank (Bacen Gaap) and IFRS presented in Appendix I, as of December 31, 2024, prepared under the responsibility of the Bank's management and presented as supplementary information for IFRS Accounting Standards purposes, was submitted to audit procedures performed in conjunction with the audit of the Bank's consolidated financial statements. For the purpose of forming our opinion, we evaluated whether this Appendix I is reconciled with the financial statements and accounting records, as applicable, as well as performed procedures to test the completeness and accuracy of the information presented in the supplemental information. In our opinion, the reconciliation of stockholders' equity and net income has been properly prepared in all material respects, and is consistent with the consolidated financial statements taken as a whole.

Statements of Value Added

The consolidated Statement of Value Added for the year ended December 31, 2024, prepared under the responsibility of the Bank's management and presented in Appendix II as supplementary information for IFRS Accounting Standards purposes, was submitted to audit procedures performed in conjunction with the audit of the Bank's consolidated financial statements. For the purposes of forming our opinion, we evaluated whether this Appendix II is reconciled with the financial statements and accounting records, as applicable, and if its form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". In our opinion, this Statement of Value Added has been properly prepared in all material respects, in accordance with the criteria established in the Technical Pronouncement, and is consistent with the consolidated financial statements taken as a whole.



Banco Santander (Brasil) S.A.

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

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

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

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

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) (currently described as "IFRS Accounting Standards" by the IFRS Foundation), and for such internal control as management 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 consolidated financial statements, Management is responsible for assessing the ability of the Bank and its subsidiaries, as a whole, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank and its subsidiaries, as a whole, or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Banco Santander (Brasil) S.A.

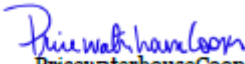
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Bank and its subsidiaries.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 ability of the Bank and its subsidiaries, as a whole, 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank and its subsidiaries, as a whole, to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.


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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats to our independence or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period 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.

São Paulo, February 28, 2025


PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5


Caio Fernandes Arantes
Contador CRC 1SP222767/O-3

*Values expressed in thousands, except when indicated

Consolidated Balance Sheet

Assets	Note	2024	2023
Cash	4	37,084,254	23,122,550
Financial Assets Measured at Fair Value Through Profit or Loss		231,001,886	208,921,896
Debt instruments	6	107,585,055	84,291,192
Equity instruments	7	2,968,823	3,422,154
Derivatives	8.a	40,175,818	29,269,652
Loans and advances to customers	9	4,911,803	3,040,712
Compulsory deposits with the Brazilian Central Bank		75,360,387	88,898,186
Financial Assets Measured At Fair Value Through Other Comprehensive Income		92,078,540	59,052,090
Debt instruments	6	92,058,907	59,036,137
Equity instruments	7	19,633	15,953
Financial Assets Measured At Amortized Cost		768,324,784	723,710,121
Loans and other receivables from credit institutions	5	30,177,627	25,716,845
Loans and advances to customers	9	561,178,111	514,936,423
Debt instruments	6	84,529,222	101,087,321
Compulsory deposits with the Brazilian Central Bank		92,439,824	81,969,532
Derivatives Used as Hedge Accounting	8.a	30,481	25,069
Non-Current Assets Held For Sale	10	1,042,273	914,072
Investments in Associates and Joint Ventures	11	3,640,176	1,609,780
Tax Assets		59,790,262	52,839,470
Current		11,566,385	9,393,766
Deferred	23.d	48,223,877	43,445,704
Other Assets	15	6,955,457	5,996,651
Permanent Assets	12	6,021,900	7,085,564
Intangible Assets		32,826,797	32,375,513
Goodwill	13	27,892,878	27,852,568
Other intangible assets	14	4,933,919	4,522,945
Total Assets		1,238,796,810	1,115,652,776

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

*Values expressed in thousands, except when indicated

Liabilities and Shareholders' Equity	Note	2024	2023
Financial Liabilities Measured At Fair Value Through Profit or Loss		82,722,610	49,581,441
Derivatives	8.a	39,280,448	23,763,857
Short positions	8.b	39,396,666	19,831,991
Liabilities arising from securities	18	4,045,496	5,985,593
Financial Liabilities at Amortized Cost		1,001,581,240	910,550,506
Credit institution deposits	16	158,565,482	118,511,957
Customer deposits	17	605,068,163	583,220,576
Liabilities arising from securities	18	135,632,632	124,397,422
Debt instruments eligible as capital	19	23,137,784	19,626,967
Other financial liabilities	20	79,177,179	64,793,584
Derivatives Used as Hedge Accounting	8.a	129,826	1,176,571
Provisions		10,976,930	11,473,781
Obligations for pension funds and similar liabilities	22	1,364,437	2,543,504
Provisions for judicial and administrative proceedings, commitments, and other provisions	22	9,612,493	8,930,277
Tax Liabilities		10,175,193	8,999,893
Current		4,485,753	5,300,461
Deferred	23.d	5,689,440	3,699,432
Other Liabilities	24	13,383,879	19,014,230
Total Liabilities		1,118,969,678	1,000,796,422
Shareholders' Equity	27	126,199,224	118,421,219
Share capital	27.a	65,000,000	55,000,000
Capital reserve		630,011	607,677
Treasury shares	27.d	(884,707)	(1,106,783)
Profit Reserve		61,453,920	63,920,325
Other Comprehensive Income		(6,707,539)	(3,968,215)
Shareholders' Equity Attributable to the Parent		119,491,685	114,453,004
Non - Controlling interests	26	335,447	403,350
Total Shareholders' Equity		119,827,132	114,856,354
Total Liabilities and Shareholders' Equity		1,238,796,810	1,115,652,776

The accompanying Notes are an integral part of these consolidated financial statements.

*Values expressed in thousands, except when indicated

Consolidated Statement of Income

	Note	2024	2023	2022
Interest and similar income	31	137,183,478	128,282,707	115,225,118
Interest and similar expenses	32	(80,504,918)	(81,398,673)	(67,721,941)
Net Interest Income		56,678,560	46,884,034	47,503,177
Equity instrument income	33	83,647	22,179	38,073
Equity method income (loss)	11.a	312,986	239,236	199,179
Fee and commission income	34	23,664,987	22,454,778	21,237,723
Fee and commission expense	35	(6,459,778)	(6,814,813)	(6,361,843)
Gains (losses) on financial assets and liabilities (net)	36	(1,358,674)	2,729,519	4,153,336
Financial assets measured at fair value through profit or loss		(641,147)	3,440,830	4,801,086
Financial instruments not measured at fair value through profit or loss		(180,427)	(463,844)	(239,777)
Other		(537,100)	(247,467)	(407,973)
Foreign exchange fluctuations (net)	37	1,487,679	1,065,167	545,890
Other operating expense (net)	38	(652,121)	(715,790)	(841,002)
Total Income		73,757,286	65,864,310	66,474,533
Administrative expenses		(20,416,504)	(19,562,641)	(18,240,113)
Personnel expenses	39.a	(11,597,996)	(10,813,926)	(9,896,995)
Other administrative expenses	40.a	(8,818,508)	(8,748,715)	(8,343,118)
Depreciation and amortization		(2,731,018)	(2,740,950)	(2,585,502)
Permanent assets	12.a	(1,586,278)	(1,841,616)	(1,860,043)
Intangible assets	14	(1,144,740)	(899,334)	(725,459)
Provisions (net)	22	(4,595,238)	(4,424,412)	(1,215,490)
Impairment losses on financial assets (net)	9.c	(28,484,030)	(28,008,086)	(24,828,749)
Financial assets measured at amortized cost		(28,484,030)	(28,008,086)	(24,828,749)
Impairment losses on other assets (net)		(252,487)	(250,173)	(161,434)
Other intangible assets	14	(48,897)	(19,473)	(31,251)
Other assets		(203,590)	(230,700)	(130,183)
Gains (losses) on disposal of assets not classified as non-current assets held for sale	41	1,806,183	998,408	22,355
Gains (losses) on disposal and expenses on non-current assets held for sale not classified as discontinued operations	42	106,036	45,195	109,127
Operating Income Before Tax		19,190,228	11,921,651	19,574,727
Income taxes	23	(5,776,465)	(2,422,839)	(5,235,252)
Consolidated Net Income for the Fiscal Year		13,413,763	9,498,812	14,339,475
Profit attributable to the Parent Company		13,365,506	9,449,313	14,287,093
Profit attributable to non-controlling interests	26	48,257	49,499	52,382

The accompanying Notes are an integral part of these consolidated financial statements.

*Values expressed in thousands, except when indicated

Consolidated Statement of Comprehensive Income

	2024	2023	2022
Consolidated Net Income for the Fiscal Year	13,413,763	9,498,812	14,339,475
Other Comprehensive Income that will be subsequently reclassified to profit or loss when specific conditions are met:	(1,978,264)	1,166,391	(1,108,715)
Financial Assets measured at fair value through Other Comprehensive Income	(2,164,544)	537,438	(707,433)
Financial assets measured at fair value through other comprehensive income	(4,130,998)	878,395	(1,333,521)
Taxes	1,966,454	(340,957)	626,088
Cash flow hedges	186,280	628,953	(401,282)
Fair value adjustment	355,207	1,199,318	(771,020)
Taxes	(168,927)	(570,365)	369,738
Other Comprehensive Income that will not be Reclassified to Net Profit:	(761,060)	(648,164)	28,701
Defined Benefits Plan	(502,235)	(620,233)	28,701
Defined benefits plan	(955,096)	(988,263)	202,674
Taxes	452,861	368,030	(173,973)
Others	(258,825)	(27,931)	-
Pension Contracts - IFRS 17	27,734	(46,552)	-
Goodwill	(256,936)	-	-
Others	(18,529)	-	-
Taxes	(11,094)	18,621	-
Total Comprehensive Income	10,674,439	10,017,039	13,259,461
Attributable to the parent company	10,626,182	9,967,540	13,207,079
Attributable to non-controlling interests	48,257	49,499	52,382
Total	10,674,439	10,017,039	13,259,461

The Notes are an integral part of these consolidated financial statements.

*Values expressed in thousands, except when indicated

Consolidated Statement of Changes in Stockholders' Equity

	Stockholders' Equity Attributable to the Parent											Non-controlling Interests	Total Stockholders' Equity
	Note	Share Capital	Capital Reserve	Profit Reserve	Treasury Shares	Retained earnings	Financial Assets Measured At Fair Value Through Other Comprehensive Income	Defined Benefits plan	Translation adjustments investment abroad	Gains and losses - Cash flow hedge and Investment	Total		
Balance on December 31, 2021		55,000,000	371,941	54,387,672	(713,039)	-	(47,576)	(2,924,221)	859,370	(1,294,001)	105,640,146	334,349	105,974,495
Total comprehensive income		-	-	-	-	14,287,093	(707,433)	28,701	-	(401,282)	13,207,079	52,382	13,259,461
Net Profit Attributable to the Parent Company		-	-	-	-	14,287,093	-	-	-	-	14,287,093	52,382	14,339,475
Other Comprehensive Income		-	-	-	-	-	(707,433)	28,701	-	(401,282)	(1,080,014)	-	(1,080,014)
Financial assets measured at fair value through Other Comprehensive Income		-	-	-	-	-	(707,433)	-	-	-	(707,433)	-	(707,433)
Employee Benefits Plan		-	-	-	-	-	-	28,701	-	-	28,701	-	28,701
Gain and loss - Cash flow and investment hedge		-	-	-	-	-	-	-	-	(401,282)	(401,282)	-	(401,282)
Dividends and interest on equity from the previous fiscal year	27.b	-	-	-	-	(8,100,000)	-	-	-	-	(8,100,000)	-	(8,100,000)
Treasury shares	27.d	-	-	-	(506,277)	-	-	-	-	-	(506,277)	-	(506,277)
Share-based compensation		-	73,837	-	-	-	-	-	-	-	73,837	-	73,837
Other		-	-	(131,951)	-	-	-	-	-	-	(131,951)	110,611	(21,340)
Destinations:													
Legal reserve		-	-	714,355	-	(714,355)	-	-	-	-	-	-	-
Dividend equalization reserve		-	-	5,472,738	-	(5,472,738)	-	-	-	-	-	-	-
Balance on December 31, 2022		55,000,000	445,778	60,442,814	(1,219,316)	-	(755,009)	(2,895,520)	859,370	(1,695,283)	110,182,834	497,342	110,680,176

*Values expressed in thousands, except when indicated

Stockholders' Equity Attributable to the Parent

	Note	Share Capital	Capital Reserve	Profit Reserve	Treasury Shares	Retained earnings	Financial Assets Measured At Fair Value Through Other Comprehensive Income	Defined Benefits plan	Translation adjustments investment abroad	Pension Contracts - IFRS 17	Gains and losses - Cash flow hedge and Investment	Total	Non-controlling Interests	Total Stockholders' Equity
Balance on December 31, 2022		55,000,000	445,778	60,442,814	(1,219,316)	-	(755,009)	(2,895,520)	859,370	-	(1,695,283)	110,182,834	497,342	110,680,176
Total comprehensive income		-	-	-	-	9,449,313	537,438	(620,233)	-	(27,931)	628,953	9,967,540	49,499	10,017,039
Net profit attributable to the Parent Company		-	-	-	-	9,449,313	-	-	-	-	-	9,449,313	49,499	9,498,812
Other comprehensive income		-	-	-	-	-	537,438	(620,233)	-	(27,931)	628,953	518,227	-	518,227
Financial assets measured at fair value through other comprehensive income		-	-	-	-	-	537,438	-	-	-	-	537,438	-	537,438
Employee Benefits Plan		-	-	-	-	-	-	(620,233)	-	-	-	(620,233)	-	(620,233)
Pension Contracts - IFRS 17		-	-	-	-	-	-	-	-	(27,931)	-	(27,931)	-	(27,931)
Gain and loss - Cash flow and investment hedge		-	-	-	-	-	-	-	-	-	628,953	628,953	-	628,953
Dividends and interest on capital	27.b	-	-	-	-	(6,200,000)	-	-	-	-	-	(6,200,000)	-	(6,200,000)
Share-based compensation	39.b	-	161,899	-	-	-	-	-	-	-	-	161,899	-	161,899
Treasury shares	27.d	-	-	-	112,533	-	-	-	-	-	-	112,533	-	112,533
Prescribed dividends		-	-	56,858	-	-	-	-	-	-	-	56,858	-	56,858
Unrealized profit		-	-	171,340	-	-	-	-	-	-	-	171,340	-	171,340
Other		-	-	-	-	-	-	-	-	-	-	-	(143,491)	(143,491)
Destinations:														
Legal reserve		-	-	472,466	-	(472,466)	-	-	-	-	-	-	-	-
Dividend equalization reserve		-	-	2,776,847	-	(2,776,847)	-	-	-	-	-	-	-	-
Balance on December 31, 2023		55,000,000	607,677	63,920,325	(1,106,783)	-	(217,571)	(3,515,753)	859,370	(27,931)	(1,066,330)	114,453,004	403,350	114,856,354

*Values expressed in thousands, except when indicated

Stockholders' Equity Attributable to the Parent															
	Note	Share Capital	Capital Reserve	Profit Reserve	Treasury Shares	Retained earnings	Financial Assets Measured At Fair Value Through Other Comprehensive Income	Defined Benefits plan	Translation adjustments investment abroad	Pension Contracts - IFRS 17	Other Equity Valuation Adjustments	Gains and losses - Cash flow hedge and Investment	Total	Non-controlling Interests	Total Stockholders' Equity
Balance on December 31, 2023		55,000,000	607,677	63,920,325	(1,106,783)	-	(217,571)	(3,515,753)	859,370	(27,931)	-	(1,066,330)	114,453,004	403,350	114,856,354
Total comprehensive income		-	-	-	-	13,365,506	(2,164,544)	(502,235)	-	16,640	(275,465)	186,280	10,626,182	48,257	10,674,439
Net profit attributable to the Parent Company		-	-	-	-	13,365,506	-	-	-	-	-	-	13,365,506	48,257	13,413,763
Other comprehensive income		-	-	-	-	-	(2,164,544)	(502,235)	-	16,640	(275,465)	186,280	(2,739,324)	-	(2,739,324)
Financial assets measured at fair value through other comprehensive income		-	-	-	-	-	(2,164,544)	-	-	-	-	-	(2,164,544)	-	(2,164,544)
Employee Benefits Plan (1)		-	-	-	-	-	-	(502,235)	-	-	-	-	(502,235)	-	(502,235)
Pension Contracts - IFRS 17		-	-	-	-	-	-	-	-	16,640	-	-	16,640	-	16,640
Gain and loss - Cash flow and investment hedge		-	-	-	-	-	-	-	-	-	-	186,280	186,280	-	186,280
Other Equity Valuation Adjustments – goodwill on acquisitions of subsidiaries		-	-	-	-	-	-	-	-	-	(256,936)	-	(256,936)	-	(256,936)
Other Equity Valuation Adjustments – Other		-	-	-	-	-	-	-	-	-	(18,529)	-	(18,529)	-	(18,529)
Dividends and interest on capital	27.b	-	-	-	-	(6,000,000)	-	-	-	-	-	-	(6,000,000)	-	(6,000,000)
Share-based compensation		-	22,334	-	-	-	-	-	-	-	-	-	22,334	-	22,334
Treasury shares	27.d	-	-	-	222,076	-	-	-	-	-	-	-	222,076	-	222,076
Prescribed dividends		-	-	57,513	-	-	-	-	-	-	-	-	57,513	-	57,513
Unrealized profit		-	-	19,213	-	49,175	-	-	-	-	-	-	68,388	-	68,388
Capital increase		10,000,000	-	(10,000,000)	-	-	-	-	-	-	-	-	-	-	-
Other		-	-	42,188	-	-	-	-	-	-	-	-	42,188	(116,160)	(73,972)
Sale / Merger / Acquisition		-	-	-	-	-	-	-	-	-	-	-	-	(112,710)	(112,710)
Other		-	-	42,188	-	-	-	-	-	-	-	-	42,188	(3,450)	38,738
Destinations:															
Legal reserve		-	-	668,275	-	(668,275)	-	-	-	-	-	-	-	-	-
Dividend equalization reserve		-	-	6,746,406	-	(6,746,406)	-	-	-	-	-	-	-	-	-
Balance on December 31, 2024		65,000,000	630,011	61,453,920	(884,707)	-	(2,382,115)	(4,017,988)	859,370	(11,291)	(275,465)	(880,050)	119,491,685	335,447	119,827,132

(1) Includes the effects of the obligation created as a result of the transaction signed between Banco Santander, BANESPREV, AFABESP and legal advisors on June 27, 2024. See details in note 18, item d.2.

The accompanying Notes are an integral part of these consolidated financial statements.

*Values expressed in thousands, except when indicated

Consolidated Statement of Cash Flows

	Note	2024	2023	2022
1. Cash Flows from Operating Activities				
Consolidated Net Income for the Fiscal Year		13,413,763	9,498,812	14,339,475
Profit Adjustments		1,058,360	5,971,012	50,774,841
Depreciation of Tangible Assets	12.a	1,586,278	1,841,616	1,860,043
Amortization of Intangible Assets	14	1,144,740	899,334	725,459
Impairment Losses on Other Assets (Net)		252,487	250,173	161,434
Provisions (Net)		4,595,238	4,424,412	1,215,490
Losses on Financial Assets (Net)		28,484,030	28,008,086	24,828,749
Net gains on disposal of permanent assets, investments, and non-current assets held for sale		(1,912,219)	(855,565)	(130,673)
Income (Loss) Share under the Equity Method	11.a	(312,986)	(239,236)	(199,179)
Change in Deferred Tax Assets and Liabilities	23.d	(885,976)	(5,550,813)	64,318
Judicial Deposits Adjustment		(689,787)	(728,716)	(677,373)
Recoverable Taxes Adjustment		(376,938)	(557,008)	(813,225)
Effects of Exchange Rate Fluctuations on Assets and Liabilities		(30,769,354)	(21,430,674)	23,513,187
Other		(57,153)	(90,597)	226,611
Net (Increase) Decrease in Operating Assets		(187,674,524)	(129,083,634)	(90,965,616)
Financial Assets Measured at Fair Value through Profit or Loss		(20,980,632)	(88,026,729)	(86,362,989)
Financial Assets Measured at Fair Value Through Other Comprehensive Income		(38,961,379)	(3,895,444)	45,756,767
Financial Assets Measured at Amortized Cost		(124,915,673)	(41,870,299)	(46,336,754)
Other Assets		(2,816,840)	4,708,838	(4,022,640)
Net Increase (Decrease) in Operating Liabilities		157,494,648	156,121,109	38,775,762
Financial Liabilities Measured at Fair Value Through Profit or Loss		33,141,169	(86,825)	5,255,915
Financial Liabilities Measured at Amortized Cost		130,916,324	144,383,135	32,558,536
Other Liabilities		(6,562,845)	11,824,799	961,311
Tax Paid	23.a	(5,423,514)	(5,892,511)	(6,077,436)
Total Net Cash Flow from Operating Activities (1)		(21,131,267)	36,614,788	6,847,026
2. Cash Flows From Investing Activities				
Investments		(3,435,838)	(3,963,094)	(3,804,400)
Subsidiary acquisition, minus net cash upon acquisition		(114,206)	(5,054)	(460,245)
Tangible Assets	12.a	(854,993)	(1,445,847)	(1,126,111)
Intangible Assets		(1,754,988)	(1,906,872)	(1,737,548)
Non-current Assets Held for Sale		(711,651)	(605,321)	(480,496)
Disposal		1,044,835	719,747	926,167
Tangible Assets	12.a	333,413	117,312	148,555
Intangible Assets		110,067	185,206	144,698
Non-current Assets Held for Sale		601,355	417,229	632,914
Dividends and Interest on Equity Received		375,236	663,032	172,944
Total Net Cash Flow from Investing Activities (2)		(2,015,767)	(2,580,315)	(2,705,289)
3. Cash Flows from Financing Activities				
Acquisition (Disposal) of Own Shares	27.d	222,076	112,533	(506,277)
Issuance (Repurchase) of Debt Instruments Eligible as Capital	19	68,477	-	-
Issuance of Other Long-term Financial Liabilities	18	39,541,342	75,404,958	60,583,109
Dividends Paid and Interest on Equity		(5,618,714)	(5,450,390)	(7,393,031)
Payments of Other Long-term Financial Liabilities	18	(33,038,049)	(63,400,960)	(39,154,639)
Interest Payments on Debt Instruments Eligible as Capital	19	(132,243)	(713,974)	(861,717)
Increase (Decrease) in Non-controlling Interests	26.b	(112,710)	(134,214)	20,446
Capital Increase in Subsidiaries Through Non-controlling Interests	26.b	-	-	66,957
Total Net Cash Flow from Financing Activities (3)		930,179	5,817,953	12,754,848
Net Increase (Decrease) in Cash and Cash Equivalents (1+2+3)		(22,216,855)	39,852,426	16,896,585
Cash and Cash Equivalents at the Beginning of the Fiscal Year	4	89,417,760	49,565,334	32,668,749
Cash and Cash Equivalents at the End of the Fiscal Year	4	67,200,905	89,417,760	49,565,334

The accompanying Notes are an integral part of these consolidated financial statements.

1. Operating context, presentation of consolidated financial statements and other information

a) Operating context

Banco Santander (Brasil) S.A. (Banco Santander or Bank), directly and indirectly controlled by Banco Santander, S.A., headquartered in Spain (Banco Santander Spain), is the leading institution of the Financial and Prudential Conglomerates before the Brazilian Central Bank (Bacen), established as a joint-stock company with its headquarters located at Avenida Presidente Juscelino Kubitschek, 2041 and 2235 - Block A - Vila Olímpia - São Paulo - SP. Banco Santander operates as a universal bank and conducts its operations through commercial, investment, credit, financing and investment, real estate credit, leasing, and foreign exchange portfolios. Additionally, through its subsidiaries, it also operates in the markets of payment institutions, "consórcios" management, securities and insurance brokerage, consumer lending, digital platforms, benefits management, non-performing credit management and recovery, capitalization, private pensions, as well as provision and management of food, meal, and other vouchers. These operations are conducted within a framework of institutions that do business in an integrated manner in the financial market. The corresponding benefits and costs associated with the rendered services are distributed among these entities and are realized in the ordinary course of business on a reciprocal basis.

The Board of Directors authorized the issuance of the Consolidated Financial Statements for the year ended December 31, 2024, at the meeting held on February 27, 2025.

The referenced Financial Statements have been subject to a recommendation for approval issued by the Audit Committee of Banco Santander and received an unqualified opinion from the Independent Auditors.

b) Basis for the presentation of the consolidated financial statements (prepared in accordance with IAS 1)

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS®) issued by the International Accounting Standards Board (IASB®) (currently referred to by the IFRS® Foundation as "IFRS® accounting standards") and the interpretations issued by the IFRS® Interpretations Committee (current name of the International Financial Reporting Interpretations Committee – IFRIC®).

All relevant information specifically related to Banco Santander's financial statements, and only in relation to these, is being highlighted, and corresponds to the information used by Banco Santander in its management.

c) Other information

c.1) Adoption of new standards and interpretations.

- **Amendments to IAS 1 – Presentation of Financial Statements:** – The amendments are intended to specify the requirements for classifying liabilities as current or non-current. The amendments clarify what is meant by a right to defer settlement; that the right to defer must exist at the end of the reporting period; that the classification is not affected by the likelihood that the entity will exercise its right to defer; and that only if a derivative embedded in a convertible liability is itself an equity instrument, the terms of a liability will not affect its classification. The amendments to IAS 1 were effective from January 1, 2024 and have not had a material impact.

- **Amendment to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments:** Disclosure: requires entities to provide additional disclosures about their supplier financing arrangements. The IASB issued these new requirements to provide users of financial statements with information that enables them to assess how supplier financing arrangements affect an entity's obligations and cash flows, and to understand the effect of supplier financing arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it. The amendments to IAS 7 and IFRS 7 were effective from January 1, 2024 and have not had a material impact.

- **Amendment to IFRS 16 – Leases:** Clarifies the requirements that a seller-lessee uses in measuring the lease liability arising from a sale and leaseback transaction, in order to ensure that the seller-lessee does not recognize any amount of gain or loss that relates to the right of use that it retains. The amendments to IFRS 16 were effective from January 1, 2024 and did not have a material impact.

c.2) New standards and interpretations in force in future years

- **Amendment to IAS 21 - Effects of exchange rate changes and translation of Financial Statements:** In instances where a currency is non-convertible, it can be difficult to ascertain an appropriate exchange rate. While uncommon, non-convertibility may arise when a government enforces currency controls that forbid currency exchange or restrict the amount of foreign currency transactions. The amendment to IAS 21 provides guidance on how entities should assess whether a currency is readily convertible and how to determine a spot exchange rate for currencies with limited exchangeability, as well as requires the disclosure of information that enables Financial Statement users to understand the impacts of a non-convertible currency. These changes are effective as of January 1, 2025. Santander does not foresee any material impacts.

*Values expressed in thousands, except when indicated

- **Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments:** The requirements for applying IFRS 9 are amended to include contracts to purchase and receive electricity, in addition to allowing the use of these contracts in hedge accounting. It also includes disclosure requirements on these contracts in IFRS 7. In addition, it clarifies that a financial liability is derecognized on the "settlement date" and introduces an accounting policy election to derecognize financial liabilities settled using an electronic payment system before the settlement date. Other clarifications include the classification of financial assets with ESG-linked characteristics through additional guidance on the assessment of contingent characteristics. Additional disclosures are introduced for financial instruments with contingent characteristics and equity instruments classified at fair value through other comprehensive income. The amendments are effective for reporting periods beginning on or after January 1, 2026. Santander is assessing the impacts of this change.
- **Annual Improvements to IFRS Accounting Standards - Volume 11:** Includes clarifications, simplifications, corrections and amendments designed to improve the consistency of several IFRS Accounting Standards. The amended standards are: IFRS 1 - First-time adoption of International Financial Reporting Standards; IFRS 7 - Financial Instruments: Disclosures and accompanying guidance on the implementation of IFRS 7; IFRS 9 - Financial Instruments; IFRS 10 - Consolidated Financial Statements; and IAS 7 - Statement of Cash Flows. The amendments are effective for annual periods beginning on or after January 1, 2026, with earlier application permitted. Santander is assessing the impacts of this change.
- **IFRS 18 – Presentation and Disclosure in Financial Statements:** Replaces IAS 1 – Presentation of Financial Statements. IFRS 18 introduces new subtotals and three categories for income and expenses (operating, investing and financing) in the income statement structure. It also requires companies to disclose explanations of management-defined performance measures related to the income statement.
These changes are effective for fiscal years beginning January 1, 2027. Santander is evaluating the impacts of this change.
- **IFRS 19 – Non-publicly-accountable subsidiaries: Disclosures:** that allows a subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. IFRS 19 is optional for eligible subsidiaries and establishes the disclosure requirements for subsidiaries that choose to apply it. The new standard is effective for reporting periods beginning on or after January 1, 2027, with earlier application permitted. Santander is assessing the impacts of this change.

c.3) Estimates used

The consolidated results and the determination of the consolidated equity are impacted by accounting policies, assumptions, estimates, and measurement methods used by the Bank's management in the preparation of the financial statements. The Bank makes estimates and assumptions that affect the reported values of assets and liabilities for future periods. All required estimates and assumptions, in accordance with IFRSs, represent management's best estimate pursuant to the applicable standard.

In the consolidated financial statements, estimates are made by the Bank's and the consolidated entities' Management to quantify certain assets, liabilities, income, and expenses, as well as to disclose notes to the financial statements.

c.3.1) Estimated credit losses

The estimates and critical assumptions that present the most significant impact on the accounting balances of certain assets, liabilities, income, and expenses, as well as on note disclosures, are described below:

i. Assessment of the fair value of certain financial instruments

Financial instruments are initially recognized at fair value, and those not measured at fair value through profit or loss are adjusted for transaction costs.

Financial assets and liabilities are subsequently measured at the end of each period using valuation techniques. This calculation is predicated on assumptions that take into account Management's judgment based on information and prevailing market conditions on the balance sheet date.

Banco Santander classifies fair value measurements using the fair value hierarchy that reflects the model employed in the measurement process, segregating financial instruments into Tiers I, II, or III.

Notes 2.e and 46.c.8 detail the accounting treatment and sensitivity analysis pertaining to Financial Instruments, respectively.

ii. Provisions for losses on credits due to impairment

The carrying value of non-recoverable financial assets is adjusted by recording a provision for loss under "Losses on financial assets (Net) – Financial Assets Measured at Amortized Cost" in the consolidated income statement. Reversals of previously recognized losses are recorded in the consolidated income statement in the period when the impairment decreases, provided there is an objectively verifiable recovery event.

When measuring the impairment loss on individually assessed loans, the Bank takes into account a range of factors related to the counterparty's condition, such as their economic and financial situation, indebtedness level, income-generating capacity, cash flow, management, corporate governance, and quality of internal controls, payment history, industry experience, contingencies, and credit limits, as well as asset characteristics, such as their nature and purpose, type, liquidity level sufficiency, and guarantees of total credit value, and also drawing on historical impairment experience and other circumstances known at the time of assessment.

**Values expressed in thousands, except when indicated*

To measure the impairment loss on loans assessed collectively for impairment, the Bank segregates financial assets into groups considering their credit risk characteristics and similarities, that is, according to the segment, type of assets, collateral, and other factors associated with historical impairment experience and other circumstances known at the time of assessment.

Notes 2.h and 46.b.2 detail the accounting treatment and credit risk assessment methods, respectively.

iii. Provisions for pension funds

Defined benefit plans are recorded following an actuarial analysis, performed annually by a specialized firm at the end of each fiscal year with applicability for the subsequent period, and are recognized in the consolidated statement of income under the lines of Interest and Similar Expenses and Provisions (net).

The present value of the defined benefit liability is the current value before deducting any plan assets, of the anticipated future payments required to settle the liability arising from the employee's service in current and past periods.

Additional details are provided in **note 2.w**.

iv. Provisions, contingent assets and liabilities

Provisions for legal and administrative proceedings are set up when the risk of loss in the legal or administrative action is assessed as probable and the amounts involved can be measured with sufficient certainty, based on their nature.

Explanatory note **2.q** presents information and any significant changes to the provisions and contingent assets and liabilities of the Bank between December 31, 2024 and December 31, 2023.

v. Goodwill

The goodwill recognized must undergo an impairment test at least once a year or over a shorter period, should there be any indication of impairment of the asset.

The basis used for the impairment test is the value in use, and accordingly, cash flows are projected for a period of x years. The cash flow projection takes into account several factors, including: (i) macroeconomic forecasts for interest rates, inflation, exchange rates, and others; (ii) behavior and growth estimates for Brazil's national financial system; (iii) increased costs, returns, synergies, and investment plan; (iv) customer behavior; and (v) growth rate and adjustments applied to the cash flows in perpetuity. The adoption of these estimates involves the likelihood of future events occurring, and changes in any of these factors could lead to different results. The cash flow estimate is based on an assessment prepared by an independent specialized company, annually or whenever there are indications of impairment, which is reviewed and approved by Management.

Further details can be found in **note 13**.

vi. Expectation of tax credit realization IR and CS

Deferred tax assets and liabilities include temporary differences, identified as the amounts expected to be recovered or paid on differences between the carrying amounts of assets and liabilities and their respective calculation bases, and accumulated tax loss carryforwards and the negative basis of CSLL. These amounts are measured at the rates expected to apply in the period in which the asset is realized or the liability is settled. Deferred tax assets are only recognized for temporary differences to the extent that it is considered probable that the consolidated entities will have sufficient future taxable profits against which the deferred tax assets can be used.

Other deferred tax assets (accumulated tax loss carryforwards) are only recognized if it is considered probable that the consolidated entities will have sufficient future taxable profits so that they can be used. The recognized deferred tax assets and liabilities are reviewed at each balance sheet date, with the appropriate adjustments being made based on the findings of the analyses performed. The expectation of realization of the Bank's deferred tax assets is based on projections of future results and grounded in a technical study.

2. Accounting policies and determination criteria

The accounting policies and calculation criteria used in preparing the consolidated financial statements were as follows:

a) Functional and presentation currency

Banco Santander's consolidated financial statements are presented in Reais, the functional currency of the entities and the presentation currency of these statements.

For each subsidiary, foreign entity and investment in an unconsolidated company, Banco Santander has defined the functional currency. The assets and liabilities of these entities are translated as follows:

- assets and liabilities are translated at the exchange rate on the balance sheet date.
- revenues and expenses are translated at the average monthly exchange rate.

*Values expressed in thousands, except when indicated

- translation gains and losses on net investment are recorded in the statement of comprehensive income, under the "exchange rate variation on investees located abroad" line.

b) Basis for consolidation

i. Subsidiaries

The term "Subsidiaries" refers to entities that are under the Bank's control. This control is based on the Bank's: i) power over the invested entity; ii) exposure or entitlement to variable returns deriving from its relationship with the invested entity, and iii) ability to use its power to influence the level of returns, as established by legal, statutory, or contractual provisions.

Subsidiary consolidation takes place when the Bank secures control over the subsidiary and ends upon the loss of control. Notably, the income and expenses of a subsidiary that is either acquired or divested during the fiscal year are incorporated in the income statement and Other Comprehensive Income from the date on which the Bank acquires control to the point when it no longer exercises control over the subsidiary.

The result and each component of Other Comprehensive Income are attributed to the controllers of the Bank and to the non-controlling interests even if the effect is assigned to the non-controlling interests. The total comprehensive income of the subsidiaries is attributed to the owners of the Bank and to the non-controlling interests, even if this results in a negative balance for the non-controlling interests. All transactions, balances, income, and expenses between the companies of the Santander Conglomerate are fully eliminated in the consolidated financial statements.

Any changes to Santander Conglomerate's stakes in controlled entities that do not result in a loss of control over the subsidiaries are recorded as equity transactions. The difference between the value at which the non-controlling interests are adjusted and the fair value of the considerations paid or received is recorded directly in equity and attributed to the owners of the Company.

When the Bank loses control of a subsidiary, the gain or loss is recognized in the income statement and is determined by the difference between: (i) the sum of the fair value of the considerations received and the fair value of the residual interest; and (ii) the previous balance of the subsidiary's assets (including goodwill) and liabilities, and non-controlling interests, if any. All values previously recognized in "Other Comprehensive Income" related to the subsidiary are accounted for as if the Bank had directly disposed of the corresponding assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another shareholders' equity account, as required or permitted by the applicable IFRSs). The fair value of any investment held in the former subsidiary at the date of loss of control is considered as the fair value upon initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, where applicable, the cost upon initial recognition of an investment in an associate or joint venture.

ii. Interests in joint ventures (entities under joint control) and associates

Joint ventures are equity interests in entities that are not subsidiaries, yet are jointly controlled by two or more unrelated entities. This joint control is manifested in contractual arrangements in which two or more entities ("venturers") acquire interests in entities ("jointly controlled entities") or own operations or hold assets, such that the strategic financial and operational decisions affecting the joint venture are contingent upon the unanimous decision of the venturers.

Associates are those entities over which the Bank has the ability to exert significant influence (significant influence is the power to partake in the decision-making regarding the financial and operational policies of the invested entity) but lacks control or joint control.

In the consolidated financial statements, the interests in jointly-controlled entities and investments in associates are accounted for using the equity method, that is, the Bank's share in the net assets of the invested entity, taking into account dividends received from the eliminations of capital and other derivatives. Pertinent details regarding the entities accounted for using the equity method by the Bank are disclosed in **note 11**.

iii. Mergers, acquisitions, and company disposals

A business combination refers to the amalgamation of two or more separate entities or economic units into a single entity or a group of entities, accounted for in accordance with IFRS 3 – "Business Combinations".

Business combinations are carried out in such a way that the Bank gains control of an entity and are accounted for as follows:

- The Bank calculates the cost of the business combination, defined as the fair value of the assets offered, the liabilities incurred, and the equity instruments issued, if applicable.
- The fair values of the assets, liabilities, and contingent liabilities of the acquired entity or business, including intangible assets not recognized by the acquired entity, are estimated on the acquisition date and recognized in the consolidated balance sheet.
- The surplus of the acquisition cost over the fair value of the identifiable net asset acquired is recognized as goodwill (**note 13**). The surplus of the fair value of the identifiable net assets over the acquisition costs is regarded as an advantageous purchase and is recognized in the income statement on the acquisition date.

Note 3 outlines the most significant transactions that took place in 2024 and 2023.

iv. Investment Funds

This encompasses the Investment Funds in which the Bank and its subsidiaries hold a substantial stake or the entirety of their shares, and over which the Bank and its subsidiaries are exposed, or have the right to variable returns and have the ability to influence these returns through decision-making power, in accordance with IFRS 10 – Consolidated Financial Statements, and are therefore consolidated in these Consolidated Financial Statements.

c) Definitions and classification of financial instruments

i. Definitions

“Financial instrument” is defined as any agreement that creates a financial asset in one entity and concurrently a financial liability or equity interest in a different entity.

“Equity instruments” are any contracts representing a residual equity interest in the assets of the issuing entity after all its liabilities have been deducted.

“Derivative” is a financial instrument whose value changes in response to fluctuations in an observable market variable (such as interest rates, currency exchange rates, financial instrument prices, market indices, or credit ratings), where the initial investment is considerably lower relative to other financial instruments that react comparably to shifts in market factors, and is typically settled at a future date.

“Hybrid financial instruments” are agreements that simultaneously encompass a non-derivative main contract and a derivative, termed an embedded derivative, which is non-transferable on its own and has the effect of causing part of the cash flows from the hybrid contract to fluctuate in a manner similar to that of a standalone derivative.

The following transactions are not treated for accounting purposes as financial instruments:

- Investments in subsidiaries, jointly-controlled entities, and associates (**notes 3 and 11**).
- Rights and obligations arising from employee benefit plans (**note 21**).

ii. Classification of financial assets for measurement purposes

Financial assets are initially classified into various categories for management and measurement purposes, except when it is mandatory to report them as “Non-current assets held for sale,” or in cases pertaining to “Cash and cash equivalents,” “Derivatives used as hedging instruments,” and “Investments in associates,” all of which are accounted for separately.

Financial assets are, for measurement purposes, included in one of the following categories:

- **Financial assets measured at fair value through profit or loss:** this category includes financial assets acquired with the intention of generating short-term profit from their price fluctuations and financial derivatives not classified as hedging instruments, where the Bank's primary business model is to engage in frequent trading, financial assets that did not meet the criteria established in the SPPI Test (principal and interest payments only) and financial assets for which the Fair Value Option was made at the time of initial designation.
- **Financial assets measured at fair value in Other Comprehensive Income:** are financial assets that meet the SPPI criteria, the objective of which is to maintain the assets to receive contractual cash flows and also for sale.

Results arising from changes in fair value are recognized in the market value adjustment item in equity, with the exception of losses due to impairment, which are recognized in profit or loss. When a financial asset is disposed of or shows signs of a decline in fair value due to non-recovery, the result previously accumulated in the fair value adjustment account in equity is reclassified to profit or loss.

- **Financial assets measured at amortized cost:** this category includes financing granted to third parties, based on their nature, regardless of the type of borrower and the form of financing, including financial leasing transactions in which the entities included in the consolidation act as lessors. The entities included in the consolidation generally have a business model of holding the loans and credits they grant until their final maturity, which are therefore presented in the consolidated balance sheet at amortized cost (which includes the necessary adjustments to reflect estimated impairment losses).

iii. Classification of financial assets for presentation purposes

Financial assets are classified by nature under the following line items of the consolidated balance sheet:

- “Cash and Cash Equivalents” and “Compulsory deposits with the Brazilian Central Bank”: cash balances and demand deposit credit balances with Brazil's Central Bank (“Bacen”).
- “Financial assets measured at amortized cost”: this includes loans granted by the Bank, as well as financial leasing credits and other outstanding balances of financial nature owed to the Bank, such as checks drawn on financial institutions, credit balances with clearing houses and settlement agencies for stock exchange and organized market transactions, bonuses paid in cash, capital calls, fees and commissions receivables for financial guarantees, and outstanding balances resulting from transactions not originated through banking operations and services, such as rent collections and similar items.

*Values expressed in thousands, except when indicated

- “Loans and other receivables from credit institutions”: credits of any kind in the name of financial institutions.
- “Loans and advances to customers”: this includes outstanding balances of all other credits and loans granted by the Bank, including transactions conducted in the open market through centralized counterparties.
- “Debt instruments”: bonds and other securities that constitute a debt obligation for the issuer, yield interest, and are issued in either physical or book-entry form.
- “Equity instruments”: financial instruments issued by other entities, such as shares, which are of an equity nature for the issuer, excluding investments in subsidiaries, jointly-controlled entities, or associates.
- “Derivatives”: this includes the fair value in favor of the Bank from derivatives that are not categorized as hedging instruments.
- “Derivatives used as hedging instruments”: this includes the fair value in favor of the Bank from derivatives assigned as hedging instruments.
- “Investments in associates and joint ventures”: this includes investments in jointly-controlled entities or associates.

iv. Classification of financial liabilities for measurement purposes

Financial liabilities are classified, for measurement purposes, into one of the following categories:

- Financial Liabilities Measured at Fair Value through Profit or Loss: this category includes financial liabilities issued to generate short-term profit from their price fluctuations, financial derivatives not considered as hedge accounting, and financial liabilities arising from the direct sale of financial assets acquired under repurchase agreements or borrowed (“Short positions”).
- Other financial liabilities at fair value through profit or loss: financial liabilities are included in this category when more relevant information is obtained, either by eliminating or significantly reducing recognition or measurement inconsistencies (“accounting differences”) arising from the measurement of assets or liabilities or from the recognition of gains or losses on them on different bases, or because there is a group of financial liabilities or financial assets and liabilities that is managed and whose performance is assessed based on fair value, in accordance with a documented risk management or investment strategy, and information about the Bank is provided to the Bank’s key management professionals on the same basis.
- Financial liability at amortized cost: financial liabilities, regardless of their form and maturity, not included in any of the previous categories and arising from financing activities undertaken by financial institutions.

v. Classification of financial liabilities for presentation purposes

Financial liabilities are classified by nature under the following line items in the consolidated balance sheet:

- “Deposits from credit institutions”: deposits of any kind, including liabilities from loans and on-lending as well as funding raised in the open market, received from credit institutions.
- “Customer deposits”: this includes deposits of any kind such as demand, savings, and time deposits, as well as open market transactions, received from customers.
- “Liabilities arising from securities”: this includes the value of bonds and other debt represented by tradable securities, except for subordinated liabilities.
- “Derivatives”: this includes the negative fair value balance of the Bank’s derivatives that are not part of hedge accounting.
- “Short positions”: this includes the value of financial liabilities arising from the direct sale of financial assets acquired under repurchase agreements or borrowed.
- “Capital-eligible debt instruments”: the value of financing received which, in terms of payment priority, rank below ordinary debt. This category also encompasses financial instruments issued by the Bank which, despite being shares for legal purposes, do not satisfy the criteria to be categorized as equity.
- “Other financial liabilities”: this includes the value of payment obligations characterized as financial liabilities not accounted for under other line items and liabilities subject to financial guarantee agreements, excluding those classified as questionable settlement.
- “Derivatives used as hedging instruments”: this includes the fair value of the Bank’s liabilities from derivatives assigned as hedging instruments.
- “Equity instruments”: financial instruments issued by other entities, such as shares, which are equity instruments for the issuer, except investments in subsidiaries, jointly controlled entities or associates.

d) Funding, issuances, and other liabilities

Funding instruments are initially recorded at their fair value, which is essentially regarded as the transaction price. They are subsequently measured at amortized cost (on an accrual basis) with its inherent expenses recognized as a financial cost.

*Values expressed in thousands, except when indicated

Within the initial liability recognition criteria, attention should be given to composite instruments, which are classified as such because they comprise both a debt instrument (liability) and an embedded shareholders' equity component (derivative).

The registration of a composite instrument involves the combination of (i) a main instrument, which is recognized as a genuine liability of the entity (debt), and (ii) an equity component (derivative convertible into ordinary shares).

The issuance of "Notes" must be recorded in a specific liability account and adjusted based on the contracted rates, and recalibrated due to the impact of exchange rate variation, when issued in a foreign currency. All remunerations related to these instruments, such as interest and currency fluctuations (difference between the functional currency and the currency in which the instrument was denominated), must be recognized as expenses for the period, in accordance with the accrual basis of accounting.

Pertinent information regarding the issuance of these capital-eligible debt instruments is described in **note 19**.

e) Measurement of financial assets and liabilities and recognition of fair value changes

In general, financial assets and liabilities are initially recognized at fair value, which is deemed equivalent, until proven otherwise, to the transaction price. Financial instruments not measured at fair value through profit or loss are adjusted for transaction costs. Financial assets and liabilities are subsequently measured at the end of each period as follows:

i. Measurement of financial assets

Financial assets are measured at fair value, without deduction for estimated transaction costs that might be incurred upon their disposal, except for financial assets measured at amortized cost, equity instruments whose fair value cannot be determined in a sufficiently objective manner, and financial derivatives that have equity instruments of this kind as their underlying and are settled by delivering such instruments.

The "fair value" of a financial instrument on a given date is the price that would be received from the sale of an asset or would be paid for the transfer of a liability in a voluntary exchange among market participants on the measurement date. The most objective and common benchmark for the fair value of a financial instrument is the price that would be paid for it in an active, transparent, and significant market ("quoted price" or "market price").

In the absence of a market price for a particular financial instrument, its fair value is estimated based on the valuation techniques commonly adopted by the international financial community, taking into account the specific characteristics of the instrument to be measured and, most importantly, the various types of risks associated with it.

All derivatives are recognized on the balance sheet at fair value from the transaction date. When the fair value is positive, they are recognized as assets; when negative, as liabilities. Changes in the fair value of derivatives since the transaction date are recognized in the "Gains (losses) on financial assets and liabilities" line item of the consolidated income statement. Specifically, the fair value of standard financial derivatives included in the portfolios of financial assets or liabilities measured at fair value through profit or loss is deemed equivalent to their daily quoted price; if, under exceptional circumstances, should it be unfeasible to ascertain the quoted price on a specific date, these derivatives are measured using methods similar to those employed for valuing derivatives traded in the over-the-counter market.

The fair value of over-the-counter traded derivatives is deemed to be the aggregate of the instrument's future cash flows, discounted to their present value on the measurement date (referred to as "present value" or "theoretical close"), employing commonly used financial market valuation techniques such as Net Present Value (NPV), option pricing models, and other methods.

"Financial assets measured at amortized cost" are measured at amortized cost utilizing the effective interest method. The "amortized cost" is the acquisition cost of a financial asset or liability, either increased or decreased, as applicable, by the principal repayments and cumulative amortization (included in the income statement) of the difference between the initial cost and the maturity value. In the case of financial assets, the amortized cost also includes any reductions for impairment or inability to collect. For financial assets measured at amortized cost that are subject to fair value hedging, the fair value changes of these assets associated with the hedged risk(s) are recognized.

The "Effective interest rate" is the discount rate that exactly matches the initial value of the financial instrument when compared to the projected cash flows from various sources throughout its residual useful life. In the case of fixed-income financial instruments, the effective interest rate coincides with the contractual interest rate stipulated on the contract date, plus, as applicable, fees and transaction costs which, given their nature, are part of their financial yield. For equity financial instruments, the effective interest rate coincides with the prevailing return rate on all commitments until the following interest adjustment reference date.

Equity instruments for which fair value cannot be measured in a sufficiently objective manner are measured at acquisition cost, adjusted, as appropriate, for impairment losses related thereto.

The values at which financial assets are recognized correspond, in all material respects, to the Bank's maximum credit risk exposure as of the date of each financial statement. Furthermore, the Bank has secured guarantees and additional credit support to mitigate its exposure to credit risk, predominantly comprising mortgages, cash collateral, equity instruments, sureties, assets leased under leasing and rental agreements, assets acquired under repurchase agreements, securities lending, and derivatives.

*Values expressed in thousands, except when indicated

ii. Measurement of financial liabilities

In general, financial liabilities are measured at amortized cost, as previously defined, except for those included under the line items "Financial liabilities measured at fair value through profit or loss" and "Other financial liabilities measured at fair value through profit or loss," as well as financial liabilities designated as hedging instruments, which are measured at fair value.

iii. Recognition of fair value changes

As a general rule, changes in the book value of financial assets and liabilities are recognized in the consolidated income statement. These are distinguished between those arising from the interest provisioning and similar gains - recognized under the line item "Interest and Similar Income" or "Interest and Similar Expenses," as applicable - and those derived from other factors, recognized at their net value under the line item "Gains (Losses) on Financial Assets and Liabilities (Net).

Adjustments due to fair value changes related to financial assets measured at fair value through Other Comprehensive Income are temporarily recognized in equity under the line item "Other Comprehensive Income." Items debited or credited to this account remain in the Bank's consolidated shareholders' equity until the respective assets are written off, at which point they are debited to the consolidated income statement.

iv. Hedging transactions

The consolidated entities make use of financial derivatives for the following purposes: (i) to provide these instruments to clients who request them for managing their market and credit risks; (ii) to employ them in the risk management of their own positions and the assets and liabilities of the Bank's entities (Derivatives used as hedging instruments); and (iii) to achieve gains from price fluctuations of these derivatives (Derivative financial instruments).

Financial derivatives that do not qualify for hedge accounting are treated, for accounting purposes, as trading derivatives.

A derivative qualifies for hedge accounting if all the following conditions are met:

1. The derivative instrument provides protection against one of the three types of exposure listed below:
 - a. Changes in the fair value of assets and liabilities as a result of fluctuations, among others, in interest rates and/or the exchange rate to which the position or balance being hedged is subject (fair value hedge);
 - b. Changes in the projected cash flow stemming from financial assets and liabilities, commitments, and anticipated transactions that are highly likely (cash flow hedging);
 - c. Net investment in an overseas venture (hedging of a net investment in an overseas operation).
2. When it is effective in offsetting the inherent exposure associated with the item or protected position over the entire anticipated duration of the hedge, that is:
 - a. On the date of the agreement, the hedge is expected to be highly effective under normal circumstances (prospective effectiveness).
 - b. There is sufficient evidence that the hedge remained effective throughout the entire period for which the hedge or hedged item was designated (retrospective effectiveness).
3. There must be adequate documentation proving the specific designation of the financial derivative for the hedging of certain balances or transactions, and the manner in which this effective protection was expected to be achieved and measured, contingent upon its conformity with the Bank's own risk management practices.

Changes in the value of financial instruments eligible for hedge accounting are recognized as follows:

- a. For fair value hedging, both gains and losses on the hedge instruments and the hedged items (attributable to the type of risk being hedged) are recognized directly in the consolidated statement of income.
- b. For cash flow hedging, the effective portion of the change in the value of the hedging instrument is temporarily recognized in equity under the line item "Other Comprehensive Income - Cash Flow Hedging" until the forecasted transactions occur, at which point this portion is then recorded in the consolidated income statement, unless the forecasted transactions lead to the recognition of non-financial assets or liabilities, in which case this portion will be included in the cost of the non-financial asset or liability. The ineffective portion of the change in the value of foreign exchange hedging derivatives is recognized directly in the consolidated income statement.
- c. The ineffective portion of gains and losses on hedge instruments related to cash flow hedging and hedges of a net investment in an overseas operation is recognized directly in "Gains (losses) on financial assets and liabilities (net)" in the consolidated income statement.

If a derivative designated as a hedging instrument ceases to meet the previously described requirements as a result of expiration, ineffectiveness, or for any other reason, such derivative will be reclassified as a derivative measured at fair value through profit or loss.

Upon discontinuation of fair value hedge accounting (whether due to revocation, expiration, sale, or failure to continue meeting accounting hedge criteria), the previously recognized adjustments to the hedged item are transferred to the profit and loss account, using the recalculated effective interest rate at the date of the hedge's termination. The adjustments must be fully amortized by the maturity date.

When cash flow hedging operations are discontinued, any cumulative gain or loss on the hedge instrument recognized in equity under the line item "Other Comprehensive Income" (from the time the hedge was established and deemed effective) is immediately recognized in the profit and loss account.

*Values expressed in thousands, except when indicated

For the accounting and disclosure of hedge accounting structures on December 31, 2024, the Bank used the option of IFRS 9 to maintain the practices determined by IAS 39.

f) Write-off of financial assets and liabilities

Financial Asset Write-Off

The Bank writes off a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all risks and rewards associated with the financial asset's ownership are transferred, or in which the Bank neither transfers nor retains substantially all the risks and rewards of the financial asset's ownership and does not maintain control over the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained, less any new liability assumed) and (ii) any accumulated gains or losses recognized in "Other Comprehensive Income" is recorded in profit or loss.

Any gains/losses accumulated and recognized in "Other Comprehensive Income" related to equity instruments measured at fair value through Other Comprehensive Income are not recorded in the profit and loss statement upon the disposal of these securities.

The Bank engages in transactions in which it transfers assets recognized on its balance sheet, but retains all or substantially all the risks and rewards of the transferred assets or a portion thereof. In these cases, the transferred assets are not written off. Examples of such transactions include the assignment of loan portfolios with joint liability. In transactions where the Bank neither retains nor substantially transfers all the risks and rewards of ownership of a financial asset and retains control of the asset, the Bank continues to recognize the asset based on the degree of its ongoing engagement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

Financial asset write-off due to credit assignment

The accounting treatment for the transfer of financial assets depends on the extent to which the risks and rewards associated with the transferred assets have been transferred to third parties:

If the Bank transfers substantially all the risks and rewards to third parties, execute an unconditional sale of financial assets, engage in the sale of financial assets under an agreement stipulating their repurchase at fair value on the repurchase date, conduct the sale of financial assets with a call option purchase or a put option sale that is significantly out of the money, or securitization of assets in which the transferor does not retain a subordinated debt or provide credit enhancement to the new holders, and other similar cases, the transferred financial asset is written off, and any rights or obligations retained or created in the transfer are recognized simultaneously.

If the Bank retains substantially all the risks and rewards associated with the transferred financial asset, such as financial asset sales under an agreement stipulating their repurchase at a fixed price or at the sale price plus interest, a securities lending agreement in which the borrower pledges to return the same assets or similar assets, and other similar situations, the transferred financial asset is not written off and continues to be measured using the same criteria as before the transfer. However, the following items are recognized:

A corresponding financial liability, for an amount equal to the consideration received; this liability is thereafter measured at amortized cost.

The revenue from the transferred financial asset not written down and any expense incurred with the new financial liability.

If the Bank does not transfer or substantially retain all the risks and rewards associated with the transferred financial asset - such as the sale of financial assets with a purchased call option or a written put option that is not significantly out of the money, securitization of assets in which the assignor retains a subordinated debt or another type of credit enhancement related to a portion of the transferred asset, and other similar scenarios - a distinction is then drawn as follows:

If the assignor does not retain control of the transferred financial asset, the asset is written off, and any rights or obligations retained or created in the transfer are recognized.

If the assignor retains control, it continues to recognize the transferred financial asset at a value equivalent to its exposure to value fluctuations and recognizes a financial liability associated with the transferred financial asset. The net carrying amount of the transferred asset and the corresponding liability is the amortized cost of the retained rights and obligations if the transferred asset is measured at amortized cost, or the fair value of the retained rights and obligations if the transferred asset is measured at fair value.

Financial Liabilities Write-Off

The Bank writes off a financial liability when its contractual obligations are extinguished, annulled, or reach their maturity.

*Values expressed in thousands, except when indicated

g) Offsetting of assets and liabilities

Financial assets and liabilities are offset, that is, recorded in the balance sheet at their net value, only if the Bank and its subsidiaries currently have a legally enforceable right to offset the recognized amounts and intend to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Offsetting and Settlement Agreements for Obligations – IFRS 07 – Derivative Instruments (Disclosure) - Banco Santander has netting and settlement agreements for obligations within the National Financial System ("SFN"), signed with both natural and legal persons, whether part of the SFN or not, resulting in increased financial settlement assurance with the parties that have such agreements. These agreements stipulate that, in the event of counterparty default, the payment obligations to Banco Santander arising from credit and derivative transactions will be offset by Banco Santander's payment obligations to the counterparty.

The table below provides details of the financial assets and liabilities subject to offsetting as of December 31, 2024 and 2023:

Thousand of Reais				2024
Assets:	Financial assets, gross	Financial assets offset in the balance sheet	Financial assets, net	
Derivatives	42,380,547	(2,174,248)	40,206,299	
Liabilities:	Financial liabilities, gross	Financial liabilities offset in the balance sheet	Financial liabilities, net	
Derivatives	41,584,522	(2,174,248)	39,410,274	
Thousand of Reais				2023
Assets:	Financial assets, gross	Financial assets offset in the balance sheet	Financial assets, net	
Derivatives	30,038,424	(743,702)	29,294,722	
Liabilities:	Financial liabilities, gross	Financial liabilities offset in the balance sheet	Financial liabilities, net	
Derivatives	25,684,129	(743,702)	24,940,427	

h) Non-recoverable financial assets

i. Definition

A financial asset is deemed non-recoverable when objective evidence exists of events that:

- Cause an adverse impact on estimated future cash flows at the date of the transaction, in the case of debt instruments (loans and debt securities).
- Indicate that their book value cannot be fully recovered, in the case of equity instruments.
- Arise from the breach of loan agreement clauses or terms, and
- In the event of bankruptcy proceedings.

As a general rule, whenever the aforementioned events are observed, the carrying amount of non-recoverable financial assets is adjusted by recording a provision for loss as a debit to the expense under "Impairment losses on financial assets (net)" in the consolidated income statement. The reversal of previously recorded losses is recognized in the consolidated income statement in the period in which the impairment decreases and can be objectively associated with a recovery event.

ii. Debt instruments recorded at amortized cost

The value of a loss for the determination of the recoverable amount of a debt instrument measured at amortized cost is equal to the difference between its carrying amount and the present value of its projected future cash flows (excluding future credit losses not yet incurred), discounted at the financial asset's original effective interest rate (i.e., the effective interest rate calculated at initial recognition), presented as a reduction in the asset's balance and recognized in the income statement.

When projecting future cash flows for debt instruments, the following factors are taken into consideration:

- All values expected to be obtained over the residual life of the instrument, including, where applicable, the guarantees provided. The loss due to non-recovery further considers the likelihood of collecting provisioned interest receivables;
- The various types of risks to which each instrument is subject; and

**Values expressed in thousands, except when indicated*

- The circumstances under which collections are expected to be executed.

These cash flows are then discounted at the effective interest rate of the transaction.

Specifically regarding the adjustment in the recoverable amount resulting from the materialization of the insolvency risk of counterparties (credit risk), a debt instrument is deemed non-recoverable due to insolvency when there is evidence of a deterioration in the counterparty's payment capacity, whether due to being overdue or for other reasons.

The Bank, through its risk management division, implements policies, methods, and procedures to mitigate its exposure to credit risk arising from insolvency attributable to counterparties.

These policies, methods, and procedures are applied in the issuance, examination, and documentation of debt instruments, contingent liabilities, and other commitments, in the identification of recoverable value, and in the calculation of the amounts needed to cover the respective credit risk.

The procedures applied in the identification, measurement, control, and mitigation of credit risk exposure are based on an individual level or grouped by similarity.

- Customers under individualized management: Wholesale clients, financial institutions, and certain companies. Risk management is performed through an analysis enhanced by decision-support tools that rely on internal risk assessment models.

- Customers under standardized management: this category includes individuals and entities not classified as individualized customers. The approach to risk management employs automated models for decision-making and assessing internal risk. These models are supplemented by specialized analyst teams in instances where the model's comprehensiveness or accuracy falls short. Loans associated with standardized customers are generally classified as non-recoverable when there is a historical record of losses and are overdue by more than 90 days.

With regard to the provision for credit risk impairment losses, the Bank assesses all loans. Loans are either assessed individually for impairment or assessed collectively for impairment. Loans recorded at amortized cost that are not assessed individually for impairment are assessed collectively for impairment and are grouped together considering similarity of risk. Loans assessed individually for impairment are not included in balances assessed collectively for impairment.

In assessing impairment losses on loans on an individual basis, the Bank takes into account the borrower's conditions, including their economic and financial status, level of indebtedness, capacity for income generation, cash flow, management, corporate governance, and the quality of internal controls, payment history, industry experience, contingencies, and credit limits, as well as other relevant characteristics pertaining to assets, including their nature and purpose, type, adequacy, and liquidity level guarantees, as well as the total credit value, and also based on historical experiences of impairment losses and other known circumstances at the time of assessment.

To calculate the impairment loss on loans collectively assessed for impairment, the Bank categorizes financial assets into groups based on their credit risk characteristics and similarities. This classification considers various factors, including the segment, type of assets, collateral, and other elements associated with the historical experience of impairment losses and other known circumstances at the time of assessment.

In certain instances, the observable data required to estimate the loss amount due to an impairment of a financial asset may be limited or may no longer be entirely relevant to the current circumstances.

In these instances, the entity employs its judgment-based experience to estimate the value of any impairment losses. Similarly, the entity utilizes its judgment-based experience to adjust the observable data for a group of financial assets to accurately reflect the current circumstances.

The impairment loss is calculated using statistical models that consider the following factors:

- Exposure at Default (EAD) - this is the amount of risk exposure on the date the borrower defaults. The duration of the default is incorporated into the calculation of the "Probability of Default" (PD).
- In accordance with IFRS, the exposure level used for this calculation is the actual exposure as disclosed in the balance sheet.
- Probability of Default (PD) - this is the likelihood that the borrower will not meet their obligations for principal and/or interest payments.

The Probability of Default is determined using a one-year time horizon for transactions classified under stage 1, as well as over the lifetime of the asset (stages 2 and 3); that is, it quantifies the probability of the borrower defaulting. A loan is considered to be in default if either the principal or interest is overdue by ninety days or more, or if the loan is outstanding and there are significant doubts regarding the counterparty's solvency (subjective doubtful assets).

- Loss Given Default (LGD) - this refers to the loss incurred upon default.

The LGD calculation is based on the net write-offs of non-performing loans, factoring in the collateral associated with the loans, the income and expenses related to the recovery process, and the point in time when the default occurs.

- Loss Identification Period (LIP) - this refers to the interval between the occurrence of a loss event and the identification of evidence substantiating that loss. In other words, it delineates the time span from when a credit loss event occurs to when such loss is conclusively confirmed.

Furthermore, before writing off non-performing loans (which is done only after the Bank has exhausted all recovery efforts), a full provision is made for the remaining outstanding amount of the loan so that the loan loss provision fully covers the losses. Accordingly, the Bank

*Values expressed in thousands, except when indicated

understands that its loan loss provision methodology was developed to match its risk metrics and capture loans that could potentially show impairment.

iii. Debt instruments or equity instruments classified as financial assets measured at fair value through Other Comprehensive Income

The difference between the amortized cost and the fair value of debt instruments or equity instruments classified as financial assets measured at fair value through Other Comprehensive Income is recognized in equity, under the identically titled line item.

When there is objective evidence indicating that the previously mentioned differences are attributable to an impairment loss recognized due to a decline in fair value from non-recovery, these are no longer recognized in equity and are reclassified to the consolidated statement of profit or loss at the cumulative amount as of that date. Losses deemed permanent on an investment in equity instruments are not reversed in subsequent periods.

i) Repurchase agreements

Purchases (sales) of financial assets under a non-optional repurchase (repo) agreement at a fixed price are recognized in the consolidated balance sheet as investments (funding) in repurchase agreements, depending on the nature of the debtor (creditor), classified under the line items "Cash and Cash Equivalents and compulsory deposits with the Brazilian Central Bank," "Loans and other receivables from credit institutions," or "Loans and advances to customers", ("Deposits from credit institutions" or "Customer deposits").

Differences between purchase and sale prices are recognized as interest income over the contract period.

j) Lease Accounting – IFRS 16

I. Lease Identification

Upon adopting IFRS 16, the Bank recognizes lease liabilities in accordance with the principles of IFRS 16 - Leases.

The following exemptions from recognition are also being applied:

- Accounting for leases with a remaining lease term of less than 12 months as short-term leases;
- The accounting for leases of low-value underlying assets.

The Bank enters into leases for properties and equipment. Predominantly, the assets covered by these lease agreements are real estate properties associated with the branches.

Banco Santander does not hold any right-of-use assets that fall under the definition of investment properties.

II. Lease term

Lease agreements are formalized, analyzed, and renegotiated on an individual basis, encompassing a broad range of distinct terms and conditions. The Bank assesses the lease term, as well as its intention to continue occupying the properties. Consequently, lease term estimates may vary in accordance with contractual conditions, considering extension options and legal provisions.

The Bank considers that penalties for early termination of contracts charged before the maturity date do not represent a significant component.

Lease agreements do not contain restrictive clauses, but leased assets cannot be used as collateral for loans.

III. Initial Measurement

Upon initial recording, leases are recognized as a right-of-use asset and a corresponding liability on the date the leased asset becomes available for use by the Group.

The right-of-use asset to be recognized is measured at its cost, counterbalanced by the lease liability, which represents the present value of the lease payments not yet made as of the date. Lease payments are discounted using the lessee's incremental borrowing rate. There are no onerous contracts that required an adjustment to the right-of-use assets to be recognized at the date of initial adoption.

The right-of-use assets are measured at amortized cost as per the following:

- The initial measurement value of the lease liability;

*Values expressed in thousands, except when indicated

- Any lease payment made on or before the start date, net of any incentives received;
- Any initial costs directly attributable; and
- Restoration costs, if the criteria of IAS 37 are fulfilled for the recognition of Provisions, Contingent Liabilities, and Contingent Assets.

The Santander Group adopts as the incremental borrowing rate the interest rate it would incur to borrow the necessary funds to obtain an asset of similar value to the leased asset, under equivalent terms, collateral, and economic conditions. This rate is represented within Santander Brasil by the funding cost curve of a free asset, applied on an individual basis to each lease agreement in accordance with the projected lease term estimates.

Lease liabilities include the net present value of the following lease payments:

- Fixed payments net of any incentive;
- Variable payments based on a rate or index;
- Payments expected to be made by the lessee, based on the residual value of guarantees;
- The exercise price of a call option, if the lessee has reasonable assurance about the option's exercise; and
- Penalty payments for lease termination if the lease term reflects the exercise of the option by the lessee.

Lease liabilities are primarily adjusted for inflation (IGP-M), with the estimated projections as of the base date of December 31, 2024 detailed below:

IGP-M forecast	
Up to 3 months	1.6%
From 3 to 12 months	6.2%
From 1 year to 3 years	4.0%
From 3 years to 5 years	4.0%
Over 5 years	4.0%

IV. Subsequent Measurement

After the initial measurement, the values of the assets recorded as right of use are being updated using the cost method, thus any accumulated depreciation is deducted monthly, in accordance with the criteria of IAS 16 / CPC 27 - Fixed Assets on asset depreciation right of use and corrected any remeasurement of the lease liability, where applicable.

The lease liability initially recorded is updated monthly by increasing the amount of the liability for the interest portion of each lease agreement and reducing the amount of monthly lease payments and corrected for any lease remeasurement, when applicable.

The lease liability is remeasured, in the event of changes in the lease term or contract value, the amount resulting from the new determination of the lease liability is recorded as a contra entry to the corresponding right-of-use asset.

Use rights are subject to an impairment test.

k) Non-current assets held for sale

Non-current assets held for sale comprise the carrying amount of individual items, or groups of assets designated for disposal, or items that are part of a business unit targeted for disposal ("Discontinued operations"), where the sale in their current condition is highly probable and expected to take place within one year. Real estate or other non-current assets acquired by the consolidated entities in full or partial settlement of their debtors' payment obligations are classified as non-current assets held for sale through auctions, which typically take place within one year.

Non-current assets held for sale are measured at whichever is lower between the fair value minus selling costs and the carrying amount at the date they are classified in this category. These assets are not subject to depreciation.

Impairment losses of an asset or disposal group due to a reduction in their carrying amount to fair value (minus selling costs) are recognized in "Gain/(Loss) on Disposal and Expenses for Non-Current Assets Held for Sale Not Classified as Discontinued Operations" in the consolidated statement of profit or loss. Gains from a non-current asset held for sale, arising from subsequent increases in fair value (minus selling costs), increase its carrying amount and are recognized in the consolidated statement of profit or loss up to the amount equivalent to the previously recognized impairment losses.

l) Residual maturity periods and average interest rates

*Values expressed in thousands, except when indicated

The analysis of the maturities of the balances of certain items in the consolidated balance sheets at the end of the years 2024 and 2023 is reported in **note 43-d**.

m) Tangible asset

Tangible asset comprise the value of buildings, land, furniture, vehicles, computer hardware, and other equipment owned by the Bank. This category also includes tangible assets received by the Bank in full or partial settlement of financial assets representing receivables from third parties, which are intended for sustained use, as well as tangible assets acquired under finance leases, which are presented at their acquisition cost, minus their respective accumulated depreciation and any impairment losses (net book value exceeding the recoverable amount).

Depreciation is calculated using the straight-line method, based on the acquisition cost of the assets minus their residual value. Land on which buildings and other structures are situated has an indefinite useful life and, therefore, is not subject to depreciation.

The depreciation expense for tangible assets is recognized in the consolidated statement of income and is calculated primarily by applying the following depreciation rates (based on the average estimated useful life of the various assets):

	Annual Rate
Buildings for own use	4 %
Furniture	10 %
Fixtures	10 %
Office and IT equipment	20 %
Improvements on third-party properties	4% or until the contract's expiration date

At the end of each reporting period, the Bank assesses whether there are any indications that its tangible assets may be subject to impairment, that is, when an asset's carrying amount exceeds its recoverable amount, whether through use or sale.

Once a reduction in the recoverable amount of the tangible asset is identified, it is adjusted to its recoverable amount by recognizing an accounting loss for the reduction in its recoverable amount, recorded under 'Impairment losses on other assets (net)'.¹ Furthermore, the depreciation value of said asset is recalculated to adjust the value of the asset's useful life.

In cases where there is evidence or indication of a recovery in the value of a tangible asset, the Bank recognizes the reversal of the impairment loss previously recorded and must adjust future depreciation expenses in line with the asset's remaining useful life. Under no circumstances may the reversal of an impairment loss on an asset increase its carrying amount beyond what it would have been had no impairment loss been recognized in prior periods.

Maintenance and preservation expenses for self-used fixed assets are recognized as expenses in the period in which they are incurred.

n) Intangible assets

Intangible assets are identifiable non-monetary assets (separable from other assets) without physical substance, arising from business combinations or internally developed software, with either a finite or indefinite useful life. Recognition is limited to those assets whose acquisition cost can be reliably measured and for which the consolidated entities deem it probable that future economic benefits will be generated.

Intangible assets are initially recognized at their acquisition or production cost and are subsequently measured net of any accumulated amortization and any impairment losses.

I. Goodwill

In the acquisition of an investment in a subsidiary, any difference between the investment cost and the investor's share in the net fair value of the identifiable assets, liabilities, and contingent liabilities of the invested entity (whether a subsidiary or an associate) is recognized in accordance with IFRS 3, 'Business Combinations'.

Goodwill is recognized only when the amount of the consideration acquired from the investee exceeds the fair value at the date of acquisition, and therefore represents a payment made by the acquirer in anticipation of future economic benefits from assets of the acquired entity that cannot be individually identified and separately recognized.

Annually or whenever there is any indication of loss to recoverable value, goodwill is tested for impairment (recoverability test) and if any loss exists, goodwill is written off and recognized as Losses on other assets (net) - Other intangible assets in the Consolidated Statement of Income.

*Values expressed in thousands, except when indicated

Adjustments to the net fair value of identifiable assets, liabilities, and contingent liabilities of the invested entity in comparison to their carrying amount are individually allocated to the acquired identifiable assets and the assumed liabilities based on their respective fair values at the acquisition date.

In instances of business combinations executed in stages, the previously held equity interest in the acquired entity is remeasured at its fair value on the acquisition date at which control of said acquired entity is secured.

II. Other intangible assets

This represents an identifiable, non-monetary asset that lacks physical substance. It primarily originates from software development and the acquisition of rights capable of generating economic benefits for the Bank. These assets may possess either a finite or indefinite useful life.

Other intangible assets are classified as having an indefinite useful life when, following a comprehensive analysis of all relevant factors, it is determined that there is no foreseeable limit to the period during which the asset is expected to generate cash inflows for the Bank. In all other instances, these assets are considered to have a finite useful life.

Intangible assets with an indefinite useful life are not amortized: at the end of each reporting period, the entity reviews the classification as having an indefinite useful life. If this classification is maintained, these assets are subject to annual impairment tests to determine their recoverable amount (IAS36).

Intangible assets with a defined useful life are amortized over their useful life using methods similar to those applied for depreciating tangible assets. The amortization expense is recognized under the line item "Depreciation and Amortization" in the consolidated statement of income.

At the end of each reporting period, the Bank assesses whether there are any indications that intangible asset items may have suffered an impairment, that is, an asset whose carrying amount exceeds its recoverable amount. Should any impairment be identified, the asset is adjusted to its recoverable amount.

The measurement of the recoverable amount of other intangible assets - such as software - is conducted based on their value in use, as well as an analysis of the asset's discontinuation in relation to the Bank's operations.

Software acquisition and development costs are amortized over a maximum period of 5 years.

o) Other assets

This includes the balance of all advances and provisioned income (excluding provisioned interest), relationships with acquired customers, the net value of the difference between pension plan obligations and the plan assets' value when this balance is in favor of the entity, provided that the net value is to be disclosed on the consolidated balance sheet, and the value of any other amounts and assets not categorized under other items.

The Bank employs the value in use of customer relationships as the basis for measuring the recoverable amount, as it is not reasonably possible to determine the net sales value, given the absence of a reliable basis for estimating the value to be realized from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. The value in use of customer relationships acquired through the purchase of "payrolls" is determined on an individual basis. An analysis is conducted by the business areas with the aim of demonstrating the expected generation of future economic benefits and the present value of the expected cash flows. These analyses are reviewed quarterly, based on the actual cash flows of each business (value in use), which are then compared with the carrying amount to assess whether an impairment loss needs to be recognized.

p) Insurance contracts

Insurance contracts recognized by the Bank are considered onerous, in accordance with the provisions established by IFRS 17. An insurance contract is deemed onerous at the date of initial recognition if the cash flows allocated for fulfillment, any previously recognized acquisition cash flows, and any cash flows arising from the contract at the date of initial recognition collectively result in a net outflow. A loss is recognized in profit or loss for the net outflow associated with the group of onerous contracts, which leads to the carrying amount of the liability for the group being equal to the fulfillment cash flows, and the contractual service margin of the group being zero.

q) Provisions for judicial and administrative proceedings, commitments, and other provisions

Banco Santander and its subsidiaries are engaged in judicial and administrative proceedings related to tax, labor, and civil matters, stemming from the ordinary course of their operations.

**Values expressed in thousands, except when indicated*

Provisions are reassessed at each balance sheet date to reflect the most accurate current estimate and may be fully or partially reversed or reduced when it becomes improbable that resource outflows and related obligations will occur. This includes situations such as the expiration of legal deadlines, the issuance of final judgments in legal proceedings, among others.

Judicial and administrative provisions are recognized when the risk of loss from judicial or administrative proceedings is assessed as probable, and the amounts involved can be estimated with sufficient certainty based on the nature, complexity, and historical outcomes of the proceedings, as well as the opinions of both internal and external legal advisors and the best available information. For cases where the risk of loss is considered possible, provisions are not recognized, but the relevant information is disclosed in the notes to the financial statements. For cases where the risk of loss is deemed remote, disclosure is not required.

Contingent assets are not recognized in the accounting records, except in instances where there are tangible guarantees or favorable judicial rulings, with no possibility for further appeals, thereby rendering the gain as virtually certain. Contingent assets that have a probable likelihood of success, if any, are solely disclosed in the financial statements.

In cases of final judgments rendered in favor of Santander, the counterparty is entitled, upon fulfilling specific legal criteria, to initiate a rescission action within a timeframe prescribed by the legislation in effect. Rescission actions are treated as new legal proceedings and will be assessed for contingent liabilities if, and when, they are filed.

r) Other liabilities

Other liabilities include the balance of all accrued expenses and deferred income, excluding accrued interest, and the value of any other liabilities not classified under other categories.

s) Share-based compensation

The Bank has established long-term compensation plans with specific vesting conditions. These vesting conditions include: (i) service conditions, requiring that the participant remains employed throughout the vesting period; (ii) performance conditions, where the number of shares to be allocated to each participant is determined based on the evaluation of a performance metric of the Bank: the comparison of the Total Shareholder Return (TSR) of the Santander Conglomerate with the TSR of the Bank's main global competitors; and (iii) market conditions, as certain parameters are linked to the fair value of the Bank's shares. The Bank determines the fair value of the services provided by referencing the fair value of the equity instruments granted on the date of grant, taking into account the market conditions for each plan when estimating fair value.

Stock Settlement

The Bank measures the fair value of the services provided by referencing the fair value of the equity instruments granted on the grant date, factoring in market conditions for each plan when estimating fair value. To recognize personnel expenses against capital reserves over the vesting period, as services are received, the Bank considers the treatment of service conditions and recognizes the amount for services received during the vesting period, based on the most accurate estimate of the number of equity instruments expected to be granted.

Cash Settlement

For cash-settled share-based payments (in the form of share appreciation), the Bank measures the services provided and the corresponding liability incurred at fair value. This process captures the share appreciation from the grant date to the settlement date. The Bank reassesses the fair value of the liability at the end of each reporting period, and any changes in this amount are recognized in the period's results. To recognize personnel expenses against provisions for "salaries payable" throughout the vesting period, reflecting the receipt of services, the Bank records the total liability representing the best estimate of the number of share appreciation rights expected to be granted at the end of the vesting period and recognizes the value of services received during the vesting period, based on the best available estimate. The Bank periodically reviews its estimate of the number of share appreciation rights that will be granted at the end of the vesting period.

t) Recognition of income and expenses

The key criteria employed by the Bank for the recognition of its income and expenses are summarized below:

i. Interest and similar income and expenses

Interest and similar income and expenses are generally recognized on an accrual basis, using the effective interest rate method.

*Values expressed in thousands, except when indicated

ii. Commissions, fees, and similar items

Fees and commission income and expenses are recognized in the income statement using criteria that vary according to their nature (**notes 34 and 35**). The key criteria are as follows:

- Fee and commission income and expenses, associated with financial assets and financial liabilities measured at fair value through profit or loss, are recognized upon payment;
- Those arising from transactions or services provided over a period of time are recognized over the duration of these transactions or services; and
- Those related to services provided in a single transaction are recognized at the time the transaction is executed.

iii. Non-financial income and expenses

For accounting purposes, they are recognized on an accrual basis.

iv. Deferred collections and payments

Recognized for accounting purposes at the carrying amount derived from discounting expected cash flows at market rates.

v. Loan arrangement fees

Loan arrangement fees, including application and origination fees, are accrued and recognized in the income statement over the term of the loan. Specifically, for origination fees, the portion attributable to direct costs incurred in the loan contract is immediately recognized in the consolidated income statement.

u) Guarantees

u.1) Financial Guarantees

Financial guarantees are defined as contracts whereby an entity commits to making specific payments on behalf of a third party should that party fail to do so, irrespective of the various legal forms they may assume, including but not limited to guarantees, irrevocable documentary credits issued or confirmed by the entity, among others.

The Bank initially recognizes the fees associated with financial guarantees as liabilities on the consolidated balance sheet at fair value. This fair value is typically the present value of the fees, commissions, or interest expected to be received from these contracts over their term.

Financial guarantees, irrespective of the guarantor, the instrument, or any other circumstances, are subject to periodic reviews to assess the credit risk exposure and, where necessary, to determine the need for a provision. Credit risk is evaluated by employing criteria similar to those used for quantifying impairment losses on debt instruments measured at amortized cost.

The provisions established for these transactions are recognized under the line item "Provisions for Judicial and Administrative Proceedings, Commitments, and Other Provisions" in the consolidated balance sheet (**note 22**).

If a specific provision is required for financial guarantees, the corresponding commissions to be allocated are recognized under the line item "Financial liabilities at amortized cost - Other financial liabilities" in the consolidated balance sheet and are reclassified to the appropriate provision.

u.2) Guarantees and Credit Risk Mitigation Policy

Banco Santander performs credit risk management by utilizing guarantees in its operations. Each business unit is responsible for managing credit risk and formalizes the use of collateral in its credit policies.

Banco Santander employs guarantees to enhance its recovery capabilities in operations exposed to credit risk. The types of guarantees utilized include surety, property, legal structures with mitigation power, and offsetting agreements. Each year, the Bank conducts a review of its guarantee policies to reflect changes in the market, the characteristics of the assets pledged as collateral, and the conditions of these assets. These are examples of the technical parameters subject to review.

Credit limits are continuously monitored and adjusted in response to customer behavior. Consequently, potential loss amounts constitute a fraction of total available funds.

*Values expressed in thousands, except when indicated

v) Assets under management, including investment and pension funds, managed by the Bank

Assets owned by third parties and managed by the consolidated entities are not presented in the consolidated financial statements. Management fees are included in "Fee and commission income" in the consolidated income statement. **Note 43-b** contains information on the third-party assets managed by the Bank.

The investment funds and pension funds managed by the consolidated entities are not recorded in the consolidated financial statements since the related assets are owned by third parties. The fees and commissions earned in the year for the services rendered by the Bank entities to these funds (asset management and custody services) are recognized in the heading "Fee and commission income" in the consolidated income statement.

w) Post-employment benefits

The post-employment benefit plans include the commitments made by the Bank to: (i) supplement the benefits of the public pension system; and (ii) provide medical assistance in the event of retirement, permanent disability, or death to eligible employees and their direct beneficiaries.

Defined contribution plans

The defined contribution plan is a post-employment benefit plan under which the Bank and its subsidiaries, as the sponsoring entities, contribute fixed amounts to a pension fund. There is no legal or constructive obligation for the sponsoring entities to make additional contributions if the fund lacks sufficient assets to fulfill all benefits associated with services rendered in the current and prior periods.

The contributions made in this regard are recognized as "Interest and Similar Expenses" in the income statement.

Defined benefit plans

The defined benefit plan is a post-employment benefit plan that is not a Defined Contribution Plan, as detailed in **note 21**. Under this plan, the sponsoring entity has the obligation to deliver the agreed-upon benefits to employees, bearing the potential actuarial risk that the benefits may cost more than anticipated.

For defined benefit plans, the most recent update to IAS 19 - Employee Benefits has introduced significant changes in the accounting and disclosure of post-employment benefits, including the elimination of the corridor mechanism in the recognition of plan obligations, as well as modifications in the criteria for recognizing interest income on plan assets (valuation based on the actuarial obligation discount rate).

Additionally, full recognition is made in the liability account for actuarial losses (actuarial deficit) that have not been previously recognized, with a corresponding entry in the equity account under "Other Comprehensive Income".

Main Definitions

- The present value of a defined benefit obligation represents the present value, excluding any deduction of plan assets, of the expected future payments required to settle the obligation arising from the employee's service in both the current and prior periods.
- Deficit or surplus represents: (a) the present value of the defined benefit obligation; minus (b) the fair value of the plan's assets.
- The sponsoring entity may recognize the plan's assets on the balance sheet when they exhibit the following characteristics: (i) the fund's assets are sufficient to cover all obligations related to employee benefits of the plan or the sponsoring entity; or (ii) the assets are returned to the sponsoring entity with the objective of reimbursing it for benefits already disbursed to employees.
- Actuarial gains and losses are changes in the present value of the defined benefit obligation stemming from: (a) experience adjustments (impacts of differences between the actuarial assumptions adopted and the actual outcomes); and (b) the effects of changes in actuarial assumptions.
- The current service cost refers to the increase in the present value of the defined benefit obligation attributable to the employee's service during the current period.
- The past service cost corresponds to the change in the present value of the defined benefit obligation for services provided by employees in prior periods, resulting from amendments to the plan or a reduction in the number of employees covered.

Post-employment benefits are recognized in the income statement under Interest Expenses and Similar Expenses and Provisions (Net).

Defined benefit plans are recognized based on an actuarial study, conducted annually by an external consulting firm at the end of each financial year, and are effective for the subsequent period.

x) Other long-term employee benefits

Other long-term employee benefits, defined as obligations to early retirement beneficiaries - those who have ceased to render services to an entity but, without being legally retired, continue to hold economic rights with respect to the entity until they achieve legal retirement status -

*Values expressed in thousands, except when indicated

time-based bonuses for accounting purposes, as applicable, in accordance with the approach previously established for defined benefit post-employment plans, with the exception that all past service costs and actuarial gains and losses are recognized immediately (**note 21**).

y) Termination benefits

Termination benefits are recognized when a detailed formal plan, identifying the fundamental changes to be implemented, is in place. Recognition occurs provided that the implementation of the plan has commenced, its key features have been publicly announced, or objective facts concerning its implementation have been disclosed.

z) Corporate Income Tax (IRPJ), Social Contribution on Net Profit (CSLL), Social Integration Program (PIS), and Contribution for the Financing of Social Security (COFINS)

The income tax expense is derived from the sum of Income Tax, Social Contribution, PIS, and COFINS. The current Income Tax and Social Contribution are determined by applying their respective rates to taxable income, while the rates for PIS and COFINS are applied to their specific calculation bases as defined in the relevant legislation. This calculation also includes adjustments for changes in deferred tax assets and liabilities as recognized in the consolidated income statement. For income tax expenses resulting from transactions directly recognized in equity, the corresponding tax effect is likewise recognized in equity.

The Corporate Income Tax (IRPJ) liability is calculated at a rate of 15%, plus an additional 10%, applied to the profit after making the adjustments required by tax legislation. The Social Contribution on Net Profit (CSLL) is calculated at a rate of 15% for financial institutions, private insurance companies, and capitalization entities, and 9% for other businesses, levied on the profit after the adjustments required by tax legislation have been considered.

The Social Contribution on Net Income (CSLL) rate for all banks, financial institutions, private insurance companies, and capitalization entities (businesses operating within the financial sector) was increased by 1% for the base period from August 1, 2022 to December 1, 2022, as stipulated by Provisional Measure No. 1,115/2022.

The Social Integration Program (PIS) and the Contribution for the Financing of Social Security (COFINS) are calculated at a combined rate of 4.65% on certain gross revenues and expenses. Financial institutions are allowed to deduct specific financial expenses when calculating the tax base for PIS and COFINS. PIS and COFINS are recognized as components of profit (net of certain income and expenses); thus, in accordance with IAS 12, they are accounted for as income tax.

Tax Assets and Liabilities (excluding provisions for taxes) classified as "Current" are tax amounts to be recovered and tax amounts payable over the coming 12 months.

Deferred tax assets and liabilities of IR and CS comprise temporary differences, identified as the amounts expected to be paid or recovered arising from differences between the carrying amounts of assets and liabilities and their respective tax bases, as well as accumulated tax credits and losses. These amounts are measured at the tax rates expected to be applied in the period when the asset is realized or the liability is settled, and are reassessed at each balance sheet date.

Deferred tax assets are recognized only to the extent that it is probable that the consolidated entities will generate sufficient future taxable profits against which these deferred tax assets can be utilized. Furthermore, deferred tax assets must not arise from the initial recognition (except in the context of a business combination) of other assets and liabilities in transactions that do not impact either the actual profit or the accounting profit. Other deferred tax assets, such as tax credits and accumulated tax losses, are only recognized if it is considered probable that the consolidated entities will have sufficient future taxable profits against which they can be utilized.

Income and expenses directly recognized in equity are accounted for as temporary differences.

The Bank's expectation for the realization of deferred tax assets is based on future results projections and underpinned by a technical study, as detailed in **note 23**.

aa) Consolidated statement of cash flows

The terms outlined below are employed in the Consolidated Statement of Cash Flows with the respective meanings:

- Cash flows: inflows and outflows of cash and cash equivalents, which are highly liquid financial investments subject to an insignificant risk of value changes and typically have a maturity of approximately three months or less from the original acquisition date.
- Operating activities: the principal activities that generate revenue for financial institutions and other activities that are not related to financing or investment activities.
- Investing activities: the acquisition and sale of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities: activities that result in changes in the amount and composition of equity and liabilities that are not operating activities.

When preparing the consolidated statement of cash flows, highly liquid financial investments with insignificant risk of changes in their values were classified as "Cash and cash equivalents". The Bank classifies as cash and cash equivalents the balances recorded in the items "Cash and

*Values expressed in thousands, except when indicated

reserves at the Central Bank of Brazil" and "Loans and other amounts with credit institutions" in the consolidated balance sheet, except for resources for restricted use and long-term operations term.

Interest paid and received corresponds to Banco Santander's operating activities.

3. Basis for consolidation

Highlighted below are both the direct and indirect subsidiaries, as well as investment funds included in the Consolidated Financial Statements of Banco Santander. Similar information regarding entities accounted for using the equity method by the Bank is provided in **note 11**.

Investments	Business Segment	Number of Shares or Units Held (in Thousands)			Ownership Interest
		Ordinary Shares and Quotas	Preferred Shares	Equity interest of Banco Santander	
Controlled by Banco Santander					
Aymoré Crédito, Financiamento e Investimento S.A.	Financial	50,159	—	100.00%	100.00%
Esfera Fidelidade S.A.	Services Provision	10,001	—	100.00%	100.00%
Return Capital Gestão de Ativos e Participações S.A. (New name for Gira, Gestão Integrada de Recebíveis do Agronegócio S.A.)	Debt Collection and Credit Recovery Management	486,010	—	100.00%	100.00%
Em Dia Serviços Especializados em Cobrança Ltda	Debt Collection and Credit Recovery Management	257,306	—	100.00%	100.00%
Rojo Entretenimento S.A.	Service Provision	7,417	—	95.00%	95.00%
Sanb Promotora de Vendas e Cobrança Ltda.	Provision of Digital Media Services	71,181	—	100.00%	100.00%
Sancap Investimentos e Participações S.A. (Sancap)	Holding	23,538,159	—	100.00%	100.00%
Santander Brasil Administradora de Consórcio Ltda. (Santander Brasil Consórcio)	Consortium	872,186	—	100.00%	100.00%
Santander Corretora de Câmbio e Valores Mobiliários S.A.	Brokerage	14,067,640	14,067,640	100.00%	100.00%
Santander Corretora de Seguros, Investimentos e Serviços S.A.	Brokerage	7,184	—	100.00%	100.00%
Santander Holding Imobiliária S.A.	Holding	558,601	—	100.00%	100.00%
Santander Leasing S.A. Arrendamento Mercantil (Santander Leasing)	Leasing	164	—	100.00%	100.00%
F1RST Tecnologia e Inovação Ltda.	Provision of Technology Services	241,941	—	100.00%	100.00%
SX Negócios Ltda.	Provision of Call Center Services	75,050	—	100.00%	100.00%
Tools Soluções e Serviços Compartilhados LTDA	Services Provision	192,000	—	100.00%	100.00%
Subsidiaries of Aymoré Credit, Financing and Investment S.A.					
Banco Hyundai Capital Brasil S.A.	Bank	150,000	—	50.00%	50.00%
Solution 4Fleet Consultoria Empresarial S.A.	Technology	500,411	—	100.00%	100.00%
Subsidiary of Santander Leasing					
Banco Bandepe S.A.	Bank	3,589	—	100.00%	100.00%
Santander Distribuidora de Títulos e Valores Mobiliários S.A.	Securities Dealer	461	—	100.00%	100.00%
Subsidiaries of Sancap					
Santander Capitalização S.A.	Capitalization	64,615	—	100.00%	100.00%
Evidence Previdência S.A.	Pension	42,819,564	—	100.00%	100.00%
Subsidiary of Santander Corretora de Seguros					
América Gestão Serviços em Energia S.A.	Energy	653	—	70.00%	70.00%
Fit Economia de Energia S.A.	Energy Trading	10,400	—	65.00%	65.00%
Subsidiary of Santander Holding Imobiliária S.A.					
Summer Empreendimentos Ltda.	Real Estate	17,084	—	100.00%	100.00%
Subsidiary of Santander Distribuidora de Títulos e Valores Mobiliários S.A.					
Toro Corretora de Títulos e de Valores Mobiliários Ltda.	Broker	21,559	—	59.64%	59.64%
Toro Investimentos S.A.	Investments	44,101	—	13.23%	13.23%
Subsidiary of Toro Corretora de Títulos e de Valores Mobiliários Ltda.					
Toro Investimentos S.A.	Investments	289,362	—	86.77%	86.77%
Jointly Controlled by Sancap					

*Values expressed in thousands, except when indicated

Santander Auto S.A.	Technology	22,452	—	50.00%	50.00%
Subsidiary of Toro Investimentos S.A.					
Toro Asset Management S.A.	Investments	918,264	—	100.00%	100.00%

Consolidated Investment Funds

- Santander Fundo de Investimento Amazonas Multimercado Crédito Privado de Investimento no Exterior (Santander FI Amazonas);
 - Santander Fundo de Investimento Diamantina Multimercado Crédito Privado de Investimento no Exterior (Santander FI Diamantina);
 - Santander Fundo de Investimento Guarujá Multimercado Crédito Privado de Investimento no Exterior (Santander FI Guarujá);
 - Santander Fundo de Investimento SBAC Referenciado DI Crédito Privado (Santander FI SBAC);
 - Santander Paraty QIF PLC (Santander Paraty) (2);
 - Prime 16 – Fundo de Investimento Imobiliário (current name of BRL V - Fundo de Investimento Imobiliário - FII) (1);
 - Santander FI Hedge Strategies Fund (Santander FI Hedge Strategies) (2);
 - Fundo de Investimento em Direitos Creditórios Multisegmentos NPL Ipanema VI - Não Padronizado (Fundo Investimento Ipanema NPL VI) (3);
 - Santander Hermes Multimercado Crédito Privado Infraestrutura Fundo de Investimentos;
 - Fundo de Investimentos em Direitos Creditórios Atacado – Não Padronizado (3);
 - Atual - Fundo de Investimento Multimercado Crédito Privado Investimento no Exterior;
 - Fundo de Investimentos em Direitos Creditórios – Getnet;
 - Agro Flex Fundo de Investimento em Direitos Creditórios (3);
 - San Créditos Estruturados – Fundo de Investimento em Direitos Creditórios Não Padronizado (3);
 - D365 – Fundo De Investimento em Direitos Creditórios (3);
 - Fundo de Investimento em Direitos Creditórios Tellus (3);
 - Fundo de Investimento em Direitos Creditórios Precato IV (3);
 - Santander Hera Renda Fixa Fundo Incentivado de Investimento em Infraestrutura Responsabilidade Limitada;
 - Ararinha Fundo de Investimento em Renda Fixa Longo Prazo; and
 - Hyundai Fundo de Investimento em Direitos Creditórios.
- (1) Banco Santander was listed as a creditor in certain overdue credit transactions that had real estate as collateral. The operation to recover these credits consisted of contributing the real estate as collateral to the capital of the Real Estate Investment Fund and subsequently transferring the Fund's shares to Banco Santander, through payment in kind for the aforementioned credit transactions.
- (2) Banco Santander, through its subsidiaries, holds the risks and benefits of Santander Paraty and its exclusive fund Santander FI Hedge Strategies, resident in Ireland, and both are fully consolidated in its Consolidated Financial Statements. Santander Paraty does not have its own equity position, and all records originate from the financial position of Santander FI Hedge Strategies.
- (3) Fund controlled by Return Capital Gestão de Ativos e Participações S.A.

Corporate actions have been undertaken to reorganize the operations and activities of the entities in accordance with the business plan of the Santander Conglomerate.

a) Incorporation of Return Capital S.A. by Return Capital Gestão de Ativos e Participações S.A.

On September 30, 2024, Return Capital S.A. ("Return Capital") was fully incorporated by Return Capital Gestão de Ativos e Participações S.A. (new name of Gira, Gestão Integrada de Recebíveis do Agronegócio S.A.) ("Return Participações"). The incorporation resulted in an increase in the share capital of Return Participações, in the amount of R\$8,540,942,366.72 (eight billion, five hundred and forty million, nine hundred and forty-two thousand, three hundred and sixty-six reais and seventy-two centavos), through the issuance of 439,224,359 (four hundred and thirty-nine million, two hundred and twenty-four thousand, three hundred and fifty-nine) new common shares. As a result of the incorporation, Return Capital was extinguished by operation of law, being succeeded by Return Participações in all its rights and obligations.

b) Incorporation of Mobills Labs Soluções Em Tecnologia Ltda by Toro Investimentos S.A.

On June 30, 2024, Mobills Labs Soluções em Tecnologia Ltda. ("Mobills Labs") was fully incorporated and its equity was absorbed by its direct parent company, Toro Investimentos S.A. ("Toro Investimentos"), in accordance with the conditions established in the Protocol and Justification of the transaction. The implementation of the full incorporation of Mobills Labs did not imply an increase in the share capital of

*Values expressed in thousands, except when indicated

Toro Investimentos, since all of the shares issued by Mobills Labs were held by Toro Investimentos and, therefore, already reflected in the investment account by equivalence.

c) Incorporation of Apê11 Tecnologia e Negócios Imobiliários S.A. by Santander Holding Imobiliária S.A.

On June 28, 2024, Apê11 Tecnologia e Negócios Imobiliários S.A. ("Apê11") was fully incorporated, with its assets absorbed by its direct parent company, Santander Holding Imobiliária S.A. ("SHI"), in accordance with the conditions established in the Protocol and Justification of the transaction. The implementation of the full incorporation of Apê11 did not imply an increase in SHI's share capital, since all of Apê11's shares were held by SHI and, therefore, were already reflected in its equity investment account.

On December 22, 2023, Santander Holding Imobiliária S.A. ("SHI"), a wholly-owned subsidiary of Banco Santander (Brasil) S.A., entered into, together with the shareholders of Apê11 Tecnologia e Negócios Imobiliários S.A. ("Apê11"), a certain Share Purchase and Sale Agreement to acquire the remaining 10% of the share capital of Apê11 ("Transaction"). As a result of the Transaction, SHI now holds 100% of the share capital of Apê11.

d) Partnership between Banco Santander (Brasil) S.A. and Pluxee International and Pluxee Pay Brasil Ltda.

On June 27, 2024, following the completion of the conditions precedent of the transaction announced on July 24, 2023, Banco Santander (Brasil) S.A. concluded the establishment of a partnership with the Pluxee Group (previously called Sodexo).

The economic rationale of the transaction is essentially based on: (i) the synergies arising from the combination of the businesses of Pluxee Instituição de Pagamento Brasil S.A. (current name of "Ben Benefícios e Serviços Instituição de Pagamentos S.A.") with the Pluxee Group in Brazil and (ii) the company's ability to explore Santander's customer base to offer its products and services (i.e. the capillarity of Santander's counter).

For the formation of the partnership, Banco Santander contributed the amount equivalent to R\$2,044 million attributed: (i) to its investment in its benefits subsidiary, Pluxee Instituição de Pagamento Brasil S.A. (current name of "Ben Benefícios e Serviços Instituição de Pagamentos S.A."); (ii) to a portion of cash resources; (iii) to the exclusivity agreement for the exploration of its customer base.

As a result of the transaction, Banco Santander and Grupo Pluxee now hold 20% and 80% stakes, respectively, in the share capital of Pluxee Benefícios Brasil S.A. ("Pluxee"), the partnership investment vehicle.

e) Incorporation of Mobills Corretora de Seguros Ltda. by Toro Asset Management S.A.

On May 31, 2024, Mobills Corretora de Seguros Ltda. ("Mobills Corretora") was fully incorporated and its equity was absorbed by its direct parent company, Toro Asset Management S.A. ("Toro Asset"), in accordance with the conditions established in the Protocol and Justification of the transaction. The implementation of the full incorporation of Mobills Corretora did not imply an increase in Toro Asset's share capital, since all of Mobills Corretora's shares were held by Toro Asset and, therefore, already reflected in an investment account by equivalence.

f) Acquisition of the remaining portion of Return Capital Gestão de Ativos e Participações S.A. (new name of Gira, Gestão Integrada de Recebíveis do Agronegócio S.A.) by Return Capital S.A.

On May 17, 2024, Return Capital S.A. ("Return"), a wholly-owned subsidiary of Banco Santander (Brasil) S.A., entered into a Share Purchase and Sale Agreement with the minority shareholders of Return Capital Gestão de Ativos e Participações S.A. (new name of Gira, Gestão Integrada de Recebíveis do Agronegócio S.A.) ("Gira") to acquire the 20% of Gira's share capital held by the minority shareholders ("Transaction"). As a result of the Transaction, Banco Santander (Brasil) S.A. indirectly held 100% of Gira's share capital.

g) Acquisition of stake and investment in América Gestão Serviços em Energia S.A.

On March 12, 2024, Santander Corretora de Seguros, Investimentos e Serviços S.A. ("Santander Corretora") formalized, together with the shareholders of América Gestão Serviços em Energia S.A. ("América Energia"), a Share Purchase and Sale Agreement and Other Covenants with a view to acquiring 70% of the total and voting share capital of América Energia ("Transaction"). The completion of the Transaction was subject to the fulfillment of certain usual suspensive conditions in similar transactions, including obtaining the relevant regulatory authorizations. On July 4, 2024, with the completion of the Transaction, Santander Corretora came to hold 70% of the share capital of América Energia.

h) Acquisition of stake and investment in Fit Economia de Energia S.A.

On March 6, 2024, Santander Corretora de Seguros, Investimentos e Serviços S.A. concluded, in compliance with the applicable precedent conditions, the transaction for acquisition and investment in Fit Economia de Energia S.A. ("Company"), so that it now holds 65% of the Company's share capital ("Transaction").

i) Acquisition of the entire shareholding in Toro Participações S.A. and incorporation by Toro Corretora de Títulos e Valores Mobiliários S.A.

On January 3, 2024, after fulfilling the conditions precedent, Banco Santander concluded the transaction to acquire all of the shares of Toro Participações, so that it indirectly hold 100% of the share capital of Toro Corretora de Títulos e Valores Mobiliários S.A. and Toro Investimentos S.A. On February 29, 2024, the incorporation of Toro Participações S.A. by Toro Corretora de Títulos e Valores Mobiliários S.A. was approved.

j) Total incorporation of Mob Soluções em Tecnologia Ltda. by Mobills Labs Soluções em Tecnologia Ltda.

*Values expressed in thousands, except when indicated

On October 31, 2023, Mob Soluções em Tecnologia Ltda. ("Mob") was fully incorporated and its equity was absorbed by its direct parent company, Mobills Labs Soluções em Tecnologia Ltda. ("Mobills"), in accordance with the conditions established in the Protocol and Justification of the transaction. The implementation of the full incorporation of Mob did not imply an increase in Mobills share capital, since all of Mob's shares were held by Mobills and, therefore, already reflected in the equity investment account.

k) Sale of the entire stake held in Banco PSA Finance Brasil S.A. and Stellantis Corretora de Seguros e Serviços Ltda.

On August 31, 2023, Aymoré Crédito, Financiamento e Investimento S.A. ("Aymoré") and Santander Corretora de Seguros, Investimentos e Serviços S.A. ("Santander Corretora de Seguros") concluded the transaction for the sale of equity interests held (a) by Aymoré, representing 50% (fifty percent) of the share capital of Banco PSA Finance Brasil S.A. ("Banco PSA"), to Stellantis Financial Service, S.A. and (b) by Santander Corretora de Seguros, representing 50% (fifty percent) of the share capital of Stellantis Corretora de Seguros e Serviços Ltda. ("Stellantis Corretora"), to Stellantis Services Ltda. ("Transaction").

With the conclusion of the Transaction, Aymoré ceased to hold an equity interest in Banco PSA and Santander Corretora de Seguros ceased to hold an equity interest in Stellantis Corretora.

l) Safe of a portion of Santander Corretora in Webmotors S.A. to Carsales.com Investments PTY LTD.

On April 28, 2023, Santander Corretora de Seguros, Investimentos e Serviços S.A. ("Santander Corretora") concluded the sale of shares representing 40% of the share capital of Webmotors S.A. ("Webmotors") to Carsales.com Investments PTY LTD ("Carsales") ("Transaction"). With the conclusion of the Transaction, Santander Corretora became the holder of 30% and Carsales of 70% of the share capital of Webmotors.

4. Cash and cash equivalents

Thousand of Reais	2024	2023	2022
Cash	3,639,280	3,770,483	4,001,885
Cash and Cash Equivalents and Investments in Foreign Currency Overseas	33,444,974	19,352,067	18,001,554
Repurchase Agreements	28,103,405	65,766,340	27,344,519
Investments in Interbank Deposit Certificates (CDI)	2,013,246	528,870	217,376
Total	67,200,905	89,417,760	49,565,334

Information related to December 31, 2022, are presented to inform the composition of the opening balances of Cash and Cash Equivalents presented in the Consolidated Statement of Cash Flows.

5. Loans and other receivables from credit institutions

The breakdown, by classification, type, and currency, of the balances under the "Loans and Other Receivables from Credit Institutions" line item in the consolidated balance sheets is as follows:

Thousand of Reais	2024	2023
Classification:		
Financial assets measured at amortized cost	30,177,627	25,716,845
Comprising:		
Loans and other receivables from credit institutions at amortized cost	30,179,048	25,724,609
Provision for impairment losses (note 9.c)	(1,421)	(7,764)
Loans and other receivables from credit institutions, net	30,177,627	25,716,845
Loans and other receivables from credit institutions, gross	30,179,048	25,724,609
Type:		
Time deposit investments	14,667,515	10,337,746
Repurchase agreements (1)	3,032,113	2,980,557
Judicial deposits	12,356,984	10,730,571
Other accounts	122,436	1,675,735
Total	30,179,048	25,724,609

(1) Secured by debt instruments

*Values expressed in thousands, except when indicated

Thousand of Reais	2024	2023
Currency:		
Brazilian Real	27,299,731	23,885,181
U.S. Dollar	2,235,826	775,000
Euro	643,491	1,064,428
Total	30,179,048	25,724,609

Note 43-d provides details on the residual maturity periods of financial assets measured at amortized cost.

6. Debt instruments

The breakdown, by classification, type, and currency, of the balances within the "Debt Instruments" line item is as follows:

Thousand of Reais	2024	2023
Classification:		
Financial Assets Measured at Fair Value Through Profit or Loss	107,585,055	84,291,192
Financial Assets Measured at Fair Value through Other Comprehensive Income	92,058,907	59,036,137
Financial Assets Measured at Amortized Cost	84,529,222	101,087,321
Comprising:		
Debt instruments at Amortized Cost	86,598,778	102,673,487
Provision for impairment losses (note 9.c)	(2,069,556)	(1,586,166)
Total	284,173,184	244,414,650
Type:		
Government securities - Brazil (1)	190,643,118	148,750,440
Debentures and promissory notes	70,450,135	49,083,296
Other debt securities	23,079,931	46,580,914
Total	284,173,184	244,414,650

(1) These primarily refer to National Treasury Bills (LTN), Treasury Financial Bills (LFT), and National Treasury Notes (NTN-A, NTN-B, NTN-C, and NTN-F).

The Debt Instruments primarily consist of:

Thousand of Reais	2024	2023
Currency:		
Brazilian Real	262,560,537	227,117,943
U.S. Dollar	19,541,153	14,748,652
Mexican Peso	2,071,494	2,548,055
Total	284,173,184	244,414,650

Thousand of Reais	2024	2023
Debt Instruments linked to:		
Repurchase Agreements	84,894,642	61,802,969
Operations guarantees in B3 S.A. - Brasil, Bolsa, Balcão (B3 S.A.)	22,083,244	16,924,556
Linked to judicial deposits and other guarantees	12,736,275	18,283,802
Total	119,714,161	97,011,327

Note 43-d provides details on the residual maturity periods of financial assets measured at fair value through Other Comprehensive Income and financial assets measured at amortized cost.

*Values expressed in thousands, except when indicated

7. Equity instruments

a) Breakdown

The breakdown, by classification and type, of the balances in the "Equity Instruments" line item is as follows:

Thousand of Reais	2024	2023
Classification:		
Financial Assets Measured at Fair Value Through Profit or Loss	2,968,823	3,422,154
Financial Assets Measured at Fair Value Through Other Comprehensive Income	19,633	15,953
Total	2,988,456	3,438,107
Type:		
Shares of domestic companies	2,048,007	1,955,931
Shares of foreign companies	54,886	99,424
Investment funds (1)	885,563	1,382,752
Total	2,988,456	3,438,107

(1) Primarily composed of investments in fixed income assets and both government and private securities.

b) Changes

The changes in the balances of the line item "Equity Instruments - Financial Assets Measured at Fair Value through Profit or Loss" were as follows:

Thousand of Reais	2024	2023	2022
Balance at the beginning of the fiscal year	3,422,154	2,605,279	2,498,317
Additions/Disposals (Net)	(453,331)	816,875	106,962
Balance at the end of the fiscal year	2,968,823	3,422,154	2,605,279

The changes in the balances of the line item "Equity Instruments - Financial Assets Measured at Fair Value through Other Comprehensive Income" were as follows:

Thousand of Reais	2024	2023	2022
Balance at the beginning of the fiscal year	15,953	33,493	29,187
Additions/Disposals (Net)	3,680	(17,540)	4,306
Balance at the end of the fiscal year	19,633	15,953	33,493

*Values expressed in thousands, except when indicated

8. Derivative financial instruments

The primary risk factors associated with the derivative instruments undertaken relate to exchange rates, interest rates, and equity income. In managing these and other market risk factors, the Bank employs practices that encompass the measurement and monitoring of the utilization of limits previously established by internal committees, the portfolios' value at risk, sensitivities to interest rate fluctuations, foreign exchange exposure, liquidity gaps, among other practices that enable the control and monitoring of risks, which could potentially impact Banco Santander's positions across the various markets in which it operates. Based on this management model, the Bank has been able to optimize the risk-reward ratio, even amidst conditions of significant volatility, through the use of operations involving derivative instruments.

The fair value of derivative financial instruments is determined using market price quotations when available. The fair value of swaps is calculated through discounted cash flow modeling techniques, reflecting appropriate risk factors. The fair value of forward and futures contracts is also determined based on market price quotations for exchange-traded derivatives or employing methodologies similar to those used for swaps. The fair value of options is calculated using mathematical models, such as the Black-Scholes model, implied volatilities, and the fair value of the corresponding asset. Current market prices are utilized to determine volatilities. For derivatives that do not have prices directly disclosed by exchanges, the fair value is ascertained through pricing models that leverage market information, inferred from the disclosed prices of more liquid assets. This process involves extracting interest rate curves and market volatilities from these prices, which are then used as input data for the models.

a) Derivative Financial Instruments

a.1) Derivative Financial Instruments Recorded in the Off-Balance Sheet and Equity Accounts.

Overview of Trading and Hedging Derivatives Portfolio

	2024	2023
Assets		
Swap Differential Receivables	16,710,659	12,360,719
Premiums on Unexercised Options	4,960,933	2,635,506
Forward Contracts and Others	18,534,707	14,298,496
Total	40,206,299	29,294,721
Liabilities		
Swap Differential Payables	16,746,167	13,226,716
Premiums on Issued Options	4,455,074	2,685,361
Forward Contracts and Others	18,209,033	9,028,351
Total	39,410,274	24,940,428

*Values expressed in thousands, except when indicated

Breakdown by Category

	2024			2023		
	Notional Value (1)	Curve Value	Fair Value	Notional Value(1)	Curve Value	Fair Value
Trading						
Swap	858,277,413	(5,247,457)	(35,508)	811,921,798	(1,927,124)	(865,997)
Assets	421,892,846	11,989,199	16,710,659	402,812,781	9,193,215	12,360,719
Interest Rate	212,769,602	8,288,494	9,155,516	188,604,258	5,054,833	6,383,261
Foreign Currency	207,863,441	3,593,516	7,449,012	212,970,458	4,136,463	5,977,193
Other	1,259,803	107,189	106,131	1,238,065	1,919	265
Liabilities	436,384,567	(17,236,656)	(16,746,167)	409,109,017	(11,120,339)	(13,226,716)
Interest Rates	300,101,297	(13,645,096)	(13,848,265)	262,437,458	(9,117,639)	(9,680,343)
Foreign Currency	133,470,413	(3,588,425)	(2,726,684)	143,788,702	(1,907,489)	(3,332,851)
Others	2,812,857	(3,135)	(171,218)	2,882,857	(95,211)	(213,522)
Options	538,580,487	(1,728,092)	505,859	857,662,210	(1,112,873)	(49,854)
Purchase Commitments	248,136,848	2,889,580	4,960,933	419,095,673	2,252,815	2,635,507
Foreign Currency Call Options	17,652,929	1,170,432	2,035,002	7,711,827	497,534	426,074
Foreign Currency Put Options	10,969,754	449,432	297,814	5,326,447	408,144	489,785
Other Call Options	25,078,274	769,593	2,530,004	89,142,771	661,537	1,183,085
Interbank Market	4,228,408	420,720	1,456,616	3,729,452	217,219	265,824
Others ⁽²⁾	20,849,866	348,873	1,073,388	85,413,319	444,318	917,261
Put Option - Other	194,435,891	500,123	98,113	316,914,628	685,600	536,563
Interbank Market	553,161	111,802	80,262	543,157	46,852	30,439
Other ⁽²⁾	193,882,730	388,321	17,851	316,371,471	638,748	506,124
Sale Commitments	290,443,639	(4,617,672)	(4,455,074)	438,566,536	(3,365,688)	(2,685,360)
Foreign Currency Call Options	10,516,526	(597,168)	(786,706)	3,453,152	(288,349)	(466,324)
Foreign Currency Put Options	11,046,513	(555,932)	(275,212)	4,642,411	(288,799)	(431,952)
Other Call Options	57,500,051	(2,868,865)	(3,203,477)	113,106,162	(2,029,925)	(999,258)
Interbank Market	21,145,788	(2,104,995)	(1,578,796)	17,295,280	(1,479,724)	(710,121)
Other ⁽²⁾	36,354,263	(763,870)	(1,624,681)	95,810,882	(550,201)	(289,137)
Other Put Options	211,380,549	(595,707)	(189,679)	317,364,811	(758,615)	(787,826)

*Values expressed in thousands, except when indicated

Interbank Market	1,395,691	(155,776)	(29,908)	370,221	(24,912)	(23,004)
Other ⁽²⁾	209,984,858	(439,931)	(159,771)	316,994,590	(733,703)	(764,822)
Futures Contracts	785,337,224	-	-	325,170,915	-	-
Long Position	396,239,839	-	-	164,682,752	-	-
Exchange Coupon (DDI)	143,814,584	-	-	41,331,942	-	-
Interest Rates (DI1 and DIA)	135,768,788	-	-	48,254,715	-	-
Foreign Currency	106,481,787	-	-	68,838,058	-	-
Indexes ⁽³⁾	7,717,797	-	-	5,269,712	-	-
Others	2,456,883	-	-	988,325	-	-
Short Position	389,097,385	-	-	160,488,163	-	-
Exchange Coupon (DDI)	143,814,584	-	-	41,331,942	-	-
Interest Rate (DI1 and DIA)	138,131,331	-	-	48,339,061	-	-
Foreign Currency	96,976,790	-	-	64,559,123	-	-
Index ⁽³⁾	7,717,797	-	-	5,269,712	-	-
Treasury Bonds/Notes	2,456,883	-	-	988,325	-	-
Forward Contracts and Others	443,722,256	6,675,015	325,674	331,009,278	3,288,881	5,270,145
Purchase Commitments	226,379,907	13,065,871	18,534,707	167,191,253	17,249,113	14,298,496
Currencies	176,481,430	4,649,383	2,617,536	134,610,617	17,042,331	4,932,719
Other	49,898,477	8,416,488	15,917,171	32,580,636	206,782	9,365,777
Sale Commitments	217,342,349	(6,390,856)	(18,209,033)	163,818,025	(13,960,232)	(9,028,351)
Currencies	177,766,056	(5,934,009)	(6,151,264)	130,779,288	(13,211,003)	(1,766,190)
Other	39,576,293	(456,847)	(12,057,769)	33,038,737	(749,229)	(7,262,161)

(1) Adjusted nominal value of the contracts minus value of updated contracts.

(2) Includes index options, primarily options related to U.S. Treasury, stocks, and stock indices.

(3) Includes Bovespa and S&P indices.

*Values expressed in thousands, except when indicated

a.2) Derivatives Financial Instruments by Counterparty

Notional				2024
		Related	Financial	
	Customers	Parties	Institutions (1)	Total
Swap	248,822,684	408,569,543	200,885,186	858,277,413
Options	72,193,642	7,707,652	458,679,193	538,580,487
Futures Contracts	13,890,950	3,628,688	767,817,586	785,337,224
Forward Contracts and Others	180,609,297	193,284,055	69,828,904	443,722,256

(1) Includes transactions that have as counterparty B3 S.A. - Brasil, Bolsa, Balcão (B3) and other stock and commodities exchanges.

Notional				2023
		Related	Financial	
	Customers	Parties	Institutions ⁽¹⁾	Total
Swap	185,745,740	224,140,567	402,035,491	811,921,798
Options	37,900,600	2,114,539	817,647,071	857,662,210
Futures Contracts	9,280,965	-	315,889,950	325,170,915
Forward Contracts and Others	152,776,820	118,459,171	59,773,287	331,009,278

(1) Includes transactions that have as counterparty B3 S.A. - Brasil, Bolsa, Balcão (B3) and other stock and commodities exchanges.

a.3) Derivatives Financial Instruments by Maturity

Notional				2024
		Up to	From 3 to	Over
		3 Months	12 Months	12 Months
Swap	118,831,333	142,493,857	596,952,223	858,277,413
Options	80,264,346	375,497,526	82,818,615	538,580,487
Futures Contracts	415,684,910	197,209,979	172,442,335	785,337,224
Forward Contracts and Others	273,869,288	104,483,252	65,369,716	443,722,256

*Values expressed in thousands, except when indicated

Notional	2023			Total
	Up to 3 Months	From 3 to 12 Months	Over 12 Months	
Swap	148,297,616	146,064,207	517,559,975	811,921,798
Options	695,558,723	110,627,263	51,476,224	857,662,210
Futures Contracts	168,364,771	70,492,546	86,313,598	325,170,915
Forward Contracts and Others	187,900,674	90,382,978	52,725,626	331,009,278

a.4) Derivative Financial Instruments by Trading Market

Notional	2024		Total
	Stock Exchanges ⁽¹⁾	Over-the- Counter Market	
Swap	167,924,413	690,353,000	858,277,413
Options	415,336,707	123,243,780	538,580,487
Futures Contracts	781,708,536	3,628,688	785,337,224
Forward Contracts and Others	55,754,746	387,967,510	443,722,256

(1) Includes trades with B3 S.A.

Notional	2023		Total
	Stock Exchanges ⁽¹⁾	Over-the- Counter Market	
Swap	93,891,621	718,030,177	811,921,798
Options	782,343,569	75,318,641	857,662,210
Futures Contracts	325,170,915	-	325,170,915
Forward Contracts and Others	28,054,581	302,954,697	331,009,278

(1) Includes trades with B3 S.A.

*Values expressed in thousands, except when indicated

a.5) Information on Credit Derivatives

Banco Santander uses credit derivatives with the objectives of performing counterparty risk management and meeting its customers' demands, performing protection purchase and sale transactions through credit default swaps and total return swaps, primarily related to Brazilian sovereign risk securities.

Total Return Swaps – TRS

These are credit derivatives in which the return from the reference obligation is exchanged for a cash flow, and where upon the occurrence of a credit event, the protection buyer typically has the right to receive from the protection seller the equivalent of the difference between the updated value and the fair value (fair value) of the benchmark obligation at the contract's settlement date.

Credit Default Swaps – CDS

These are credit derivatives where, upon the occurrence of a credit event, the protection buyer is entitled to receive from the protection seller an amount equal to the difference between the face value of the CDS contract and the fair value (fair value) of the benchmark obligation at the settlement date of the contract. In exchange, the seller receives a fee for providing the protection.

Below, the composition of the Credit Derivatives portfolio shown by its reference value.

	2024		2023	
	Nominal Value Retained Risk Total Return Swap Rate	Nominal Value Transferred Risk - Credit Swap	Nominal Value Retained Risk Total Return Swap Rate	Nominal Value Transferred Risk - Credit Swap
Credit Swaps	4,421,208	16,153,307	3,456,614	10,293,916
Total	4,421,208	16,153,307	3,456,614	10,293,916

*Values expressed in thousands, except when indicated

During the period, there were no credit events associated with the precipitating factors specified in the contracts.

	2024		2023	
	Over 12 Months	Total	Over 12 Months	Total
Maximum Potential for Future Payments - Gross				
Per Instrument				
CDS	20,574,515	20,574,515	13,750,530	13,750,530
Total	20,574,515	20,574,515	13,750,530	13,750,530
By Risk Rating				
Below Investment Grade	20,574,515	20,574,515	13,750,530	13,750,530
Total	20,574,515	20,574,515	13,750,530	13,750,530
By Reference Entity				
Brazilian Government	20,574,515	20,574,515	13,750,530	13,750,530
Total	20,574,515	20,574,515	13,750,530	13,750,530

a.6) Accounting Hedge

There are three types of hedge accounting: Fair Value Hedge, Cash Flow Hedge and Foreign Currency Investments Hedge.

The derivatives used as hedging instruments are represented as follows:

a.6.1) Fair Value Hedge

The Bank's fair value hedging strategy involves mitigating exposure to fair value fluctuations, specifically regarding interest receipts and payments on recognized assets and liabilities.

The fair value management methodology adopted by the Bank segregates transactions based on risk factors (e.g., BRL/USD exchange rate risk, fixed interest rate risk in BRL, USD exchange rate coupon risk, inflation risk, interest risk, etc.). The transactions generate exposures that are consolidated by risk factor and compared with pre-established internal thresholds.

To mitigate fluctuations in fair value associated with the receipt and payment of interest, the Bank employs interest rate swap contracts concerning fixed-rate assets and liabilities.

The Bank utilizes fair value hedge in the following manner:

- Designates Foreign Currency Swaps + Coupon versus % CDI and Fixed BRL Interest Rate or contracts USD Futures (DOL, DDI/DI) as a derivative instrument in Hedge Accounting structures, with foreign currency loan operations as the hedged item.
- The Bank maintains an active loan portfolio originated in fixed-rate U.S. Dollars at Santander EFC, whose transactions are recorded in Euros. To manage this currency mismatch, the Bank designates a Foreign Currency Swap, exchanging Floating Euros for Fixed U.S. Dollars, as a hedge against market risk for the corresponding loans.
- The Bank is subject to a pre-fixed interest rate risk stemming from Government Securities (NTN-F and LTN) held within its Financial Assets portfolio, which are measured through Other Comprehensive Income. To manage this risk mismatch, the Bank enters into DI futures contracts on the exchange or engages in interest rate swaps, designating these as derivative instruments within a Hedge Accounting structure.
- The Bank is exposed to IPCA (broad consumer price index) risk stemming from debentures within its available-for-sale securities portfolio. To manage this exposure, the Bank enters into IPCA futures contracts ("DAP") on the exchange and designates them as derivative instruments within a Hedge Accounting structure.

To assess the effectiveness and measure the ineffectiveness of hedging strategies, the Bank adheres to IAS 39, which mandates that an effectiveness test be conducted at the inception (prospective test) of the hedge arrangement, and be periodically repeated (prospective and retrospective tests) to demonstrate that the hedge relationship remains effective.

*Values expressed in thousands, except when indicated

a) Prospective test: in accordance with the standard, the prospective test is required at the inception date and quarterly thereafter to demonstrate that the expectation of the hedge relationship's effectiveness is high.

a.1) The initial prospective test (at inception): this is limited to a qualitative review of the critical terms and conditions of both the hedging instrument and the hedged item, with the aim of concluding that changes in the fair value of the two instruments are expected to completely offset one another.

a.2) The prospective periodic test: the sensitivity of the present value of the hedged item and the hedging instrument to a parallel shift of 10 basis points in the interest rate curve will be periodically assessed. For the purpose of assessing hedge effectiveness, the ratio of these two sensitivities must fall within the range of 80% to 125%.

b) Retrospective test: the retrospective effectiveness test will be conducted by comparing the mark-to-market (mtm) fluctuation of the hedging instrument from the inception date with the mtm variation of the hedged item from the same date.

In fair value hedges, both gains and losses on hedging instruments and on the hedged items (attributable to the type of risk being hedged) are recognized directly in the consolidated statement of profit or loss.

	12/31/2024					
	Hedged					
Strategies			Hedge Instruments			Items
	Curve Value	Fair value	Accounting Value	Curve Value	Fair value	Accounting Value
Swap Contracts	30,481	222,625	253,106	10,979	200,658	211,637
Loan Operations Hedge	30,481	222,625	253,106	10,979	200,658	211,637
Futures Contracts	160,951	43,416,076	43,577,027	(222,149)	38,332,070	38,109,921
Loan Operations Hedge	156,408	13,238,024	13,394,432	(54,560)	10,017,522	9,962,962
Securities Hedge	(142,206)	25,344,183	25,201,977	213,204	22,504,539	22,717,743
Funding Hedge	146,749	4,833,869	4,980,618	(380,793)	5,810,009	5,429,216

	12/31/2023					
	Hedged					
Strategies			Hedge Instruments			Items
	Curve Value	Fair value	Accounting Value	Curve Value	Fair value	Accounting Value
Swap Contracts	183,368	288,766	472,134	138,079	272,805	410,884
Loan Operations Hedge	183,368	288,766	472,134	138,079	272,805	410,884
Future Contracts	144,508	25,701,246	25,845,754	(3,535,965)	28,817,259	25,281,294
Loan Operations Hedge	2,497,014	12,759,016	15,256,030	(2,290,079)	15,593,616	13,303,537
Securities Hedge	(1,489,802)	2,496,723	1,006,921	623,749	579,793	1,203,542
Funding Hedge	(862,704)	10,445,507	9,582,803	(1,869,635)	12,643,850	10,774,215

(*) The Bank employs market risk hedging strategies, the targets of which are assets in its portfolio, which is why we present the liabilities side of the respective instruments. For structures that have futures as instruments, we provide the balance of the daily adjustment calculated, recorded in the off-balance sheet account.

*Values expressed in thousands, except when indicated

a.6.II) Cash Flow Hedge

The Bank's cash flow hedging strategies consist of hedging against exposure to fluctuations in cash flows, interest payments, and currency exchange rates, which are attributable to changes in interest rates affecting recognized assets and liabilities, as well as exchange rate fluctuations impacting unrecognized assets and liabilities.

The Bank utilizes cash flow hedge in the following manner:

- The Bank engages in active swaps indexed to fixed US Dollars and liabilities in foreign currency, designating these as hedging instruments within a Cash Flow Hedge structure, where the hedged items are foreign currency loans negotiated with third parties via its offshore branches and Brazilian external debt securities measured at amortized cost.
- The Bank enters into Dollar Futures or DDI + DI Futures (Synthetic Dollar Futures) contracts and designates them as hedging instruments within a Cash Flow Hedge structure, where the hedged items are the Bank's portfolio of Dollar-denominated loans and Promissory Notes in the available-for-sale securities portfolio measured at Fair Value Through Other Comprehensive Income.
- The Bank maintains a portfolio of assets indexed to the Euro and traded in offshore branches. In the transaction, the value of the asset in Euros will be converted to Dollars at the exchange rate specified in the foreign exchange contract for the transaction. After this conversion, the principal amount of the transaction, now denominated in Dollars, will be adjusted by either a floating or a fixed rate. The assets will be hedged with a Cross-Currency Swap to transfer the Euro risk to LIBOR + Coupon.

In March 2022, the U.S. Congress passed the Adjustable Interest Rate Act (LIBOR) ("the LIBOR Act"). This legislation establishes a uniform, nationwide process for replacing LIBOR in existing contracts that lack fallback clauses, automatically substituting LIBOR, on the LIBOR replacement date (expected to be the first London banking business day after June 30, 2023), with the "Board-selected Benchmark Replacement". In December 16, 2022, the Federal Reserve Board adopted a final rule implementing the LIBOR Act and identifying these benchmark replacements, which vary across different contracts but are all based on SOFR.

Our focus has been and remains on implementing all necessary contractual, commercial, operational, and technological adjustments to meet the relevant pending milestones.

As of December 31, 2021, our exposure to LIBOR-linked contracts was limited and exclusively related to USD LIBOR. In 2021, we adopted the SOFR (Secured Overnight Finance Rate) and CME TERM SOFR as replacements for USD LIBOR for new contracts. Since January 1, 2022, we have ceased initiating new USD LIBOR transactions, with the exception of those authorized by international regulatory authorities (market-making activity). We are actively engaging with our clients to update existing agreements to incorporate appropriate fallback provisions for when the USD LIBOR is no longer published.

To assess the effectiveness and measure the ineffectiveness of these strategies, Santander Bank adheres to IAS 39. This standard mandates that the effectiveness test be conducted at the inception of the hedge structure (prospective test) and be repeated periodically (prospective and retrospective tests) to demonstrate that the hedge ratio expectation continues to be effective (between 80% and 125%).

In this hedging strategy, the effectiveness tests (prospective/retrospective) are conducted by comparing two proxies, one for the hedged item and another for the hedging instrument.

The hedged item proxy is a "conceptual" swap, where the passive leg mimics the part of the Stable Portion intended for protection, and the active pre-fixed leg mirrors the set of futures designated as the hedge, consistent with the market rates on the hedge designation day. The hedge instrument proxy is a "conceptual" swap, in which the active leg consists of the number of futures contracts designated as the hedge, and the passive pre-fixed leg represents the rate negotiated at the acquisition of these contracts. The proxy remains stable throughout the strategy as the contracts are held to maturity.

Any ineffectiveness is recognized in the income statement under the line item "Gains (losses) on financial assets and liabilities (net)."

a) Prospective Test: in line with regulations, the prospective test must be conducted at the inception date and quarterly thereafter to demonstrate that the expectation of the hedge relationship's effectiveness is high. However, for proactive and more efficient monitoring of projections and to ensure better maintenance of the related testing routines, these tests are performed monthly.

a.1) Periodic Prospective Test: Market Risk conducts projections for three scenarios for the tests, which include: 1^o 10bps on the curve; 2^o 50bps on the curve, and 3^o 100bps on the curve. Utilizing the validated estimates, prospective tests are performed by valuing the two variable legs of the transaction at fair value.

a.2) Initial Prospective Test: the methodology of the periodic prospective test must also be applied at the start date of each new strategy.

*Values expressed in thousands, except when indicated

b) Retrospective Test: this must be conducted monthly using historical data to cumulatively demonstrate the hedge's effectiveness, in line with the previously outlined methodology. Any ineffectiveness is recognized in the statement of profit or loss.

The Ineffective Portion is measured through the prospective hedge test and, if identified, it is recognized in the income statement under the line item Gains (losses) on financial assets and liabilities (net).

Effectiveness must range between 80% and 125%.

In cash flow hedges, the effective portion of the change in the fair value of the hedging instrument is temporarily recognized in equity under the line item "Other Comprehensive Income - Cash Flow Hedges" (**note 25**) until the projected transactions take place. At that point, this portion is recognized in the consolidated statements of income, except if the projected transactions result in the recognition of non-financial assets or liabilities, in which case this portion will be included in the cost of the financial asset or liability. The ineffective portion of the change in the value of foreign exchange hedging derivatives is recognized directly in the consolidated statements of income. Furthermore, the ineffective portion of gains and losses on cash flow hedge instruments in a foreign operation is directly recognized in "Gains (losses) on financial assets and liabilities (net)" in the consolidated income statements.

Hedge Structure	Portion Accumulated	2024	Portion Accumulated	2023
		Portion Ineffective		Portion Ineffective
<i>Cash Flow Hedge</i>				
CDB	511,175	-	(69,919)	-
Total	511,175	-	(69,919)	-

Strategies	Consolidated 12/31/2024					
	Hedge Instruments			Hedge Object		
	Curve Value	Fair value	Adjustment to Fair value	Curve Value	Fair value	Accounting Value
Future Contracts	(5,610)	79,915,645	79,910,035	(177,822)	77,474,456	77,296,634
Credit Operations Hedge	(73,277)	1,639,466	1,566,189	8,011	730,322	738,333
Hedge of Securities	(40,187)	35,717,857	35,677,670	56,491	27,556,993	27,613,484
Funding Hedge	107,854	42,558,322	42,666,176	(242,324)	49,187,141	48,944,817

Strategies	Consolidated 12/31/2023					
	Hedge Instruments			Hedge Object		
	Curve Value	Accounting Value - liability	Adjustment to Fair value	Curve Value	Market Value	Accounting Value

*Values expressed in thousands, except when indicated

Swap Contracts	(547,710)	10,807,983	10,260,273	(464,400)	13,176,910	12,712,510
Hedge of Securities	(547,710)	10,807,983	10,260,273	(464,400)	13,176,910	12,712,510
Future Contracts	393,863	18,630,833	19,024,696	(1,327,113)	24,612,842	23,285,729
Credit Operations Hedge	2,138	2,431,537	2,433,675	(3,105,374)	7,619,634	4,514,260
Hedge of Securities	294,688	8,228,328	8,523,016	465,051	9,525,807	9,990,858
Funding Hedge	97,037	7,970,968	8,068,005	1,313,210	7,467,401	8,780,611

a.6) Derivative Financial Instruments - Margins Pledged as Guarantee

The margin provided as collateral for trading at B3 S.A. involving proprietary and third-party derivative financial instruments is composed of federal government securities.

Reference Value	2024	2023
Financial Treasury Bills - LFT	23,592,560	20,960,140
National Treasury Bills - LTN	6,891,750	2,122,045
National Treasury Notes - NTN	4,775,236	4,988,403
Total	35,259,546	28,070,588

b) Short Positions

On December 31, 2024, the balance of short positions totaled R\$39,396,666 (2023 - R\$19,831,991), which includes the value of financial liabilities resulting from the direct sale of financial assets purchased through resale commitments or borrowed.

*Values expressed in thousands, except when indicated

9. Loans and advances to clients

a) Breakdown

The breakdown of the balances under the "Loans and Advances to Customers" line item in the consolidated balance sheets is as follows:

Thousand of Reais	2024	2023
Classification:		
Financial assets measured at fair value through profit or loss	4,911,803	3,040,712
Financial assets measured at amortized cost	561,178,111	514,936,423
Comprising:		
Loans and advances to customers at amortized cost	594,776,041	548,495,491
Allowance for loan losses due to impairment	(33,597,930)	(33,559,068)
Loans and advances to customers, net	566,089,914	517,977,135
Loans and advances to customers, gross	599,687,844	551,536,203

Thousand of Reais	2024	2023
Type:		
Loan operations (1)	573,391,121	514,325,061
Leasing operations	3,343,208	3,154,887
Other receivables (2)	22,953,515	34,056,255
Total	599,687,844	551,536,203

(1) Includes loans, financings, and other forms of credit with credit characteristics.

(2) These operations primarily relate to Foreign Exchange Transactions and Other Receivables with credit granting characteristics.

Note 43-d provides details on the residual maturity periods of financial assets measured at amortized cost. There are no significant loans and advances to customers lacking fixed maturity dates.

b) Detail

The following are the details, by condition and type of credit, borrower segment, and interest rate formula, of the loans and advances to customers, which reflect the Bank's exposure to credit risk in its core activity, gross of impairment losses:

Thousand of Reais	2024	2023
Loan borrower sector:		
Commercial, and industrial	241,177,143	233,946,173
Real Estate Credit - Construction	64,820,223	61,747,721
Loans to Individuals	290,347,270	252,687,422
Leasing	3,343,208	3,154,887
Total	599,687,844	551,536,203

Thousand of Reais	2024	2023
Interest Rate Formula:		
Fixed interest rate	427,753,814	371,917,215
Floating interest rate	171,934,030	179,618,988
Total	599,687,844	551,536,203

Borrower Segment by Maturity	Less than 1 year		Between 1 and 5 years		More than 5 years		Total	% of total
	Less than 1 year	% of total	Between 1 and 5 years	% of total	More than 5 years	% of total		
Commercial and Industrial	161,568,313	50.37%	75,022,533	37.55%	4,586,297	5.79%	241,177,143	40.22%
Real Estate Credit	5,426,403	1.69%	12,241,469	6.13%	47,152,351	59.58%	64,820,223	10.81%
Loans to Individuals	152,201,789	47.45%	110,761,071	55.44%	27,384,410	34.60%	290,347,270	48.42%
Leasing	1,577,662	0.49%	1,743,417	0.87%	22,129	0.03%	3,343,208	0.56%
Loans and advances to customers, gross	320,774,167	100.00%	199,768,490	100.00%	79,145,187	100.00%	599,687,844	100.00%

*Values expressed in thousands, except when indicated

Borrower Segment by Maturity							2023	
	Less than 1 year	% of total	Between 1 and 5 years	% of total	More than 5 years	% of total	Total	% of total
Commercial and Industrial	158,059,250	55.00%	70,766,467	38.07%	5,120,456	6.54%	233,946,173	42.42%
Real Estate Credit	4,994,192	1.74%	11,620,801	6.25%	45,132,728	57.68%	61,747,721	11.19%
Loans to Individuals	122,734,480	42.71%	101,955,558	54.84%	27,997,383	35.77%	252,687,422	45.82%
Leasing	1,578,949	0.55%	1,564,656	0.84%	11,283	0.01%	3,154,887	0.57%
Loans and advances to customers, gross	287,366,871	100.00%	185,907,482	100.00%	78,261,850	100.00%	551,536,203	100.00%

Thousand of Reais	2024	2023
By Maturity		
Under 1 year	320,774,167	287,366,871
From 1 and 5 years	199,768,489	185,907,482
Over 5 years	79,145,188	78,261,850
Loans and advances to customers, gross	599,687,844	551,536,203
By Internal risk classification		
Low	454,224,878	408,973,258
Medium-low	95,687,016	87,232,484
Medium	15,804,991	16,643,774
Medium - high	12,180,529	13,238,069
High	21,790,430	25,448,618
Loans and advances to customers, gross	599,687,844	551,536,203

*Values expressed in thousands, except when indicated

c) Impairment losses

The tables below present the reconciliations of the opening and closing balances of the provision for losses, segmented by financial instrument category. The terms "expected loan losses in 12 months," "expected loan losses over the useful life," and "impairment losses" are clarified in the note on accounting practices.

The changes in provisions for impairment losses in the balances of the item "Financial assets measured at amortized cost" are as follows:

Thousand of Reais	2024			Total
	Stage 1	Stage 2	Stage 3	
	Expected loan losses in 12 months	Expected loan losses over the useful life not subject to impairment	Expected loan losses over the useful life subject to impairment	
Balance at the beginning of the fiscal year	3,551,060	5,809,160	25,791,851	35,152,071
Impairment losses recognized in profit or loss	3,596,815	4,407,546	17,969,153	25,973,514
Transfers between stages	(1,090,735)	2,055,390	17,064,748	18,029,403
Changes during the period	4,687,550	2,352,156	904,405	7,944,111
Comprising:				
Commercial and Industrial	325,319	810,188	4,894,190	6,029,697
Real Estate Credit - Construction	(153,110)	135,523	265,825	248,238
Loans to Individuals	3,423,858	3,460,624	12,796,319	19,680,801
Leasing	747	1,210	12,821	14,778
Changes by Stage	(2,941,647)	(4,780,338)	7,721,985	-
Write-off of impaired balances recognized in loss provisions	-	-	(25,401,779)	(25,401,779)
Comprising:				
Commercial and Industrial	-	-	(7,447,925)	(7,447,925)
Real Estate Credit - Construction	-	-	(76,697)	(76,697)
Loans to Individuals	-	-	(17,875,232)	(17,875,232)
Leasing	-	-	(1,925)	(1,925)
Foreign Exchange Fluctuation	(22,575)	(12,176)	(20,148)	(54,899)
Balance at the end of the fiscal year	4,183,653	5,424,192	26,061,062	35,668,907
Comprising:				
Loans and advances to Customers	4,047,725	5,369,369	24,180,836	33,597,930
Loans and other receivables from credit institutions (Note 5)	1,421	-	-	1,421
Provision for debt instruments (Note 6)	134,507	54,823	1,880,226	2,069,556
Recoveries of previously written-off loans	-	-	993,906	993,906
Comprising:				
Commercial and Industrial	-	-	49,838	49,838
Real Estate Credit - Construction	-	-	396,276	396,276
Loans to Individuals	-	-	542,986	542,986
Leasing	-	-	4,806	4,806
Discount Granted	-	-	(3,504,422)	(3,504,422)

*Values expressed in thousands, except when indicated

Thousand of Reais	2023			Total
	Stage 1	Stage 2	Stage 3	
	Expected loan losses in 12 months	Expected loan losses over the useful life not subject to impairment	Expected loan losses over the useful life subject to impairment	
Balance at the beginning of the fiscal year	2,885,197	6,861,458	25,464,248	35,211,623
Impairment losses recognized in profit or loss	2,957,616	5,934,927	17,651,545	26,544,088
Transfers between stages	(825,063)	2,168,360	14,224,243	15,567,540
Changes during the period	3,782,679	3,766,567	3,427,302	10,976,548
Comprising:				
Commercial and Industrial	923,079	962,933	4,922,975	6,808,987
Real Estate Credit - Construction	(43,573)	(190,714)	577,993	343,706
Loans to Individuals	2,072,745	5,165,671	12,150,872	19,389,288
Leasing	5,365	(2,962)	(296)	2,107
Changes by Stage	2,298,090	6,988,340	9,286,430	-
Write-off of impaired balances recognized in loss provisions	-	-	(26,626,574)	(26,626,574)
Comprising:				
Commercial and Industrial	-	-	(7,137,059)	(7,137,059)
Real Estate Credit - Construction	-	-	(209,309)	(209,309)
Loans to Individuals	-	-	(19,276,369)	(19,276,369)
Leasing	-	-	(3,837)	(3,837)
Foreign Exchange Fluctuation	5,618	1,116	17,129	23,863
Balance at the end of the fiscal year	3,551,059	5,809,160	25,792,779	35,152,998
Comprising:				
Loans and advances to Customers	3,462,526	5,766,166	24,330,376	33,559,068
Loans and other receivables from credit institutions (Note 5)	7,764	-	-	7,764
Provision for debt instruments (Note 6)	80,769	42,994	1,462,403	1,586,166
Recoveries of previously written-off loans	-	-	1,381,879	1,381,879
Comprising:				
Commercial and Industrial	-	-	946,029	946,029
Real Estate Credit - Construction	-	-	95,692	95,692
Loans to Individuals	-	-	337,722	337,722
Leasing	-	-	2,435	2,435
Discount Granted	-	-	(2,845,876)	(2,845,876)

*Values expressed in thousands, except when indicated

Thousand of Reais	2024	2023
Balance at the beginning of the fiscal year	35,152,071	35,211,623
Impairment losses recognized in profit or loss	25,973,514	26,544,088
Comprising:		
Commercial and Industrial	6,029,697	6,808,987
Real Estate Credit - Construction	248,238	343,706
Loans to Individuals	19,680,801	19,389,288
Leasing	14,778	2,107
Write-off of impaired balances recognized in loss provisions	(25,401,779)	(26,626,574)
Comprising:		
Commercial and Industrial	(7,447,925)	(7,137,059)
Real Estate Credit - Construction	(76,697)	(209,309)
Loans to Individuals	(17,875,232)	(19,276,369)
Leasing	(1,925)	(3,837)
Foreign Exchange Fluctuation	(54,899)	23,863
Balance at the end of the fiscal year	35,668,907	35,152,998
Comprising:		
Loans and advances to Customers	33,597,930	33,559,068
Loans and other receivables from credit institutions (Note 5)	1,421	7,764
Provision for debt instruments (Note 6)	2,069,556	1,586,166
Recoveries of previously written-off loans	993,906	1,381,879
Comprising:		
Commercial and Industrial	396,276	946,029
Real Estate Credit - Construction	49,838	95,692
Loans to Individuals	542,986	337,722
Leasing	4,806	2,435

Considering the amounts recognized in "Impairment losses recognized in profit or loss," "Recoveries of previously written-off loans," and "Discount Granted," the "Impairment Losses on Financial Assets - Financial Assets Measured at Amortized Cost" totaled on December 31, 2024, R\$ 28,484,030 (2023 – R\$ 28,008,086 and 2022 – R\$ 24,828,749).

The balances of the provisions for impairment losses by borrower segment are as follows:

Thousand of Reais	2024	2023
Commercial and industrial	10,512,903	11,931,131
Real estate - Construction	589,884	418,342
Installment loans to individuals	24,545,476	22,795,733
Lease financing	20,644	7,792
Total	35,668,907	35,152,998

d) Impaired assets

The details of the changes in the balance of financial assets classified as "Financial assets measured at amortized cost - Loans and advances to customers" and "Debt Instrument", which are recognized at amortized cost and identified as non-recoverable (as defined in **note 1.h**) due to credit risk, are as follows:

Thousand of Reais	2024	2023	2022
Balance at the start of the period	39,886,905	39,223,835	26,923,312
Net Additions	30,069,416	30,393,982	31,920,565
Written-off Assets	(27,713,967)	(29,730,912)	(19,620,042)
Balance at the end of the fiscal year	42,242,354	39,886,905	39,223,835

*Values expressed in thousands, except when indicated

Below are the details of impaired financial assets, classified by maturity date:

Thousand of Reais	2024	2023
With balances not yet due or maturing within 3 Months	23,183,630	21,703,718
With outstanding balances of:		
3 to 6 Months	5,591,700	4,806,604
6 to 12 Months	9,564,597	9,013,258
12 to 18 Months	2,018,442	2,499,491
18 to 24 Months	750,668	1,046,074
More than 24 Months	1,133,317	817,760
Total	42,242,354	39,886,905

Thousand of Reais	2024	2023
By borrower segment:		
Commercial and Industrial	13,175,496	16,292,100
Real Estate Credit - Construction	1,736,049	1,351,934
Loans to Individuals	27,283,775	22,239,229
Leasing	47,034	3,642
Total	42,242,354	39,886,905

e) Loans overdue for less than 90 days and not classified as impaired on the specified dates

Thousand of Reais	2024	% of total loans overdue for less than 90 days	2023	% of total loans overdue for less than 90 days
Commercial, Financial and Industrial	7,439,903	25.97%	5,319,746	21.81%
Real Estate Credit - Construction	6,046,747	21.11%	5,142,110	21.09%
Installment Loans to Individuals	15,123,824	52.79%	13,898,143	56.99%
Financial Leasing	37,325	0.13%	27,284	0.11%
Total (1)	28,647,799	100.00%	24,387,283	100.00%

(1) Refers exclusively to loans between 1 and 90 days.

*Values expressed in thousands, except when indicated

f) Leasing

Breakdown by maturity

Gross investment in lease transactions

Thousand of Reais	2024	2023
Overdue	8,581	875
Due:		
Within 1 year	1,456,825	2,076,223
In 1 to 5 years	2,294,813	1,451,931
In over 5 years	26,684	21,401
Total	3,786,903	3,550,430

g) Transfer of financial assets with retention of risks and benefits

On December 31, 2024, the balance recorded in "Loans and Advances to Customers" pertaining to assigned operations was R\$21,024 (2023 - R\$26,696) and R\$19,740 (2023 - R\$25,497) under "Financial Liabilities Associated with Asset Transfer" (**note 20**).

The assignment transaction was executed with a joint obligation clause, mandating compulsory repurchase in the following circumstances:

- contracts in default for a period exceeding 90 consecutive days;
- contracts subject to renegotiation;
- contracts subject to portability, in accordance with Resolution No. 3,401 of Brazil's National Monetary Council ("CMN");
- contracts subject to intervention.

10. Non-current assets held for sale

On December 31, 2024, 2023 and 2022, the total value of non-current assets held for sale included assets not in use and other tangible assets. The change in the line item "Non-current assets held for sale" is as follows:

Thousand of Reais	2024	2023	2022
Balance at the beginning of the fiscal year	1,097,212	909,546	1,065,420
Loan enforcements - repossession of assets	691,020	591,126	201,391
Capital Increase in Entities Held for Sale	25,826	44,079	56,512
Disposals	(667,668)	(447,539)	(413,777)
Balance at the end of the fiscal year, gross	1,146,390	1,097,212	909,546
Provision for impairment losses (1)	(104,117)	(183,140)	(210,410)
Provision as a percentage of enforced assets	9.08%	16.69%	23.13%
Balance at the end of the fiscal year	1,042,273	914,072	699,136

(1) In 2024, it includes the amount of R\$47,381 (2023 - R\$76,321 and 2022 - R\$196,649) from the reversal of provisions for depreciation on properties, established based on appraisal reports prepared by a specialized external consultancy, accounted for as provision for impairment losses.

*Values expressed in thousands, except when indicated

11. Investments in associates and joint ventures

Jointly-controlled entities

Banco Santander and its subsidiaries classify investments as joint control when they have shareholder agreements that require strategic, financial, and operational decisions to receive unanimous consent from all investors.

Significant Influence

Associates are entities over which the Bank has the ability to exert significant influence (significant influence is the power to participate in the decision-making regarding the financial and operational policies of the invested entity) but does not have control or joint control.

a) Breakdown

	Activity	Country	Equity interest in %	
			2024	2023
Jointly Controlled by Banco Santander				
Banco RCI Brasil S.A.	Bank	Brasil	39.89 %	39.89 %
Estruturadora Brasileira de Projetos S.A. - EBP (1)(2)	Other Activities	Brasil	11.11 %	11.11 %
Gestora de Inteligência de Crédito (1)	Credit Bureau	Brasil	15.56 %	15.56 %
Jointly controlled companies of Santander Corretora de Seguros				
Hyundai Corretora de Seguros	Insurance Brokerage	Brasil	50.00 %	50.00 %
Subsidiary of Webmotors S.A.				
Loop Gestão de Pátios S.A. (Loop)	Services	Brasil	51.00 %	51.00 %
Car10 Tecnologia e Informação S.A. (Car10)	Technology	Brasil	66.67 %	66.67 %
Subsidiary of Car10 Tecnologia e Informação S.A.				
Pag10 Fomento Mercantil Ltda.	Technology	Brasil	100.00 %	100.00 %
Subsidiary of Tecnologia Bancária S.A.				
Tbnet Comércio, Locação e Administração Ltda. (Tbnet)	Other Activities	Brasil	100.00 %	100.00 %
TecBan Serviços Integrados Ltda.	Other Activities	Brasil	100.00 %	100.00 %
Subsidiary of Tbnet				
Tbforte Segurança e Transporte de Valores Ltda. (Tbforte)	Other Activities	Brasil	100.00 %	100.00 %
Significant Influence of Banco Santander				
Núcleo S.A.	Other Activities	Brasil	17.53 %	17.53 %
Pluxee Benefícios Brasil S.A. (3)	Benefits	Brasil	20.00 %	— %
Santander Auto S.A.	Other Activities	Brasil	50.00 %	50.00 %
Significant Influence of Santander Corretora de Seguros				
Tecnologia Bancária S.A. - TECBAN (1)	Other Activities	Brasil	18.98 %	18.98 %
CSD Central de Serviços de Registro e Depósito aos Mercados Financeiro e de Capitais S.A	Other Activities	Brasil	20.00 %	20.00 %
Biomás - Serviços Ambientais, Restauração e Carbono S.A.	Other Activities	Brasil	16.66 %	16.67 %
Webmotors S.A.	Other Activities	Brasil	30.00 %	30.00 %

*Values expressed in thousands, except when indicated

	Investments	
	2024	2023
Jointly Controlled by Banco Santander	644,426	548,339
Banco RCI Brasil S.A.	591,951	491,623
Estruturadora Brasileira de Projetos S.A. - EBP	387	209
Gestora de Inteligência de Crédito	52,088	56,507
Jointly Controlled by Santander Corretora de Seguros	2,307	1,607
Hyundai Corretora de Seguros	2,307	1,607
Significant Influence of Banco Santander	2,422,571	540,684
Núcleo S.A.	306,521	503,922
Pluxee Benefícios Brasil S.A. (3)	2,059,643	—
Santander Auto S.A.	56,407	36,762
Significant Influence of Santander Corretora de Seguros	570,872	519,150
Tecnologia Bancária S.A. - TECBAN (1)	248,951	246,083
CSD Central de Serviços de Registro e Depósito aos Mercados Financeiro e de Capitais S.A	41,027	42,565
BIOMAS – Serviços Ambientais, Restauração e Carbono S.A.	2,923	3,585
Webmotors S.A.	277,971	226,917
Total	3,640,176	1,609,780

- (1) Entities with a one-month lag in equity method accounting. For the recognition of equity method income, the financial position as of 12/31/2024 was utilized on 11/30/2024.
- (2) Despite holding a stake of less than 20%, the Bank exercises joint control over the entity with the other majority shareholders, through a shareholders' agreement that stipulates no business decision can be made by a single shareholder, that is, decisions require the unanimous consent of the parties sharing control."
- (3) The balance of the transaction for the acquisition of a stake in Pluxee includes its investment in its benefits subsidiary, Pluxee Instituição de Pagamento S.A. (Current name of "Ben Benefícios e Serviços Instituição de Pagamentos S.A.") and goodwill generated by expected future profitability, as per terms described in Note 3.d.

	Equity method results		
	2024	2023	2022
Jointly Controlled by Banco Santander	91,247	60,813	121,499
Banco RCI Brasil S.A.	95,674	66,229	84,214
Núcleo S.A.	-	-	50,607
Estruturadora Brasileira de Projetos S.A. - EBP	(8)	20	43
Gestora de Inteligência de Crédito	(4,419)	(5,436)	(13,365)

	Equity method results		
	2024	2023	2022
Jointly Controlled by Santander Corretora de Seguros	700	353	52,079
Webmotors S.A.	-	-	52,085
Hyundai Corretora de Seguros	700	353	(6)
Significant Influence of Banco Santander	184,987	128,414	12,544
Núcleo S.A.	106,160	109,223	-
Pluxee Benefícios Brasil S.A.	53,039	-	-
Santander Auto S.A.	25,788	19,191	12,544
Significant Influence of Santander Corretora de Seguros	36,052	49,656	13,057
Tecnologia Bancária S.A. - TECBAN	2,868	2,435	11,540
PSA Corretora de Seguros e Serviços Ltda.	-	1,925	1,021
CSD Central de Serviços de Registro e Depósito aos Mercados Financeiro e de Capitais S.A	(1,538)	2	496
BIOMAS – Serviços Ambientais, Restauração e Carbono S.A.	(5,663)	(1,415)	-
Webmotors S.A.	40,385	46,709	-
Total	312,986	239,236	199,179

*Values expressed in thousands, except when indicated

	2024		
	Total assets	Total liabilities	Total Income
Jointly Controlled by Banco Santander	14,064,120	13,920,211	212,082
Banco RCI Brasil S.A.	12,806,942	12,663,035	239,839
Estruturadora Brasileira de Projetos S.A. - EBP	1,784	1,783	1
Gestora de Inteligência de Crédito	1,255,393	1,255,393	(27,759)
Jointly Controlled by Santander Corretora de Seguros	3,003,077	3,034,120	(31,043)
Tecnologia Bancária S.A. - TECBAN	2,752,924	2,755,450	(2,526)
Hyundai Corretora de Seguros Ltda.	7,152	5,753	1,399
CSD Central de Serviços de Registro e Depósito aos Mercados Financeiro e de Capitais S.A	211,773	211,538	235
BIOMAS – Serviços Ambientais, Restauração e Carbono S.A.	31,228	61,379	(30,151)
Significant Influence of Banco Santander	11,442,660	10,558,737	883,923
Núcleo S.A.	2,779,787	2,212,634	567,153
Pluxee Benefícios Brasil S.A.	8,240,021	7,974,827	265,194
Santander Auto S.A.	422,852	371,276	51,576
Significant Influence of Santander Corretora de Seguros	634,889	510,446	124,443
Webmotors S.A.	634,889	510,446	124,443
Total	29,144,746	28,023,514	1,189,405

	2023		
	Total assets	Total liabilities	Total Income
Jointly Controlled by Banco Santander	12,806,907	12,739,895	67,012
Banco RCI Brasil S.A.	11,547,631	11,442,688	104,943
Estruturadora Brasileira de Projetos S.A. - EBP	1,784	1,783	1
Gestora de Inteligência de Crédito	1,257,492	1,295,424	(37,932)
Jointly Controlled by Santander Corretora de Seguros	3,066,701	3,048,870	17,830
Tecnologia Bancária S.A. - TECBAN	2,815,300	2,795,143	20,156
Hyundai Corretora de Seguros Ltda.	5,246	4,540	707
CSD Central de Serviços de Registro e Depósito aos Mercados Financeiro e de Capitais S.A	219,149	213,693	5,455
BIOMAS – Serviços Ambientais, Restauração e Carbono S.A.	27,006	35,494	(8,488)
Significant Influence of Banco Santander	3,614,898	3,028,583	586,315
Núcleo S.A.	3,298,189	2,750,256	547,933
Santander Auto S.A.	316,709	278,327	38,382
Significant Influence of Santander Corretora de Seguros	485,398	366,626	118,772
Webmotors S.A.	485,398	366,626	118,772
Total	19,973,904	19,183,974	789,929

The Bank does not have guarantees granted to companies with joint control and significant influence.

The Bank does not have contingent liabilities with significant possible risk of loss related to investments for companies with joint control and significant influence.

*Values expressed in thousands, except when indicated

b) Changes

The changes in the balance of this item in the years ended December 31, 2024 and 2023 were:

	2024	2023
Jointly Controlled by Banco Santander		
Balance at the beginning of the fiscal year	878,944	1,320,129
Change in corporate participation	-	(386,437)
Addition/(disposal)	186	5,000
Capital decreases/reduction	-	(2,667)
Equity method results	91,947	83,304
Dividends	(81,467)	(96,701)
Adjustment to fair value	86,121	(43,684)
Balance at the end of the fiscal year	975,731	878,944
Significant Influence of Banco Santander		
Balance at beginning of year	730,836	407,441
Change in corporate participation	-	386,437
Equity method results	221,039	155,932
Dividends	(297,832)	(34,423)
Addition/(disposal) (1)	2,011,369	54
Capital decreases/reduction	(2,364)	(185,371)
Adjustment to fair value	1,396	766
Balance at the end of the fiscal year	2,664,444	730,836

(1) Transaction for the acquisition of a stake in Pluxee Benefícios Brasil S.A.

c) Impairment losses

No impairment losses were recognized for the non-recovery of investments in associates and joint ventures in 2024 and 2023.

d) Other information

Details on the main jointly-controlled entities:

- Banco RCI Brasil S.A.:** Incorporated as a joint-stock company and headquartered in the state of Paraná, its main objective is to engage in investment, leasing, credit, financing, and investment activities, aimed at fostering the growth of automakers Renault and Nissan in the Brazilian market, with a primary focus on financing and leasing to end consumers. It is a financial institution that is part of the RCI Banque Group and the Santander Conglomerate, with its operations being executed within a framework of institutions that operate in an integrated manner in the financial market. In accordance with the Shareholders' Agreement, the key decisions affecting this company are made jointly by Banco Santander and other controlling shareholders.

	2024	2023
	Banco RCI Brasil	Banco RCI Brasil
Assets	12,276,584	11,124,080
Liabilities	10,782,915	9,908,213
Cash and Cash Equivalents	336,955	314,601
Depreciation and amortization	(1,937)	(1,628)
Income	736,066	625,436
Interest income	1,891,374	1,858,010
Interest expenses	(1,119,050)	(1,224,094)
Income / (Expense) from Income Tax	(139,420)	(128,590)
Current Liabilities (excluding Trading, Other Liabilities, and Provisions)	4,698,162	3,854,007
Non-Current Liabilities (excluding Trading, Other Liabilities, and Provisions)	6,084,753	6,054,206

*Values expressed in thousands, except when indicated

12. Tangible assets

The Bank's tangible assets consist of fixed assets for its own use. The Bank does not hold any tangible assets as investment property nor are any assets leased under operating lease arrangements.

a) Breakdown

The detail, by class of asset, of the tangible assets in the consolidated balance sheets is as follows:

Thousand of Reais

Cost	Land and buildings	Furniture, Equipment, and Vehicles	Leased Fixed Assets	Facilities	Improvements to third party properties	Fixed Assets in Progress	Total
Balance on December 31, 2023	2,644,882	7,896,258	3,266,685	1,870,381	4,075,464	110,171	19,863,841
Additions	440	450,877	130,696	29,535	138,179	105,267	854,993
Write-off	(47,160)	(516,980)	-	(133,840)	(650,968)	(394)	(1,349,343)
Cancellation of lease agreements	-	-	(601,124)	-	-	-	(601,124)
Transfers	-	82,214	-	7,169	20,306	(109,690)	-
Balance on December 31, 2024	2,598,162	7,912,368	2,796,257	1,773,245	3,582,982	105,354	18,768,368

Accumulated depreciation	Land and buildings	Furniture, Equipment, and Vehicles	Leased Fixed Assets	Facilities	Improvements to third party properties	Fixed Assets in Progress	Total
Balance on December 31, 2023	(1,033,630)	(5,386,398)	(1,873,759)	(1,427,031)	(3,052,923)	-	(12,773,741)
Additions	(84,982)	(831,244)	(390,712)	(89,836)	(189,503)	-	(1,586,278)
Write-off	39,899	429,930	527,577	115,207	504,441	-	1,617,053
Balance on December 31, 2024	(1,078,712)	(5,787,712)	(1,736,894)	(1,401,660)	(2,737,986)	-	(12,742,965)

Impairment losses:

Impacts on results	(502)	(447)	-	-	-	-	(949)
Balance on December 31, 2023	(4,537)	-	-	-	-	-	(4,537)
Impacts on results	1,034	-	-	-	-	-	1,034
Balance on December 31, 2024	(3,503)	-	-	-	-	-	(3,503)

Book Value

Balance on December 31, 2023	1,606,716	2,509,860	1,392,926	443,350	1,022,541	110,171	7,085,564
Balance on December 31, 2024	1,515,947	2,124,656	1,059,363	371,584	844,995	105,354	6,021,900

Depreciation expenses were recorded under the "Depreciation and Amortization" line item in the income statement.

b) Impairment losses

For the period ended December 31, 2024, an impairment expense of R\$14,720 (12/31/2023 – R\$4,984).

c) Commitment to purchase tangible assets

As of December 31, 2024, the Bank had no contractual commitments for the acquisition of tangible assets.

13. Intangible assets - Goodwill

Goodwill represents the surplus between the acquisition cost and the Bank's share in the net fair value of the acquired entity's assets, liabilities, and contingent liabilities. When this excess is negative (negative goodwill), it is immediately recognized in the income statement. In accordance with IAS 36, goodwill is tested annually for impairment or whenever there are indications of impairment to the cash-generating unit to which it has been allocated. Goodwill is recorded at its cost minus accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses from the disposal of an entity include the carrying amount of the goodwill associated with the entity sold.

The recorded goodwill is subject to impairment testing (**note 2.n.i**). The Bank's main goodwill, as shown in the table below, is due to the acquisition of Banco Real and has been allocated according to the operating segment (**note 44**).

For the year 2024, we present the assumptions used and results obtained in the recoverability tests of the Group's main goodwill.

*Values expressed in thousands, except when indicated

	2024	Banco Real 2023
Main assumptions:		
Criteria for determining the recoverable amount	Value in use: cash flows	
Period of cash flow projections (1)	5 years	5 years
Perpetual growth rate (1)	4.5%	5.4%
Pre-tax discount rate (2)	20.8%	20.3%
Discount rate (2)	13.6%	13.0%

	Em dia 2024	Toro Corretora 2024
Main assumptions:		
Criteria for determining the recoverable amount	Value in use: cash flows	
Period of cash flow projections (1)	5 years	5 years
Perpetual growth rate (1)	3.6%	3.6%
Discount rate (2)	13.6%	15.2%

(1) Cash flow projections are based on the internal budget and management's growth plans, taking into account historical data, expectations, and market conditions, including industry growth, interest rates, and inflation rates.

(2) The discount rate is determined based on the Capital Asset Pricing Model (CAPM).

Thousand of Reais Breakdown	2024	2023
Banco ABN Amro Real S.A. (Banco Real)	27,217,566	27,217,565
Toro Corretora de Títulos e Valores Mobiliários Ltda.	160,770	160,770
Em Dia Serviços Especializados em Cobranças Ltda.	184,447	184,447
Olé Consignado (Current name of Banco Bonsucesso Consignado)	62,800	62,800
Solution 4Fleet Consultoria Empresarial S.A.	32,590	32,590
Return Capital Serviços de Recuperação de Créditos S.A. (current name of Ipanema Empreendimentos e Participações S.A.)	21,304	41,324
Santander Brasil Tecnologia S.A.	16,381	16,381
Return Capital Gestão de Ativos e Participações S.A. (current name of Gira, Gestão Integrada de Recebíveis do Agronegócio S.A.)	-	5,271
Apê11 Tecnologia e Negócios Imobiliários S.A.	9,777	9,777
Monetus Investimentos S.A.	39,919	39,919
Mobills Labs Soluções em Tecnologia LTDA	39,589	39,589
CSD Central de Serviços de Registro e Depósito aos Mercados Financeiro e de Capitais S.A.	42,135	42,135
FIT Economia de Energia S.A.	3,992	-
América Gestão Serviços em Energia S.A.	61,608	-
Total	27,892,878	27,852,568

Thousand of Reais	2024	2023
Balance at the beginning of the fiscal year	27,852,568	27,889,327
Acquisitions (write-offs):		
Em Dia Serviços Especializados em Cobranças Ltda.	-	(52,180)
Return Capital Gestão de Ativos e Participações S.A. (current name of Gira, Gestão Integrada de Recebíveis do Agronegócio S.A.)	(5,271)	-
Banco PSA Finance Brasil S.A.	-	(1,557)
FIT Economia de Energia S.A.	3,992	-
América Gestão Serviços em Energia S.A.	61,608	-
Others	(20,019)	16,978
Banco ABN Amro Real S.A. (Banco Real)	1	-
Return Capital Serviços de Recuperação de Créditos S.A. (current name of Ipanema Empreendimentos e Participações S.A.)	(20,020)	16,978
Balance at the end of the fiscal year	27,892,878	27,852,568

A quantitative goodwill impairment test is conducted annually.

In the goodwill impairment test, conducted based on the December 2024 scenario, and where the discount and perpetuity growth rates are identified as the most sensitive assumptions for the calculation of the present value (value in use) of future discounted cash flows, it was determined that there is no evidence of impairment.

Based on the tests carried out, no loss of recoverable value of goodwill was identified on December 31, 2024 and 2023.

*Values expressed in thousands, except when indicated

14. Intangible assets - Other intangible assets

The breakdown, by asset category, of other intangible assets in the consolidated balance sheets is as follows:

Cost	Information Technology Development	Other assets	Total
Balance on December 31, 2021	7,025,609	430,029	7,455,638
Additions	1,536,146	201,402	1,737,548
Write-off	(186,429)	(1,345)	(187,774)
Transfers	5,986	(38)	5,948
Balance on December 31, 2022	8,381,312	630,048	9,011,360
Additions	1,821,519	85,353	1,906,872
Write-off	(239,768)	(28,383)	(268,151)
Transfers	6,679	-	6,679
Balance on December 31, 2023	9,969,742	687,018	10,656,760
Additions	1,654,226	35,162	1,689,388
Write-off	(59,759)	(424,421)	(484,180)
Balance on December 31, 2024	11,564,209	297,759	11,861,968
Accumulated amortization			
Balance on December 31, 2021	(4,208,942)	(275,283)	(4,484,225)
Additions	(651,724)	(73,735)	(725,459)
Write-off	40,085	2,991	43,076
Balance on December 31, 2022	(4,820,581)	(346,027)	(5,166,608)
Additions	(712,984)	(186,350)	(899,334)
Write-off	34,231	48,714	82,945
Balance on December 31, 2023	(5,499,334)	(483,663)	(5,982,997)
Additions	(1,079,186)	(65,554)	(1,144,740)
Write-off	10,862	388,541	399,403
Transfers	-	-	-
Balance on December 31, 2024	(6,567,658)	(160,676)	(6,728,334)
Impairment loss - IT			
Balance on December 31, 2021	(93,000)	(7,094)	(100,094)
Impact on net profit (1)	(10,091)	(21,160)	(31,251)
Balance on December 31, 2022	(103,091)	(28,254)	(131,345)
Impact on net profit (1)	(16,044)	(3,429)	(19,473)
Balance on December 31, 2023	(119,135)	(31,683)	(150,818)
Impact on net profit (1)	(48,897)	-	(48,897)
Balance on December 31, 2024	(168,032)	(31,683)	(199,715)
Book Value			
Balance on December 31, 2022	3,457,640	255,767	3,713,407
Balance on December 31, 2023	4,351,273	171,672	4,522,945
Balance on December 31, 2024	4,828,519	105,400	4,933,919

(1) Refers to impairment losses on assets in the acquisition and development of software. The impairment loss on the acquisition and development of software was recognized due to obsolescence and discontinuation of the respective systems.

Amortization expenses were recorded under the "Depreciation and Amortization" line item in the income statement.

*Values expressed in thousands, except when indicated

15. Other assets

The breakdown of "Other assets" is as follows:

Thousand of Reais	2024	2023
Other amounts receivable from customers	1,909,055	1,853,699
Prepaid expenses	1,204,673	1,272,342
Contractual Guarantees from Former Controlling Shareholders	496	496
Actuarial asset (Note 21)	341,013	338,820
Other receivables (1)	3,500,220	2,531,294
Total	6,955,457	5,996,651

(1) Mainly represents the payment of premiums from the portfolio of payroll loans.

16. Deposits from credit institutions

The breakdown, by classification, type and currency, of the balances of these items is as follows:

Thousand of Reais	2024	2023
Classification:		
Financial liabilities at amortized cost	158,565,482	118,511,957
Total	158,565,482	118,511,957
Type:		
Demand deposits (1)	858,846	5,100,220
Time deposits (2)	126,587,555	95,289,502
Repurchase agreements	31,119,081	18,122,235
Comprising:		
Operations Backed by Private Securities (3)	13,688	62,882
Backed operations with Government Securities	31,105,393	18,059,353
Total	158,565,482	118,511,957

(1) Non-remunerated accounts.

(2) Includes transactions with credit institutions arising from export and import financing lines, domestic transfers (BNDES and Finame), foreign transfers, and other overseas credit lines.

(3) These primarily relate to repurchase agreements secured by debentures issued by the Bank itself.

Thousand of Reais	2024	2023
Currency:		
Real	46,181,480	43,195,827
Euro	8,739,945	-
U.S. dollar	101,701,923	71,924,538
Other currencies	1,942,134	3,391,592
Total	158,565,482	118,511,957

17. Customer deposits

The breakdown, by classification and type, of "Customer deposits" is as follows:

Thousand of Reais	2024	2023
Classification:		
Financial liabilities at amortized cost	605,068,163	583,220,576
Total	605,068,163	583,220,576
Type:		
Demand deposits		
Current accounts (1)	41,297,264	36,598,932
Savings accounts	57,369,286	58,075,460
Time deposits	425,286,952	390,497,032
Repurchase agreements	81,114,661	98,049,152
Comprising:		
Backed operations with Private Securities (2)	13,688,402	21,550,508

*Values expressed in thousands, except when indicated

Backed operations with Government Securities	67,426,259	76,498,644
Total	605,068,163	583,220,576

(1) Non-remunerated accounts.

(2) Referem-se, basicamente, a operações compromissadas com lastro em debêntures de emissão própria.

Note 43-d contains a detail of the residual maturity periods of financial liabilities at amortized cost.

18. Liabilities arising from securities

The breakdown, by classification and type, of "Liabilities arising from securities" is as follows:

Thousand of Reais	2024	2023
Classification:		
Financial Liabilities Measured at Fair Value in Income Held for Trading	4,045,496	5,985,593
Financial liabilities at amortized cost	135,632,632	124,397,422
Total	139,678,128	130,383,015
Type:		
Real estate credit notes - LCI (1)	45,798,532	41,677,823
Eurobonds	19,851,326	13,612,088
Financial Bills (2)	24,515,804	22,729,058
Agribusiness credit notes - LCA	32,447,165	36,422,805
Secured Real Estate Notes (3)	17,065,301	15,941,241
Total	139,678,128	130,383,015

(1) Real estate credit notes ("LCI") are fixed income securities backed by real estate loans and secured by either mortgage or fiduciary transfer of properties. As of December 31, 2024, their maturity dates ranged from 2025 to 2034 (2023 - with maturity dates from 2024 to 2030).

(2) The key attributes of financial bills include a minimum term of two years, a minimum nominal value of R\$50, and the permission for early redemption of only 5% of the issued amount. As of December 31, 2024, their maturity dates ranged from 2025 to 2034 (2023 - with maturity dates from 2024 to 2033).

(3) Secured real estate notes are fixed-income securities backed by real estate loans collateralized by the issuer and by a pool of real estate loans segregated from the issuer's other assets. As of December 31, 2024, their maturity dates ranged from 2025 to 2035 (12/31/2023), with maturity dates from 2024 to 2035."

*Values expressed in thousands, except when indicated

Indexing Units:	Domestic Currency	Foreign Currency
Financial Bills	100% to 107% of CDI	—
	100% of IPCA	—
	Pre fixed: 6.42% to 16.38%	—
Real estate credit notes - LCI	70% to 105.8% of CDI	—
	Pre fixed: 4.98% to 15.66%	—
Agribusiness credit notes - LCA	70% to 108% of CDI	—
	Pre fixed: 7.74% to 15.76%	—
Secured Real Estate Notes - LIG	80% to 106% of CDI	—
Eurobonds	—	Up to 9% + CDI
	—	4.3% of SOFR

The currency breakdown of the balance for this item is as follows:

Thousand of Reais

Currency:	2024	2023
Real	119,826,802	116,770,927
U.S. dollar	19,851,326	13,612,088
Total	139,678,128	130,383,015

	Average interest rate (%)	
Currency:	2024	2023
Real	11.4 %	11.9 %
U.S. dollar	6.1 %	4.9 %
Total	8.8 %	8.4 %

The changes in "Liabilities arising from securities" were as follows:

Thousand of Reais	2024	2023	2022
Balance at the beginning of the fiscal year	130,383,015	116,042,393	86,496,576
Issuances	39,541,342	75,404,958	60,583,109
Payments	(33,038,049)	(63,400,960)	(39,154,639)
Interest	3,778,418	4,998,766	6,951,908
Exchange differences and Others	(986,598)	(2,662,142)	1,165,439
Balance at the end of the fiscal year	139,678,128	130,383,015	116,042,393

As of December 31, 2024, 2023 none of these instruments had been converted into shares of the Bank nor had they obtained privileges or rights that, under certain circumstances, would render them convertible into shares.

Note 43-d provides details on the residual maturity periods of the financial liabilities at amortized cost for each fiscal year.

The breakdown of "Eurobonds and other securities" is as follows:

Issuance	Maturity by	Interest Rate (p.a.)	2024	2023
2021	2031	Up to 9% + CDI	4,195,534	3,337,315
2022	2035	Up to 9% + CDI	1,459,607	1,918,929
2023	2031	Up to 9% + CDI	3,102,939	8,355,844
2024 (1)	2035	Up to 9% + CDI	11,093,246	-
Total			19,851,326	13,612,088

(1) Includes SOFR fee

*Values expressed in thousands, except when indicated

19. Debt Instruments Eligible as Capital

The details of the balance for "Debt Instruments Eligible as Capital," associated with the issuance of instruments to constitute Tier 1 and Tier 2 of the regulatory capital as part of the Capital Optimization Plan, are as follows:

Thousand of Reais	Issuance	Maturity	Value (in millions)	Interest Rate (p.a.)	2024	2023
Tier I (1)	Nov-18	No Term (Perpetual)	US\$ 1,250	7.250%	-	6,116,218
Financial Bills - Tier II (2)	Nov-21	Nov-31	R\$ 5,300	CDI+2%	7,995,673	7,072,124
Financial Bills - Tier II (2)	Dec-21	Dec-31	R\$ 200	CDI+2%	301,468	266,647
Financial Bills - Tier II (2)	Oct-23	Oct-33	R\$ 6,000	CDI+1.6%	6,949,991	6,171,978
Financial Bills - Tier I (3)	Sep-24	No Term (Perpetual)	R\$ 7,600	CDI+1.4%	7,890,652	-
Total					23,137,784	19,626,967

(1) The issuances were conducted through the Cayman Branch and are not subject to withholding tax, with interest paid semi-annually, beginning from May 8, 2019.

(2) Financial Bills issued in 2021 and 2023 include a redemption and repurchase option

(3) Financial Letters issued in September 2024 have redemption and repurchase options, and interest is paid semi-annually, starting on March 5, 2025.

	2024	2023	2022
Balances at the beginning of the fiscal year	19,626,967	19,537,618	19,641,408
Issuance	7,600,200	6,000,000	-
Interest payment Tier I (1)	786,823	461,186	484,291
Interest payment Tier II (1)	1,736,383	1,464,586	379,103
Exchange differences / Others	1,051,377	(614,496)	(105,467)
Payments of interest - Tier I	(132,243)	(507,291)	(467,099)
Payments of interest - Tier II	-	(206,683)	(394,618)
Repurchase	(7,531,723)	(6,507,953)	-
Balance at the end of the fiscal year	23,137,784	19,626,967	19,537,618

(1) Interest remuneration related to Tier 1 and Tier 2 Debt Instruments Eligible as Capital was recorded in the period's results as "Interest and Similar Expenses" (Note 32).

The Notes possess the following characteristics in common:

- (a) Unit value of no less than US\$150 thousand and in whole multiples of US\$1 thousand for any amount exceeding this minimum value;
- (b) The Notes may be repurchased or redeemed by Banco Santander after the 5th (fifth) anniversary of their issuance date, at the sole discretion of the Bank or due to changes in the tax legislation applicable to the Notes; or at any time, due to the occurrence of certain regulatory events.

20. Other financial liabilities

The breakdown of the balances for this item is as follows:

Thousand of Reais	2024	2023
Credit cards	52,876,437	54,169,518
Transactions pending settlement (1)	23,951,903	7,685,564
Dividends and Interest on Equity Payable	109,442	137,284
Tax collection accounts - Tax payables	1,545,784	1,208,245
Liabilities associated with the transfer of assets (Note 9.g)	19,740	25,497
Other financial liabilities	673,873	1,567,476
Total	79,177,179	64,793,584

(1) Includes transactions pending settlement with B3 S.A. and foreign currency payment orders.

21. Obligations for pension and similar liabilities

As of December 31, 2024, the balance of provisions for pension funds and similar liabilities amounted to R\$1,364,437 (2023 - R\$2,543,504 and 2022 - R\$1,775,202).

I. Supplementary pension plan

Banco Santander and its subsidiaries sponsor closed supplementary pension entities and welfare funds, with the purpose of granting retirement and pensions complementary to those granted by Social Security, as defined in the basic regulations of each plan.

• Banesprev - Banespa Social Security Fund (Banesprev)

Banesprev manages the following defined and variable benefit plans: Plan I, Plan II, Plan III, Plan IV, Plan V, Retirement and Pension Supplement Plan – Pre 75, Sanprev Plan I, Sanprev Plan II, Sanprev Plan III, DCA, DAB and CACIBAN. All plans are closed to new subscriptions.

• Former Banespa Employees

The class action lawsuit filed by AFABESP (an association of retired and former employees of Banespa), seeking payment of a semi-annual bonus provided for in the old BANESPA bylaws, resulted in a final decision unfavorable to Banco Santander. As a result, each beneficiary of the decision may file an individual lawsuit to receive the amount due.

As the judgments adopted different positions for each case, a procedure called Incident of Resolution of Repetitive Demands (IRDR) was instituted before the Regional Labor Court (TRT) with the objective of establishing objective criteria regarding the theses defended by the Bank, mainly the prescriptive term and payment limitations until December 2006 (regarding the establishment of Plan V). On March 11, 2024, the IRDR incident was admitted for future judgment and the suspension of all lawsuits that are in the second instance (TRT) and filed in São Paulo (Capital) and other cities that are part of the jurisdiction of the TRT of São Paulo was determined.

Finally, due to the divergence in interpretation of the labor statute of limitations provided for in the Federal Constitution, an Action for Allegation of Non-Compliance with a Fundamental Precept (ADPF) was also filed, so that the Federal Supreme Court (STF) can resolve the issue and indicate the correct term to be used in the individual cases filed.

On June 27, 2024, a transaction was signed between Banco Santander, BANESPREV, AFABESP and legal advisors establishing criteria and conditions for the settlement of individual lawsuits. By August 23, 2024 (end of the adhesion period), approximately 90% of eligible beneficiaries had formalized their adhesions to said transaction, which were subsequently approved by court decision, and the respective individual lawsuits will be extinguished. Banco Santander registered an obligation related to the amounts effectively due for payment of the transaction. The amounts due for the installments settled to date, equivalent to R\$2,187 million, were contributed by Banco Santander to the respective plans administered by Banesprev, responsible for administering the supplementary pension plans and for paying the transaction to the respective beneficiaries. The remaining installments will be contributed to Banesprev until May 2026 (note 24), updated in accordance with the criteria and the benefit adjustment index provided for in the regulations of the plans to which each holder is linked.

The other individual processes, whose beneficiaries did not adhere to the aforementioned transaction, are pending a final decision regarding the controversial legal issues, which will be resolved when the IRDR and ADPF are judged.

• Sanprev – Santander Pension Association (Sanprev)

Closed supplementary pension entity that managed three benefit plans, two in the Defined Benefit modality and one in the Variable Contribution modality, whose management transfer process for these plans to Banesprev took place in January 2017. According to PREVIC Ordinance 389, of May 8, 2018, the termination of Sanprev's operating authorization was approved.

• Bandeprev - Bandede Social Security (Bandeprev)

Defined benefit plan sponsored by Banco Bandede S.A. and Banco Santander, administered by Bandeprev. The plans are divided into a basic plan and a special supplementary retirement plan, with differences in eligibility, contributions and benefits for subgroups of participants. The plans have been closed to new members since 1999 for employees of Banco Bandede S.A. and for all others since 2011.

SantanderPrevi - Private Pension Entity (SantanderPrevi): is a closed supplementary pension entity, whose objective is to establish and implement pension benefit plans, complementary to the general social security system, in accordance with current legislation.

SantanderPrevi's Retirement Plan is structured in the Defined Contribution modality and has been closed to new members since July 2018, as approved by PREVIC, with contributions shared between the sponsoring companies and the plan participants. The amounts appropriated by the sponsors for the fiscal year ended December 31, 2024 were R\$62,076 (2023 – R\$54,774 and 2022 – R\$58,960).

There are 10 cases of benefits granted with lifetime income from a previous plan.

SBPREV - Santander Brasil Open Pension: As of January 2, 2018, Santander began offering this new optional supplementary pension program for newly hired employees and for employees who are not enrolled in any other pension plan administered by the Closed Supplementary Pension Entities of the Santander Brasil Conglomerate. This new program includes the PGBL- Free Benefits Generating Plan and VGBL-Free Benefits Generating Life modalities administered by Zurich Santander Brasil Seguros e Previdência S.A, an Open Supplementary Pension Entity, open to new members, with their contributions shared between the founding/stipulating-endorsing companies and the plan participants. The amounts appropriated by the sponsors in the fiscal year ended December 31, 2024 were R\$32,505 (2023 – R\$29,348 and 2022 – R\$22,068).

II. Health and Dental Care Plan

*Values expressed in thousands, except when indicated

Cabesp - São Paulo State Bank Employees' Charitable Fund:

Entity focused on covering medical and dental expenses of employees hired before the privatization of Banespa in 2000, as defined in the entity's Bylaws. The plans administered by the entity are:

- Retirees by HolandaPrevi (previous name of SantanderPrevi);
- Former Employees of Banco Real (Retirees by Circulars).

Retirees from Bandeprev:

A health care plan granted to retirees from Banco do Estado de Pernambuco; it is a lifetime benefit. Banco Santander subsidizes 50% of the plan value for those who retired before November 27, 1998. For those who retired after this date, the subsidy is 30%.

Health Officers:

Directors, Executive Directors, Vice Presidents and Chief Executive Officers may, at their own discretion, opt for lifetime membership in the health insurance plan in the event of termination of employment with Banco Santander or companies in its conglomerate without just cause; provided that they meet the following requirements: have contributed to the health insurance plan for at least 3 (three) years; have served as a director at Banco Santander or companies in its conglomerate for at least 3 (three) years; be 55 years of age or older. The plan will be maintained under the same terms as the director enjoyed at the time of his/her termination, including the payment of his/her share, which must be made by means of a payment slip. Dependents who were active at the time of termination will remain on the same plan as the director, and the inclusion of new dependents will not be permitted under any circumstances.

Life Insurance for Retirees (Life Insurances):

Granted to Retirees by Circulars: compensation in cases of Natural Death, Disability due to Illness, Accidental Death. The subsidy is 45% of the premium value. This is a closed mass.

Life Insurance Assistance Funds (Life Insurance):

In December of 2018, life insurance coverage was included in the insurance for retirees from the DCA, DAB, and CACIBAN plans. This insurance was extended to retirees from the former Banco Meridional, with coverage according to the retiree's selection upon enrollment in the benefit. The Bank provides a subsidy of 50% of the premium for the policyholder, and some retirees have a spouse clause, contributing 100% towards the cost. This is a closed pool.

Sudameris Foundation Medical Assistance:

A free lifetime clinical assistance plan is offered to retirees who have contributed to the Sudameris Foundation for at least 25 years. This plan includes an upgrade option if the beneficiary opts for a private room, although the default offering is in a standard ward setting. In such cases, the cost is 100% of the Sudameris Foundation.

In addition, retired employees are entitled to continue as beneficiaries of the Bank's health plan, provided they meet specific legal criteria and fully cover their respective contributions. Santander provides the same level of healthcare coverage to retirees as they enjoyed during the tenure of their employment contracts. Banco Santander's obligations towards retirees are assessed using actuarial calculations based on the present value of current costs.

III. Actuarial Techniques

The value of the defined benefit obligations was determined by independent actuaries employing the following actuarial techniques:

• Valuation method

Projected unit credit method, which views each year of service resulting in an additional unit of benefit entitlement and measures each unit separately.

Actuarial Assumptions Adopted in the Calculations	2024		2023		2022	
	Retirement	Health	Retirement	Health	Retirement	Health
Nominal Discount Rate for Actuarial Liability	10.6%	10.5%	8.7%	8.7%	9.44% ¹ and 9.64%	9.46% ² and 9.64%
Rate for Determining Interest on Assets for the Following Fiscal Year	10.6%	10.5%	8.7%	8.7%	9.44% ¹ and 9.64%	9.46% ² and 9.64%
Projected Long-Term Inflation Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Projected Nominal Wage Growth Rate	3.5%	N/A	3.5%	N/A	3.5%	N/A
General Mortality Table	AT2000	AT2000	AT2000	AT2000	AT2000	AT2000

(1) Banesprev Plans II, V and Pr 75

(2) Cabesp

*Values expressed in thousands, except when indicated

Changes in the present value of liabilities accrued as defined benefits and the breakdown of actuarial gains (losses) arising from experience, financial assumptions, and demographic assumptions of 2024 and the last 2 years are as follows:

	Post-Employment Plans			Other Similar Obligations		
	2024	2023	2022	2024	2023	2022
Present value of liabilities at the beginning of the fiscal period (Note 39)	26,241,550	24,106,720	26,503,960	5,130,333	4,588,664	5,123,868
Costs of current services (Note 39)	586	(911)	1,432	5,694	4,903	5,015
Interest cost	2,247,577	2,188,015	2,175,565	438,944	429,103	427,484
Paid benefits	(4,721,231)	(2,487,932)	(3,269,089)	(489,818)	(448,912)	(398,149)
Actuarial losses (gains)	(1,040,157)	2,433,313	(1,347,974)	(395,757)	556,575	(569,554)
Others	268,045	2,345	42,826	-	-	-
Present value of liabilities at the end of the fiscal period	22,996,370	26,241,550	24,106,720	4,689,396	5,130,333	4,588,664
Any less:						
Fair value of plan assets (1)	26,158,640	27,328,362	27,316,715	5,008,751	5,570,353	4,945,407
Unrecognized assets (1)	(3,617,497)	(2,649,505)	(4,141,741)	(877,078)	(1,082,010)	(907,430)
Provisions - net	455,228	1,562,694	931,746	557,724	641,990	550,687
Total provisions for pension plans, net	1,023,424	2,204,684	1,482,433			
Of which:						
Actuarial provisions	1,364,437	2,543,504	1,775,202			
Actuarial assets (note 15) (1)	341,013	338,820	292,770			
Experience-Based Adjustments in Net Assets	(1,200,878)	(99,752)	(950,298)	(772,305)	387,599	(399,946)
Plan Experience	(2,343,241)	(585,676)	(739,281)	(416,984)	(171,107)	(10,858)
Changes in Financial Assumptions	3,347,376	(1,652,752)	2,087,825	770,940	(419,306)	580,286
Changes in Demographic Assumptions	-	(178,125)	(174)	41,519	33,838	126
Actuarial Gain (Loss) - Obligation	1,004,135	(2,416,553)	1,348,370	395,475	(556,575)	569,554
Return on Investments Different from the Return Implicit in the Discount Rate	(1,183,609)	(127,052)	(962,916)	(771,685)	387,599	(403,979)
Actuarial Gain (Loss) - Asset	(1,183,609)	(127,052)	(962,916)	(771,685)	387,599	(403,979)
Change in Surplus/Irrecoverable Deficit	(704,716)	1,801,693	(82,891)	304,272	(89,852)	(254,205)

(1) Refers to the surplus plans Baneprev I and III, Sanprev I, II and III and Bandeprev. Refers to the surplus plans Baneprev I and III, Sanprev I, II and III and Bandeprev.

The amounts recognized in the consolidated statement of income relating to the previously mentioned defined benefit liabilities are as follows:

	Post-Employment Plans			Other Similar Obligations		
	2024	2023	2022	2024	2023	2022
Income						
Personnel expenses - Costs of current services (note 39)	586	(911)	1,432	5,694	4,903	5,015
Interest and similar income and expenses - Interest cost (net) (notes 31 and 32)	(115,866)	(198,288)	2,175,565	(52,667)	(42,656)	427,484
Interest and similar income and expenses - Interest on unrecognized assets (notes 31 and 32)	273,924	308,381	(2,064,384)	99,728	84,729	(382,028)
Other movements - Extraordinary Charges	(67)	(280)	41,546	-	(91)	31
Total	158,577	108,902	154,159	52,755	46,885	50,502

*Values expressed in thousands, except when indicated

The fluctuations in the fair value of the plan's assets were as follows:

	Post-Employment Plans			Other Similar Obligations		
	2024	2023	2022	2024	2023	2022
Fair value of plan assets at the beginning of the year	27,328,362	27,316,715	28,321,826	5,570,354	4,945,407	5,096,263
Interest Income (Expenses)	2,363,706	2,386,330	2,477,872	491,611	471,759	449,758
Remeasurement – Real gain (loss) on actuarial assets excluding interest expenses (net)	(1,200,878)	(99,752)	(950,298)	(772,305)	387,599	(399,946)
Contributions	2,388,681	212,719	750,690	177,614	173,335	164,876
Being:						
By the Bank	2,386,461	210,367	747,913	177,614	173,335	164,876
By plan participants	2,220	2,352	2,777	-	-	-
Paid benefits	(4,721,231)	(2,487,650)	(3,269,258)	(458,523)	(407,746)	(365,544)
Exchange rate variations and other items	-	-	(14,117)	-	-	-
Fair value of plan assets at the end of the year	26,158,640	27,328,362	27,316,715	5,008,751	5,570,354	4,945,407

The assumptions concerning healthcare cost rates have a significant impact on the amounts recognized in the financial statements. A one percentage point change in healthcare cost rates would have the following effects:

	2024		2023		Sensitivity	
	Current Service Cost and Interest	Present Value of Liabilities	Current Service Cost and Interest	Present Value of Liabilities	Current Service Cost and Interest	Present Value of Liabilities
Interest rate						
(+)0.5%	(23,750)	(231,019)	(27,627)	(346,439)	(22,524)	(240,984)
(-)0.5%	25,895	251,828	24,768	266,243	24,802	265,351
General Mortality Table						
Applied (+) 2 years	(48,858)	(475,167)	(50,263)	(611,723)	(42,586)	(455,624)
Applied (-) 2 years	50,445	490,605	48,527	544,105	45,310	484,763
Cost of Medical Care						
(+)0.5%	28,376	275,982	26,968	291,763	29,297	313,438
(-)0.5%	(26,451)	(257,258)	(30,133)	(376,538)	(27,104)	(289,978)

The following table presents the duration of actuarial liabilities of the plans sponsored by Banco Santander:

Post-Employment Plans		Other Similar Obligations	
Plans	Duration (Average in Years)	Plans	Duration (Average in Years)
Banesprev	7.75	Cabesp	10.44
Sanprev	7.17	Bandepe	8.64
Bandeprev	5.65	Clínica Grátis	8.22
SantanderPrevi	5.36	Diretores Vitalícios	6.2
CACIBAN / DAB / DCA	5.41 / 4.61 / 4.9	Diretores Saúde	22.6
		Circulares	7.98 / 7.36
		Seguro de Vida	4.75

*Values expressed in thousands, except when indicated

22. Provisions for judicial and administrative proceedings, commitments and other provisions**a) Breakdown**

The breakdown of "Obligation and Provisions" is as follows:

Thousand of Reais	2024	2023
Provisions for pension funds and similar liabilities (Note 21)	1,364,437	2,543,504
Provisions for judicial and administrative proceedings, commitments, and other provisions	9,612,493	8,930,277
Judicial and Administrative Proceedings for Liabilities of Former Controlling Shareholders (Note 15)	496	496
Judicial and administrative proceedings	9,065,853	8,457,667
Comprising:		
Civil	3,330,621	2,888,359
Labor	2,946,482	3,277,476
Tax and Social Security	2,788,750	2,291,832
Provisions for contingent liabilities (Note 22.b.1)	440,113	382,485
Miscellaneous provisions	106,031	89,629
Total	10,976,930	11,473,781

b) Changes

The changes in "Obligation and Provisions" were as follows:

Thousand of Reais	2024		
	Pension Funds (1)	Other Provisions	Total
Balance at the beginning of the fiscal year	2,543,504	8,930,277	11,473,781
Additions charged to income:			
Interest expense and similar charges	205,119	-	205,119
Personnel Expenses (Note 39)	6,280	-	6,280
Establishment / Reversals and Adjustments of Provisions	(24)	4,537,708	4,537,684
Other Comprehensive Income	736,938	-	736,938
Establishment / Reversal of provisions for contingent commitments	-	57,628	57,628
Payments to external funds	(2,417,724)	-	(2,417,724)
Amount paid	-	(3,913,120)	(3,913,120)
Transfer to other assets - actuarial assets (Note 15)	24,452	-	24,452
Transfers, foreign exchange fluctuations, and other variations	265,892	-	265,892
Balance at the end of the fiscal year	1,364,437	9,612,493	10,976,930

Thousand of Reais	2023		
	Pension Funds (1)	Other Provisions	Total
Balance at the beginning of the fiscal year	1,775,202	7,339,941	9,115,143
Additions charged to profit or loss:			
Interest and Similar Income and Expenses	154,499	-	154,499
Personnel Expenses (Note 39)	3,788	-	3,788
Establishment / Reversals and Adjustments of Provisions	(89)	4,472,411	4,472,322
Other Comprehensive Income	834,702	-	834,702
Establishment / Reversal of provisions for contingent commitments	-	(47,999)	(47,999)
Payments to external funds	(251,467)	-	(251,467)
Amount paid	-	(2,834,076)	(2,834,076)
Transfer to other assets - actuarial assets (Note 15)	26,869	-	26,869

*Values expressed in thousands, except when indicated

Transfers, foreign exchange fluctuations, and other variations	-	-	-
Balance at the end of the fiscal year	2,543,504	8,930,277	11,473,781

Thousand of Reais

2022

	Pension Funds (1)	Other Provisions	Total
Balance at the beginning of the fiscal year	2,728,126	8,876,356	11,604,482
Additions charged to profit or loss:			
Interest and Similar Income and Expenses	156,637	-	156,637
Personnel Expenses (Note 39)	6,447	-	6,447
Establishment / Reversals and Adjustments of Provisions	40,470	1,652,562	1,693,032
Other Comprehensive Income	(401,147)	-	(401,147)
Establishment / Reversal of provisions for contingent commitments	-	(477,543)	(477,543)
Payments to external funds	(783,187)	-	(783,187)
Amount paid	-	(2,713,474)	(2,713,474)
Transfer to other assets - actuarial assets (Note 15)	27,856	-	27,856
Transfers, foreign exchange fluctuations, and other variations	-	2,040	2,040
Balance at the end of the fiscal year	1,775,202	7,339,941	9,115,143

(1) For further information, please refer to note 21. Provisions for pension funds and similar liabilities

b.1) Provisions for contingent payments

As stated in **note 1.iv**, IFRS 9 mandates the recognition of a provision for expected loan losses on financial guarantee contracts that have not yet been honored. This provision expense, reflecting the credit risk, must be measured and recognized when such guarantees are honored and the guaranteed customer fails to meet their contractual obligations. Changes in these provisions during the fiscal years of 2024, 2023 and 2022 are detailed below.

Thousand of Reais	2024	2023	2022
Balance at the beginning of the period	382,485	430,484	908,027
Establishment / Reversal of provisions for contingent commitments	57,628	(47,999)	(477,543)
Balance at end of year	440,113	382,485	430,484

c) Provisions for Tax and Social Security, Labor and Civil Matters

Banco Santander and its subsidiaries are involved in judicial and administrative proceedings related to tax, social security, labor, and civil matters, arising from their regular business operations.

Provisions have been established based on the nature, complexity, and historical context of the legal proceedings, as well as on the assessment of loss in the companies' proceedings, informed by the opinions of both internal and external legal advisors. It is Banco Santander's policy to fully provision the value at risk for proceedings deemed to have a probable loss.

Management understands that the provisions made are sufficient to meet legal obligations and potential losses arising from judicial and administrative proceedings as follows:

c.1) Judicial and Administrative Proceedings Pertaining to Tax and Social Security Matters

Main judicial and administrative proceedings with probable loss risk

Banco Santander and its subsidiaries are involved in judicial and administrative proceedings related to tax and social security disputes, which are classified based on the opinion of legal advisors as having a probable loss risk.

Provisional Contribution on Financial Transactions (CPMF) in Client Operations - R\$1,167 million (12/31/2023 - R\$1,099 million) in Consolidated: in May 2003, the Brazilian Federal Revenue Service issued a tax assessment notice against Santander Distribuidora de Títulos e Valores Mobiliários Ltda. (Santander DTVM) and another notice against Banco Santander (Brasil) S.A. The purpose of the proceedings was the collection of CPMF on transactions carried out by Santander DTVM in the management of its customers' funds and clearing services provided by the Bank to Santander DTVM, which occurred during the years 2000, 2001 and 2002. The administrative proceeding ended unfavorably for both Companies. On July 3, 2015, Banco and Santander Brasil Tecnologia S.A. (current name of Produban Serviços de Informática S.A. and Santander DTVM) filed a lawsuit seeking to cancel both tax debts. Said lawsuit resulted in an unfounded sentence and ruling, which led to the filing of a Special Appeal to the STJ and an Extraordinary Appeal to the STF, which are awaiting judgment. Based on the assessment of legal advisors, a provision was set up to cover the losses considered probable in the lawsuit.

*Values expressed in thousands, except when indicated

National Institute of Social Security (INSS) - R\$142 million in Consolidated (12/31/2023 - R\$138 million in Consolidated) Banco Santander and the controlled companies discuss administratively and judicially the collection of the contribution of social security and education salary on various funds that, according to the assessment of legal advisors, do not have a salary nature.

Service Tax (ISS) - Financial Institutions – R\$366 million in Consolidated (12/31/2023 - R\$379 million in Consolidated): Banco Santander and the controlled companies are administratively and judicially discussing the requirement, for several municipalities, for the payment of ISS on various revenues arising from operations that are not usually classified as provision of services. Furthermore, other actions involving ISS, classified as possible risk of loss, are described in **note 22 c.4**.

c.2) Judicial and Administrative Proceedings Pertaining to Labor Matters

These are legal actions initiated by Labor Unions, Associations, the Labor Public Prosecutor's Office, and former employees, claiming labor rights they believe are due, particularly regarding the payment of "overtime" and other labor rights, including proceedings related to retirement benefits.

For claims regarded as routine and alike in nature, provisions are recorded based on the historical average of settled cases. Claims that do not meet this criterion are provisioned based on an individual assessment, with provisions established according to the probable risk of loss, in compliance with the law and jurisprudence, as determined by the loss assessment conducted by legal advisors.

c.3) Judicial and Administrative Proceedings Pertaining to Civil Matters

These provisions typically arise from: (i) claims requesting a review of contractual terms and conditions or monetary adjustment requests, including alleged impacts from the implementation of various government economic plans, (ii) claims related to financing contracts, (iii) enforcement actions, and (iv) claims for compensation for losses and damages. For civil claims deemed routine and alike in nature, provisions are recorded based on the historical average of settled cases. Claims that do not meet this criterion are provisioned based on an individual assessment, with provisions established according to the probable risk of loss, in compliance with the law and jurisprudence, as determined by the loss assessment conducted by legal advisors.

The main proceedings classified as probable loss risk are detailed below:

Compensatory Actions - These relate to compensation for material and/or moral damages arising from consumer relationships, primarily involving issues related to credit cards, consumer loans, current accounts, collections, loans, and other matters. For claims concerning causes deemed alike and routine for the business, within the normal course of the Bank's operations, provisions are established based on the historical average of settled cases. Claims that do not meet this criterion are provisioned based on an individual assessment, with provisions set according to the probable risk of loss, in compliance with the law and jurisprudence, as determined by the loss assessment conducted by legal advisors.

Economic Plans - These relate to judicial proceedings that claim alleged inflationary adjustments arising from Economic Plans (Bresser, Verão, Collor I and II), on the basis that such plans infringed upon vested rights associated with the application of purportedly owed inflationary indices to Savings Accounts, Judicial Deposits, and Time Deposits ("CDBs"). The provisions for these lawsuits are based on the individualized assessment of loss conducted by legal advisors.

Banco Santander is also a party to public civil actions related to the same subject matter, initiated by consumer protection entities, the Public Prosecutor's Office, or Public Defenders. Provisions are recognized only for cases with a probable loss risk, based on individual enforcement requests. The issue is currently under review by the STF. There is existing jurisprudence in the STF that is favorable to banks concerning economic phenomena similar to that of savings accounts, such as in the case of inflation adjustments to time deposits ("CDBs") and adjustments applied to contracts ("tablita").

However, the jurisprudence of the STF regarding the constitutionality of the regulations that amended Brazil's monetary standard has not yet been established. On April 14, 2010, the Superior Court of Justice ("STJ") ruled that the deadline for initiating public civil actions related to the inflation adjustments is 5 years from the date of the plans, but this ruling has not yet become final and conclusive. Accordingly, with this decision, a significant number of the claims, as filed after the x-year deadline, are expected to be declared unfounded, thereby reducing the amounts involved. The STJ also ruled that the deadline for individual savers to register for Public Civil Actions is x years, counted from the date of the final judgment of the respective case. Banco Santander is confident in the success of the positions it has advocated before these courts, due to their substance and rationale.

Towards the end of 2017, the Attorney General's Office ("AGU"), the Brazilian Central Bank ("Bacen"), the Consumer Defense Institute ("Idec"), the Brazilian Savers Front ("Febrapo"), and the Brazilian Federation of Banks ("Febraban") entered into an agreement with the objective of resolving the legal disputes related to the Economic Plans.

The discussions were centered on determining the amount to be paid to each claimant, based on the balance in the savings account as of the plan's date. The total amount of the payments will depend on the number of participants, as well as the number of savers who have successfully demonstrated in court the existence of the account and the balance on the anniversary date of the index adjustment. The settlement agreement negotiated between the parties was ratified by the STF.

In a ruling by the STF, a nationwide suspension of all legal proceedings concerning the issue was ordered for the duration of the agreement, except for cases where judgments are being definitively enforced.

*Values expressed in thousands, except when indicated

On March 11, 2020, the agreement was extended through an addendum, incorporating lawsuits exclusively pertaining to the discussion of the Collor Plan I. This extension is for a term of 5 years, and the ratification of the addendum's terms took place on June 03, 2020.

Management believes that the provisions made are adequate to cover the risks associated with the economic plans, in light of the ratified agreement.

c.4) Contingent Liabilities in Tax, Social Security, Labor, and Civil Matters Classified as Possible Loss Risk

These are judicial and administrative proceedings related to tax, social security, labor, and civil matters, classified, based on the opinion of legal advisors, as carrying a risk of possible loss, therefore, not provisioned.

Tax lawsuits with a possible loss classification totaled R\$35,834 millions in the Consolidated (12/31/2023 - R\$34,829 million), with the main lawsuits being as follows:

PIS and COFINS- Lawsuits filed by Banco Santander (Brasil) S.A. and other entities of the Group to prevent the application of Law No. 9,718/98, which changes the calculation basis of the Social Integration Program (PIS) and the Contribution for Social Security Financing (COFINS), extending it to all revenues of the entities, and not only to revenues arising from the provision of services. Regarding the Banco Santander (Brasil) S.A. case, in 2015 the Brazilian Supreme Court (STF) admitted the extraordinary appeal filed by the Federal Government regarding PIS and denied the extraordinary appeal filed by the Federal Public Prosecutor's Office regarding the contribution to COFINS, confirming the decision of the Federal Regional Court in favor of Banco Santander (Brasil) S.A. in August 2007. The STF decided, by means of General Repercussion, Theme 372 and partially accepted the Federal Government's appeal, establishing the thesis that PIS/COFINS is levied on operating revenues arising from the typical activities of financial institutions. With the publication of the judgment, the Bank filed a new appeal regarding PIS, which is awaiting analysis. Based on the assessment of legal advisors, the risk prognosis was classified as a possible loss, with an appeal not being probable. As of December 31, 2024, the amount involved is R\$2.225 million. For the other legal actions, the respective PIS and COFINS obligations were established.

INSS on Profit Sharing or Results (PLR) - The Bank and its subsidiaries are subject to legal and administrative proceedings arising from questions from tax authorities regarding the collection of social security contributions on payments made as profit sharing. On December 31, 2024, the amount was approximately R\$9,804 million.

Service Tax (ISS) - Financial institutions - Banco Santander and its subsidiaries are contesting both administratively and judicially the imposition by several municipalities of the ISS on various income derived from operations not typically recognized as service provision. As of December 31, 2024, the value was approximately R\$3,635 million.

Non-Ratified Tax Offsetting - The Bank and its subsidiaries are engaged in both administrative and legal disputes with the Federal Revenue Service over the non-ratification of tax offsets involving credits from overpayments or undue payments. As of December 31, 2024, the total amount was approximately R\$6,524 million

Losses in Credit Operations -The Bank and its subsidiaries contested the tax assessments issued by the Brazilian Federal Revenue Service, alleging the undue deduction of losses on credit transactions from the IRPJ and CSLL calculation bases for allegedly not meeting the requirements of the applicable laws. On December 31, 2024, the amount was approximately R\$1,092 million

Use of CSLL Tax Loss and Negative Base - Notices of infraction issued by the Brazilian Federal Revenue for the fiscal years 2009 and 2019, concerning alleged improper offsetting of tax losses and negative CSLL base, following tax assessments from previous periods. A decision in the administrative court is pending. As of December 31, 2024, the value was approximately R\$2,522 million.

Amortization of Goodwill from Banco Sudameris Acquisition - The tax authorities issued notices of violation to demand payment of IRPJ and CSLL, including late payment charges, related to the tax deduction of the amortization of the goodwill paid in the acquisition of Banco Sudameris, for the base period from 2007 to 2012. Banco Santander presented the respective administrative defenses. The first period assessed is awaiting analysis of an appeal at CARF. Regarding the period from 2009 to 2012, a lawsuit was filed to discuss the IRPJ portion, due to the unfavorable conclusion in the administrative process. For the CSLL portion of this same period, we request the withdrawal of the Special Appeal filed, aiming to take advantage of the benefits established by Law No. 14,689/2023 (quality vote). A lawsuit will be filed for the remaining portion. On December 31, 2024, the amount was approximately R\$837 million.

IRPJ and CSLL Capital Gains - The Brazilian Federal Revenue Service issued a tax assessment notice against Santander Seguros (legal successor of ABN AMRO Brasil Dois Participações S.A. (AAB Dois Par) charging income tax and social contribution related to the fiscal year 2005. The Brazilian Federal Revenue Service claims that the capital gain on the sale of shares of Real Seguros S.A. and Real Vida e Previdência S.A. by AAB Dois Par should be taxed at a rate of 34.0% instead of 15.0%. The assessment was administratively challenged based on the understanding that the tax treatment adopted in the transaction was in accordance with the current tax legislation and the capital gain was duly taxed. The administrative proceeding ended unfavorably to the Company. In July 2020, the Company filed a lawsuit seeking to cancel the debt. The lawsuit is awaiting judgment. Banco Santander is responsible for any adverse outcome in this proceeding as the former controlling shareholder of Zurich Santander Brasil Seguros e Previdência S.A. On December 31, 2024, the value was approximately R\$573 million.

IRRF – Overseas Remittance - The Company filed a lawsuit seeking to eliminate the taxation of Income Tax Withheld at Source – IRRF, on payments derived from the provision of technology services by companies headquartered abroad, due to the existence of International Treaties signed between Brazil-Chile; Brazil-Mexico and Brazil-Spain, thus avoiding double taxation. A favorable judgment was handed down and the National Treasury appealed to the Regional Federal Court of the 3rd Region, where it awaits judgment. On December 31, 2024, the amount was approximately R\$1,109 million.

Labor lawsuits with a possible loss classification totaled R\$459 million in the Consolidated, including the lawsuit below:

*Values expressed in thousands, except when indicated

Adjustment of Banesprev Retirement Supplements through IGPD - Class action filed by Afabesp requesting a change in the adjustment index for social security benefits for retirees and former employees of Banespa, hired before 1975. Initially, the action was ruled unfavorably to Banco Santander, which appealed this initial decision and on August 23, 2024, it was ruled in favor of Banco Santander. Against this new decision, on August 30, 2024, AFABESP filed an Embargo for Clarification, which is pending judgment.

Liabilities related to civil lawsuits with a possible risk of loss totaled R\$3,249 million in the Consolidated, with the main lawsuit being:

Indemnity lawsuit related to custody services provided by Banco Santander. The lawsuit is in the expert assessment phase and has not yet been sentenced.

23. Tax assets and liabilities

a) Income tax and social contribution

The total charges for the period can be reconciled with the accounting profit as follows:

Thousand of Reais	2024	2023	2022
Operating Profit Before Tax	19,190,228	11,921,651	19,574,727
Tax Rate (25% income tax and 20% social contribution tax) (3)	(8,635,601)	(5,364,743)	(8,890,954)
PIS and COFINS (net of income and social contribution taxes) (1)	(3,258,281)	(3,789,866)	(3,629,609)
Non-taxable/Non-deductible:			
Equity method	140,870	108,380	3,880
Non-Deductible Expenses Net from Non-Taxable Income (2)	1,345,411	1,016,111	1,161,311
Adjustments:			
Recognition (Reversal) of Income/Social Contribution Taxes on Temporary Differences	(224,038)	127,166	312,227
Interest on Equity	2,589,128	2,660,040	2,361,830
Effect of CSLL (Social Contribution on Net Profit) Rate Difference (3)	1,441,329	684,133	715,075
Other adjustments	824,718	2,135,940	2,730,988
Income taxes	(5,776,465)	(2,422,839)	(5,235,252)
Comprising:			
Current taxes	(6,193,804)	(7,962,995)	(4,597,818)
Deferred taxes	417,339	5,540,156	(637,434)
Taxes paid during the fiscal year	(5,423,514)	(5,892,511)	(6,077,436)

(1) PIS and COFINS are considered as components of the profit base (net base of certain income and expenses); therefore, in accordance with IAS 12, they are recorded as income taxes.

(2) It mainly includes the tax effect on income from updates to judicial deposits and other income and expenses that are permanent differences.

(3) In the Consolidated Financial Statements, we account for the difference in CSLL (Social Contribution on Net Profit) tax rates of 9% (non-financial companies), 15% (financial companies), and 20% (banks).

Foreign Exchange Hedge of the Grand Cayman Branch, Luxembourg Branches

Banco Santander operates branches in the Cayman Islands and Luxembourg, primarily for the purpose of securing funding in the international capital and financial markets. These funds are used to provide the Bank with lines of credit, which are extended to its clients for the financing of foreign trade and working capital.

To hedge the exposure to foreign exchange fluctuations, the Bank employs derivatives and funding mechanisms. In accordance with Brazilian tax legislation, gains or losses arising from the appreciation or depreciation of the Brazilian Real on foreign investments were not taxable. However, starting in January of 2021, these have become taxable or deductible for the purposes of Income Tax (IR) and Social Contribution on Net Profit (CSLL), whereas gains or losses from derivatives used as hedging instruments are taxable or deductible. The purpose of these derivatives is to protect the net income after taxes.

Law No. 14,031, dated July 28, 2020, stipulates that from January 2021, 50% of the foreign exchange fluctuation on investments abroad must be included in the determination of actual profit and in the tax calculation base for the Social Contribution on Net Profit (CSLL) of the investing legal entity domiciled in the country. From 2022 onwards, the foreign exchange fluctuation will be fully accounted for in the taxable bases of the IRPJ and CSLL.

The distinct tax treatment for PIS and COFINS taxes from these foreign exchange differences induces volatility in "Operating Income Before Tax" and the "Income Taxes" line items. Below are detailed the effects of the operations executed, as well as the aggregate impact of the foreign exchange hedge for the fiscal years ending on December 31, 2024, 2023 and 2022:

Thousand of Reais	2024	2023	2022
Foreign exchange fluctuations (net)			
Gains (losses) arising from exchange rate fluctuations on the Bank's investments in the Cayman, Luxembourg, and EFC Branches	13,627,778	(3,281,452)	(2,643,931)

*Values expressed in thousands, except when indicated

Gains (losses) on financial assets and liabilities

Income generated from the use of derivative contracts as foreign exchange hedge	(14,292,394)	3,444,617	2,773,337
Income Taxes			
Tax effect of derivative contracts used as hedge - PIS/COFINS	664,616	(163,165)	(129,406)
Tax effect of derivative contracts used as hedge - Income/Social Contribution Taxes	-	-	-

b) Effective tax rate calculation

The effective tax rates are:

Thousand of Reais	2024	2023	2022
Operating Income Before Tax	19,190,228	11,921,652	19,574,727
Income Tax	(5,776,465)	(2,422,839)	(5,235,252)
Effective tax rate	30.10%	20.32%	26.74%

c) Tax recognized in equity

In addition to the income tax recognized in the consolidated income statement, the Bank has recorded the following amounts directly in equity:

Thousand of Reais	2024	2023	2022
Tax credits recognized in equity	339,389,357	139,356,609	4,853,421
Measurement of securities at fair value through other comprehensive income	333,401,042	136,550,936	2,061,631
Measurement of cash flow hedge	2,607,676	223,487	758,045
Measurement of investment hedge	562,353	562,353	562,352
Measurement of defined benefit plan	2,818,286	2,019,833	1,471,393
Tax expenses recognized in equity	(346,808,871)	(140,799,732)	(1,474,107)
Measurement of securities at fair value through other comprehensive income	(335,837,710)	(133,417,362)	(1,465,965)
Measurement of cash flow hedge	(2,628,353)	(430,444)	-
Measurement of investment hedge	(1,421,361)	(1,421,361)	-
Measurement of defined benefit plan	(6,921,447)	(5,530,565)	(8,142)
Total	(7,419,514)	(1,443,123)	3,379,314

This pertains to deferred tax liabilities recognized in equity, arising from temporary differences accounted for in equity.

d) Deferred taxes

The balances of "Deferred Tax Assets" and "Deferred Tax Liabilities" are presented as follows:

Thousand of Reais	2024	2023
Deferred Tax Assets	48,223,877	43,445,704
Comprising:		
Temporary differences (1)	42,737,528	37,877,300
Tax loss	5,486,349	5,561,066
CSLL 18%	-	7,338
Total deferred tax assets	48,223,877	43,445,704
Deferred tax liabilities	5,689,440	3,699,432
Comprising:		
Excess depreciation of leased assets	394,257	391,490
Fair value adjustment of trading securities and derivatives	5,295,183	3,307,942
Total deferred tax liabilities	5,689,440	3,699,432

(1) Temporary differences primarily related to impairment losses on loans and receivables, provisions for judicial and administrative proceedings, and the effect of the fair value on financial instruments.

*Values expressed in thousands, except when indicated

The changes in the balances of “Deferred Tax Assets” and “Deferred Tax Liabilities” over the last three fiscal years were the following:

Thousand of Reais	Balances at December 31, 2023	Adjustment to Income	Fair value adjustments (1)	Other (2)	Balance on December 31, 2024
Deferred Tax Assets	43,445,704	3,124,515	2,460,496	(806,838)	48,223,877
Temporary differences	37,877,300	3,206,570	2,460,496	(806,838)	42,737,528
Tax loss	5,561,066	(74,717)	-	-	5,486,349
CSLL 18%	7,338	(7,338)	-	-	-
Deferred Tax Liabilities:	3,699,432	2,238,539	597,555	(846,086)	5,689,440
Temporary differences	3,699,432	2,238,539	597,555	(846,086)	5,689,440
Total	39,746,272	885,976	1,862,941	39,248	42,534,437

Thousand of Reais	Balances at December 31, 2022	Adjustment to Income	Adjustments to fair value (1)	Other (2)	Balance on December 31, 2023
Deferred Tax Assets	38,607,588	5,720,657	(950,117)	67,576	43,445,704
Temporary differences	33,086,551	5,673,290	(950,117)	67,576	37,877,300
Tax loss	5,521,037	40,029	-	-	5,561,066
CSLL 18%	-	7,338	-	-	7,338
Deferred Tax Liabilities:	3,642,000	169,844	(116,235)	3,823	3,699,432
Temporary differences	3,642,000	169,844	(116,235)	3,823	3,699,432
Total	34,965,588	5,550,813	(833,882)	63,753	39,746,272

(1) Refers to the tax recognized in equity.

(2) In 2024, it refers mainly to the net of deferred taxes in the amount of R\$39,248 (2023 – R\$63,753 and 2022 – R\$297,323), which have the same counterparty and realization period.

e) Expected realization of deferred tax assets

Year	Deferred Tax Assets				Deferred Tax Liabilities	
	Temporary differences	Tax losses	CSLL 18%	Total	Temporary differences	Total
2025	7,467,020	601,222	-	8,068,242	1,090,672	1,090,672
2026	7,516,111	30,649	-	7,546,760	1,073,259	1,073,259
2027	5,501,618	331,136	-	5,832,754	852,844	852,844
2028	4,748,573	791,529	-	5,540,102	838,550	838,550
2029	5,519,352	1,129,474	-	6,648,826	1,330,059	1,330,059
2030 to 2034	11,984,854	2,578,464	-	14,563,318	186,536	186,536
After 2035	-	23,875	-	23,875	317,520	317,520
Total	42,737,528	5,486,349	-	48,223,877	5,689,440	5,689,440

24. Other liabilities

Next, the breakdown of the balance of the line “Other Liabilities” line item:

Thousand of Reais	2024	2023
Provisioned expenses and deferred income (1) (4)	3,542,200	3,768,139
Ongoing transactions (3)	1,148,561	1,206,095
Provision for stock-based compensation	278,707	368,434
Insurance contract liabilities	1,579,095	1,734,544

Other (2)	6,835,316	11,937,018
Total	13,383,879	19,014,230

(1) Primarily relates to outstanding payments for personnel expenses

(2) Includes Credits for Funds to be Disbursed, such as Administrative Fees, and Payables from Related Parties and Suppliers.

(3) Mainly includes amounts to be transferred to credit card networks (funds in transit) and amounts to be disbursed for real estate loan operations.

(4) The amount includes the effects of the obligation created as a result of the transaction signed between Banco Santander, BANESPREV, AFABESP and legal advisors on June 27, 2024. See details in note 21.

25. Other Comprehensive Income

The "Other Comprehensive Income" line balances comprise the amounts, net of the corresponding tax effects, of adjustments to assets and liabilities temporarily recognized in equity, as presented in the Statement of Changes in Shareholders' Equity and Consolidated Statements of Comprehensive Income until they are extinguished or realized, at which point they are definitively recognized in the Consolidated Statement of Income. The values arising from subsidiaries, interest in associates, and joint ventures are presented, line by line, in the appropriate line items according to their nature.

It is important to note that the consolidated statements of comprehensive income include changes in the "Other Comprehensive Income" line item, as follows:

- Adjustment to fair value - Gains/(Losses): this includes the net income amount, after deducting expenses incurred during the year, recognized directly in equity. The amounts recognized in equity for the year remain in this line item, even if they are transferred to the income statement or to the initial carrying amount of assets or liabilities, or reclassified to another line item within the same year.
- Amounts transferred to the income statement: these include the revaluation gains and losses previously recognized in equity, even if within the same fiscal year, which are recognized in the income statement.
- Amounts transferred to the initial carrying amount of the hedged item: these include the revaluation gains and losses previously recognized in equity, even if within the same fiscal year, which are recognized in the initial carrying amount of assets or liabilities as a result of cash flow hedges.
- Other reclassifications: these include the value of transfers made during the year among various fair value adjustment items.

In the consolidated statements of comprehensive income, "Other Comprehensive Income" is recognized on a gross basis, including amounts related to non-controlling interests, and the corresponding tax effect is presented in a separate line item, except for entities that apply the equity method of accounting, whose amounts are presented net of the tax effect.

a) Financial Assets Affecting Equity

a.1) Financial Assets Measured at Fair Value through Other Comprehensive Income

Other Comprehensive Income – Financial Assets Measured at Fair Value through Other Comprehensive Income includes the net amount of unrealized changes in the fair value of assets classified as measured at Fair Value through Other Comprehensive Income (**note 6**), net of taxes.

The breakdown, by type of instrument and the issuer's geographical origin, of adjustments in Other Comprehensive Income – Financial Assets Measured at Fair Value through Other Comprehensive Income (IFRS 9) as of December 31, 2024, is as follows:

Thousand of Reais				2024
	Revaluation gains	Revaluation losses	Net recognized gains/losses	Fair value
Debt Instruments				
Government securities	825,610	(4,604,296)	(3,778,686)	86,437,770
Private securities	2,043,223	(429,081)	1,614,142	5,621,137
Total	2,868,833	(5,033,377)	(2,164,544)	92,058,907

Thousand of Reais				2023
	Revaluation gains	Revaluation losses	Net recognized gains/losses	Fair value
Debt Instruments				
Government securities	2,533,250	(1,437,728)	1,095,522	58,841,921
Private securities	10,864	(568,948)	(558,084)	194,216
Total	2,544,114	(2,006,676)	537,438	59,036,137

Thousand of Reais

2022

*Values expressed in thousands, except when indicated

	Revaluation gains	Revaluation losses	Net recognized gains/losses	Fair value
Debt Instruments				
Government securities	1,460,128	(2,544,087)	(1,083,959)	54,809,740
Private securities	428,640	(52,114)	376,526	582,438
Total	1,888,768	(2,596,201)	(707,433)	55,392,178

At each market disclosure, Banco Santander assesses whether there is any objective evidence that the instruments classified as Financial Assets at Fair Value through Other Comprehensive Income (debt securities) present signs of impairment due to non-recovery.

b) Cash Flow Hedge

Other Comprehensive Income - Cash Flow Hedge includes gains or losses attributable to hedging instruments that qualify as effective hedges. These amounts will remain under this line item until they are recognized in the consolidated statements of comprehensive income for the periods affected by this hedge (**note 8**).

c) Foreign investment hedge and Foreign Investment translation adjustments

Other Comprehensive Income - Net investment in foreign operations hedges includes the net amount of changes in the value of instruments designated as hedges for net investments in foreign operations. In 2022, this hedge was discontinued (**note 8.a.5**).

Foreign investment translation adjustments include the net amount of differences arising from translating the balances of consolidated entities whose functional currency is not the Brazilian Real into Brazilian Reals (**note 2.a**).

26. Non-controlling interests

Non-controlling interests" refer to the net value of the equity equivalence of the portion of profit or loss attributable to equity instruments that do not belong, directly or indirectly, to the Bank, including the portion of annual profit attributed to subsidiaries.

a) Composition

The balance of the "Non-controlling Interests" line item is detailed below:

Thousand of Reais	2024	2023
Total	335,447	403,350
Rojo Entretenimento S.A.	11,226	8,165
Banco Hyundai Capital	324,819	268,859
Return Capital Gestão de Ativos e Participações S.A.	-	(9,379)
Toro Corretora de Títulos e valores Mobiliários Ltda.	-	112,023
Toro Investimentos S.A.	-	21,640
Solution 4fleet Consultoria Empresarial S.A.	-	25
Apê11 Tecnologia e Negócios Imobiliários S.A. (Apê11)	-	2,017
Fit Economia de Energia S.A.	(4,382)	-
América Gestão Serviços em Energia S.A.	3,784	-
Thousand of Reais	2024	2023
Profit attributable to non-controlling interests	48,257	49,499
Comprising:		
Banco PSA Finance Brasil S.A.	-	8,068
Rojo Entretenimento S.A.	977	697
Banco Hyundai Capital	61,493	50,530
Return Capital Gestão de Ativos e Participações S.A.	(6,287)	(6,774)
Toro Corretora de Títulos e Valores Mobiliários Ltda.	-	(3,212)
Toro Investimentos S.A.	-	3,253

*Values expressed in thousands, except when indicated

Solution 4Fleet Consultoria Empresarial S.A.	416	(1,785)
Apê11 Tecnologia e Negócios Imobiliários S.A. (Apê11)	-	(1,278)
Fit Economia de Energia S.A.	(7,272)	-
América Gestão Serviços em Energia S.A.	(1,070)	-

b) Changes

The changes in the balance of "Non-controlling interests" are summarized in the table below:

	2024	2023	2022
Thousand of Reais			
Balance at the beginning of the fiscal year	403,350	497,342	334,349
Incorporation / Acquisition	(112,710)	(134,214)	20,446
Dividends paid / Interest on Capital	-	(6,790)	(7,432)
Capital increase	-	-	66,957
Profit attributable to non-controlling interests	48,257	49,499	52,382
Others	(3,450)	(2,487)	30,640
Balance at the end of the fiscal year	335,447	403,350	497,342

27. Shareholders' equity

a) Share capital

In accordance with the Bylaws, Banco Santander's Capital may be increased up to the limit of the authorized capital, regardless of statutory reform, upon deliberation by the Board of Directors and through the issuance of up to 9,090,909,090 (nine billion, ninety million, nine hundred and nine thousand and ninety) shares, observing the legal limits established regarding the number of preferred shares. Any capital increase exceeding this limit will require shareholder approval.

At the Ordinary General Meeting held on April 26, 2024, the increase in share capital in the amount of R\$10,000,000,000.00 (ten billion reais) was approved, without the issuance of new shares, through the capitalization of part of the balance of the statutory profit reserve. In this way, the share capital of Banco Santander Brasil becomes R\$65,000,000,000.00 (sixty-five billion reais).

The share capital, fully subscribed and paid up, is divided into registered, book-entry shares with no nominal value.

	2024		2023		Thousand of shares	
	Common	Preferred	Total	Common	Preferred	Total
Brazilian residents	138,618	164,502	303,120	124,804	150,621	275,425
Foreign residents	3,680,077	3,515,334	7,195,411	3,693,891	3,529,215	7,223,106
Total shares	3,818,695	3,679,836	7,498,531	3,818,695	3,679,836	7,498,531
(-) Treasury shares	(19,452)	(19,452)	(38,904)	(27,193)	(27,193)	(54,386)
Total outstanding	3,799,243	3,660,384	7,459,627	3,791,502	3,652,643	7,444,145

b) Dividends and interest on equity

The Company's bylaws ensure that shareholders receive a minimum dividend of 25% of their net profit for each fiscal year, adjusted in accordance with the law. Preferred shares do not have voting rights and cannot be converted into common shares, but they have the same rights and benefits granted to common shares, in addition to priority in the distribution of dividends and an additional 10% on dividends paid to common shares, and in the reimbursement of capital, without premium, in the event of the Bank's dissolution.

The dividends were calculated and paid in accordance with Brazilian Corporation Law.

Before the Annual General Meeting of Shareholders, the Board of Directors may resolve to declare and pay dividends from the profits earned, based on: (i) balance sheets or retained earnings reported in the most recent balance sheet, or (ii) balance sheets prepared for periods shorter than six months, provided that the total dividends paid in each half of the fiscal year do not exceed the value of the capital reserves. These dividends are fully attributed to the mandatory dividends.

Below, we present the distribution of Dividends and Interest on Equity made on December 31, 2024 and December 31, 2023.

*Values expressed in thousands, except when indicated

2024

	Thousand of Reais	Real per Thousand Shares / Units					
		Gross			Net		
		Common	Preferred	Units	Common	Preferred	Units
Interest on Capital (1)(5)	1,500,000	191.84	221.02	412.86	163.06	179.37	342.43
Interest on Capital (2)(5)	1,500,000	191.62	210.78	402.40	162.88	179.16	342.04
Interest on Capital (3)(5)	1,500,000	191.67	210.83	402.50	162.92	179.21	342.13
Interest on Capital (4)(5)	1,300,000	166.10	182.71	348.81	141.18	155.30	296.48
Dividends (4)(5)	200,000	25.55	28.11	53.66	25.55	28.11	53.66
Total	6,000,000						

(1) Deliberated by the Board of Directors on January 11, 2024, paid on February 8, 2024, without any remuneration as monetary adjustment.

(2) Deliberated by the Board of Directors on April 10, 2024, paid on May 15, 2024, without any remuneration as monetary adjustment.

(3) Deliberated by the Board of Directors on July 10, 2024, paid on August 9, 2024, without any remuneration as monetary adjustment.

(4) Deliberated by the Board of Directors on October 10, 2024, paid on November 8, 2024, without any remuneration as monetary adjustment.

(5) They were fully attributed to the mandatory minimum dividends distributed by the Bank for the 2024 financial year.

2023

	Thousand of Reais	Real per Thousand Shares / Units					
		Gross			Net		
		Common	Preferred	Units	Common	Preferred	Units
Interest on Capital (1)(5)	1,700,000	217.92	239.71	457.63	185.23	203.75	388.98
Interest on Capital (2)(5)	1,500,000	192.03	211.23	403.26	163.22	179.55	342.77
Interest on Capital (3)(5)	1,500,000	192.07	211.28	403.35	163.26	179.58	342.84
Interest on Capital (4)(5)	1,120,000	143.42	157.76	301.18	121.91	134.10	256.00
Dividends (4)(5)	380,000	48.66	53.53	102.19	48.66	53.53	102.19
Total	6,200,000						

(1) Approved by the Board of Directors on January 19, 2023, paid on March 6, 2023, without any remuneration as monetary adjustment.

(2) Approved by the Board of Directors on April 13, 2023, paid on May 15, 2023, without any remuneration as monetary adjustment.

(3) Approved by the Board of Directors on July 13, 2023, paid on August 16, 2023, without any remuneration as monetary adjustment.

(4) Approved by the Board of Directors on October 10, 2023, paid on November 10, 2023, without any remuneration as monetary adjustment.

(5) They were fully attributed to the mandatory minimum dividends distributed by the Bank for the 2023 financial year.

c) Reserves

The net income, after deductions and legal provisions, will be allocated as follows:

Legal reserve

In accordance with Brazilian corporate legislation, 5% towards the legal reserve until it reaches 20% of the capital. This reserve is established to protect the integrity of the share capital and may only be utilized to offset losses or to increase the capital.

Capital reserve

The Bank's capital reserve comprises: goodwill reserves from the subscription of shares and other capital reserves, and may only be used to absorb losses that exceed retained earnings and profit reserves; redemption, repurchase, or acquisition of the Bank's own shares; addition to the share capital; or payment of dividends to preferred shares under specific circumstances.

Dividend equalization reserve

After the distribution of dividends, any remaining balance, upon a proposal by the Executive Board and approval by the Board of Directors, may be allocated to the establishment of a reserve for dividend equalization, limited to 50% of the Share Capital. This reserve is designed to secure funds for dividend payments, including in the form of Interest on Equity, or their advances, with the objective of maintaining the payout flow to shareholders.

d) Treasury shares

At a meeting held on January 24, 2024, the Board of Directors approved, in continuation of the Repurchase Program that expired on the same date, a new Repurchase Program for Units and ADRs issued by Banco Santander, directly or through its branch in Cayman, for maintenance in treasury or subsequent sale.

The Buyback Program covers the acquisition of up to 36,205,005 Units, representing 36,205,005 common shares and 36,205,005 preferred shares, which corresponded, on December 31, 2024, to approximately 1% of the Bank's share capital. On December 31, 2024, Banco Santander had 356,245,448 common shares and 384,049,858 preferred shares outstanding.

*Values expressed in thousands, except when indicated

The purpose of the buyback is to (1) maximize value generation for shareholders through efficient management of the capital structure; and (2) enable the payment of directors, management-level employees and other employees of the Bank and companies under its control, under the terms of the Long-Term Incentive Plans. The term of the Buyback Program is up to 18 months from February 6, 2024, ending on August 6, 2025.

		2024		2023	
		Quantity		Quantity	
		Units		Units	
Treasury shares at beginning of the period		27,193		31,161	
Shares Acquisitions		2,770		1,272	
Payment - Share-based compensation		(10,511)		(5,240)	
Treasury shares at end of the period		19,452		27,193	
Balance of Treasury Shares in thousand of Reais	R\$	882,936	R\$	1,105,012	
Emission Costs in thousands of Reais	R\$	1,771	R\$	1,771	
Balance of Treasury Shares in thousands of Reais	R\$	884,707	R\$	1,106,783	
Cost/Share Price		Units		Units	
Minimum cost (*)	R\$	7.55	R\$	7.55	
Weighted average cost (*)	R\$	27.46	R\$	27.62	
Maximum cost (*)	R\$	49.55	R\$	49.55	
Share Price	R\$	24.93	R\$	31.00	

(*) Since the beginning of trading on the stock exchange.

Additionally, for the fiscal year ended December 31, 2024, trading of treasury shares resulted in a gain of R\$25,163 (2023 – gain of R\$27,921), which was directly recognized in equity under capital reserves.

28. Earnings per share

a) Basic earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to the Parent Company by the weighted average number of shares outstanding during the year, excluding the average number of treasury shares held over the same period.

	2024	2023	2022
Profit attributable to the Parent	13,365,506	9,449,313	14,287,093
Earnings per share (in Reais BRL)			
Basic Profit per 1,000 shares (in Reais - BRL)			
Common shares	1,708.02	1,208.83	1,831.43
Preferred shares	1,878.82	1,329.71	2,014.57
Net Profit attributable - Basic (in Reais BRL)			
Common shares	6,488,760	4,587,598	6,936,588
Preferred shares	6,876,746	4,861,715	7,350,505
Weighted average shares outstanding (in thousands) - Basic			
Common shares	3,799,003	3,795,082	3,787,533
Preferred shares	3,660,144	3,656,223	3,648,674

b) Diluted earning per share

Diluted earnings per share is calculated by dividing the net profit attributable to the Parent Company by the weighted average number of shares outstanding during the year, excluding the average number of treasury shares held over the same period, and including the potential dilutive effect of long-term compensation programs.

	2024	2023	2022
Profit attributable to the Parent	13,365,506	9,449,313	14,287,093
Earnings per share (in Reais - BRL)			
Diluted earnings per 1,000 shares (in Reais - BRL) (1)			
Common shares	1,708.02	1,208.83	1,831.43
Preferred shares	1,878.82	1,329.71	2,014.57
Net Profit attributable - Basic (in Reais - BRL) (1)			
Common shares	6,488,760	4,587,598	6,936,588
Preferred shares	6,876,746	4,861,715	7,350,505

*Values expressed in thousands, except when indicated

Weighted average shares outstanding (in thousand) - Diluted

Common shares	3,799,003	3,795,082	3,787,533
Preferred shares	3,660,144	3,656,223	3,648,674

(1) Since the exercise price of the benefit programs presents an average, in the periods presented, are higher than the average market price of the shares, its dilutive effect are not computed.

29. Fair value of financial assets and liabilities

According to IFRS 13, the measurement of fair value using a fair value hierarchy that reflects the model used in the measurement process must comply with the following hierarchical levels:

Level 1: Determined based on unadjusted public price quotations in active markets for identical assets and liabilities, including public debt securities, equities, and listed derivatives.

Level 2: Represents derivatives of data other than the quoted prices included in Level 1, which are observable for the asset or liability, either directly (such as prices) or indirectly (derived from prices).

Level 3: Derived from valuation techniques that incorporate data for assets or liabilities not based on observable market variables (non-observable data).

Financial Assets and Liabilities Measured at Fair Value through Profit or Loss or through Other Comprehensive Income

Level 1: Securities and financial assets characterized by high liquidity and observable prices in an active market are classified within level 1. This level includes most Brazilian Government Securities (notably LTN, LFT, NTN-B, and NTN-F), stocks listed on the stock exchange, and other securities traded in the active market.

Level 2: When price quotes are not observable, Management, utilizing its own internal models, makes its best estimate of the price that would be established by the market. These models rely on data based on observable market parameters as a key reference. The most reliable evidence of the fair value of a financial instrument at initial recognition is the transaction price, unless the fair value can be derived from other market transactions involving the same or similar instruments, or can be determined using a valuation technique where the variables used include only observable market data, particularly interest rates. These securities are classified at level X of the fair value hierarchy and primarily consist of Government Securities (NTN-A), repurchase agreements, cancellable LCI, and are in a market that is less liquid than those classified at level 1.

Level 3: In cases where information is not based on observable market data, Banco Santander employs internally developed models to accurately measure the fair value of these instruments. Instruments with low liquidity are primarily classified at level 3.

Derivatives

Level 1: Derivatives traded on stock exchanges are classified within level 1 of the hierarchy.

Level 2: Derivatives traded over-the-counter, in the valuation of financial instruments (mainly swaps and options), observable market data such as exchange rates, interest rates, volatility, correlations between indices, and market liquidity are typically utilized.

In pricing the referenced financial instruments, the Black-Scholes model methodology (exchange rate options, interest rate index options, caps, and floors) and the present value method (discounting future values based on market curves) are employed.

Level 3: Non-exchange traded derivatives, for which there is no observable information in an active market, have been classified as level 3, encompassing exotic derivatives.

Category	Type Asset/Liability	Valuation technique	Main unobservable inputs
Linear derivatives	Coupon Fra	BMF Closing Prices	Currency Coupon rate - long term
	Inflation Swap	Discounted cash flow	IGPM Coupon rate
	Interest Rate Swap	Discounted cash flow	Pre-fixed rates – long term
Non linear derivatives	Equities Options	Black&Scholes	Implicit volatility- long term
	Inflation Options	Black&Scholes	IPCA Implicit volatility- long term
	Interest Rate Options	Black&Scholes	IDI Implicit volatility- long term
	Currency Options	Black&Scholes	USD/BRL Implicit volatility- long term
Cash	Pension Plan Liability	Actuarial Model	IGPM Coupon rate
	Private Bonds	Discounted cash flow	Discount rate ("Yields")
	Public Bonds	Discounted cash flow	NTN-C and TDA Discount rate ("Yields")
Put options	Put Options	Discounted cash flow	Growth and Discount rates

The table below provides a summary of the fair values of financial assets and liabilities for the fiscal years ended on December 31, 2024 and 2023, classified according to the various measurement methods the Bank has adopted to determine their fair value.

*Values expressed in thousands, except when indicated

	12/31/2024			
	Level 1	Level 2	Level 3	Total
Financial Assets Measured At Fair Value Through Profit Or Loss	90,905,041	132,973,627	7,123,218	231,001,886
Debt instruments	88,260,075	15,624,289	3,700,691	107,585,055
Equity instruments	2,644,966	296,834	27,023	2,968,823
Derivatives	-	39,468,524	707,294	40,175,818
Loans and advances to customers	-	2,223,593	2,688,210	4,911,803
Reserves at the Central Bank of Brazil	-	75,360,387	-	75,360,387
Financial Assets Measured At Fair Value Through Other Comprehensive Income	88,640,516	-	3,438,024	92,078,540
Debt instruments	88,620,903	-	3,438,004	92,058,907
Equity instruments	19,613	-	20	19,633
Hedging derivatives (assets)	-	30,481	-	30,481
Financial Liabilities Measured At Fair Value Through Profit Or Loss	-	82,213,242	509,368	82,722,610
Derivatives	-	38,771,080	509,368	39,280,448
Short positions	-	39,396,666	-	39,396,666
Bonds and securities obligations	-	4,045,496	-	4,045,496
Hedging derivatives (liabilities)	-	129,826	-	129,826

	12/31/2023			
	Level 1	Level 2	Level 3	Total
Financial Assets Measured At Fair Value Through Profit Or Loss	76,857,391	125,495,820	6,568,685	208,921,896
Debt instruments	74,213,933	6,115,373	3,961,886	84,291,192
Equity instruments	2,643,458	743,991	34,705	3,422,154
Derivatives	-	27,450,135	1,819,517	29,269,652
Loans and advances to customers	-	2,288,135	752,577	3,040,712
Reserves at the Central Bank of Brazil	-	88,898,186	-	88,898,186
Financial Assets Measured At Fair Value Through Other Comprehensive Income	54,822,917	1,618,535	2,610,638	59,052,090
Debt instruments	54,818,332	1,618,535	2,599,270	59,036,137
Equity instruments	4,585	-	11,368	15,953
Hedging derivatives (assets)	-	25,069	-	25,069
Financial Liabilities Measured At Fair Value Through Profit Or Loss	-	48,667,180	914,261	49,581,441
Derivatives	-	22,849,596	914,261	23,763,857
Short positions	-	19,831,991	-	19,831,991
Bonds and securities obligations	-	5,985,593	-	5,985,593
Hedging derivatives (liabilities)	-	1,176,571	-	1,176,571

Level 3 Fair Value Changes

The tables below detail the transactions that occurred during the year 2024 and 2023 assets and liabilities classified as Level 3 in the fair value hierarchy:

	Fair Value 12/31/2023	Gains/ losses (Realized/Not Realized)	Transfers to Level 3	Additions / Low	Fair value 12/31/2024
Financial Assets Measured At Fair Value Through Profit Or Loss	6,568,685	(67,560)	(4,276,225)	4,898,318	7,123,218
Financial Assets Measured At Fair Value Through Other Comprehensive Income	2,610,638	(167,705)	(98,568)	1,093,659	3,438,024
Financial Liabilities Measured At Fair Value In Profit Or Loss Held For Trading	914,261	(214,958)	(189,987)	52	509,368

	Fair Value 12/31/2022	Gains/ losses (Realized/Not Realized)	Transfers to Level 3	Additions / Low	Fair value 12/31/2023
Financial Assets Measured At Fair Value Through Profit Or Loss	3,652,114	(50,682)	1,093,895	1,873,358	6,568,685
Financial Assets Measured At Fair Value Through Other Comprehensive Income	1,503,441	30,764	1,090,459	(14,026)	2,610,638
Financial Liabilities Measured At Fair Value In Profit Or Loss Held For Trading	233,762	(109,800)	384,082	406,217	914,261

*Values expressed in thousands, except when indicated

Fair Value Changes Linked to Credit Risk

Fair value changes attributable to credit risk are determined based on fluctuations in credit default swap prices relative to similar obligations of the same debtor, when such prices are observable, as credit default swaps more accurately reflect the market's assessment of credit risks for a specific financial asset. When these prices are not observable, the fair value changes attributable to credit risk are calculated as the total of fair value changes not attributable to shifts in the benchmark interest rate or other observable market rates. In the absence of specific observable data, this approach provides a reasonable approximation of the changes attributable to credit risk, estimating margin changes over the benchmark value that the market may demand for the financial asset.

Financial assets and liabilities not measured at fair value

The Bank's financial assets are measured at fair value in the consolidated balance sheet, except for financial assets measured at amortized cost. Similarly, the Bank's financial liabilities, excluding those held for trading and those measured at fair value, are measured at amortized cost in the consolidated balance sheet.

i) Financial assets measured at a value other than fair value

Below, we present a comparison between the carrying amounts of the Bank's financial assets measured at values other than their fair values and their respective fair values as of December 31, 2024, 2023 and 2022:

	12/31/2024				
Assets	Accounting Value	Fair Value	Level 1	Level 2	Level 3
Open market investments	37,084,254	37,084,254	37,084,254	-	-
Financial Assets Measured At Amortized Cost:					
Loans and amounts due from credit institutions	30,177,627	30,177,627	-	6,757,021	23,420,606
Loans and advances to customers	561,178,111	554,791,402	-	-	554,791,402
Debt instruments	84,529,222	84,380,507	34,616,776	-	49,763,731
Reserves at the Central Bank of Brazil	92,439,824	92,439,824	-	92,439,824	-
Total	805,409,038	798,873,614	71,701,030	99,196,845	627,975,739

	12/31/2023				
Assets	Accounting Value	Fair Value	Level 1	Level 2	Level 3
Open market investments	23,122,550	23,122,550	23,122,550	-	-
Financial Assets Measured At Amortized Cost					
Loans and amounts due from credit institutions	25,716,845	25,716,845	-	2,980,557	22,736,288
Loans and advances to customers	514,936,423	514,905,503	-	-	514,905,503
Debt instruments	101,087,321	102,199,262	35,646,863	4,033,706	62,518,693
Reserves at the Central Bank of Brazil	81,969,532	81,969,532	-	81,969,532	-
Total	746,832,671	747,913,692	58,769,413	88,983,795	600,160,484

ii) Financial liabilities measured at a value other than fair value

Below, we present a comparison between the carrying amounts of the Bank's financial liabilities measured at values other than their fair values and their respective fair values as of December 31, 2024 and 2023:

	12/31/2024				
Liabilities	Accounting Value	Fair Value	Level 1	Level 2	Level 3
Financial Liabilities at Measured Amortized Cost:					
Deposits of credit institutions	158,565,482	158,565,482	-	35,608,595	122,956,887
Customer deposits	605,068,163	605,831,373	-	81,663,106	524,168,267
Marketable debt securities	135,632,632	137,664,088	-	-	137,664,088
Debt instruments Eligible Capital	23,137,784	23,137,784	-	-	23,137,784
Other financial liabilities	79,177,179	79,177,179	-	-	79,177,179
Other financial liabilities	1,001,581,240	1,004,375,906	-	117,271,701	887,104,205

	12/31/2023				
Liabilities	Accounting Value	Fair Value	Level 1	Level 2	Level 3

*Values expressed in thousands, except when indicated

Financial Liabilities at Measured Amortized Cost:

Deposits of credit institutions	118,511,957	118,511,957	-	21,632,841	96,879,116
Customer deposits	583,220,576	582,530,160	-	97,165,180	485,364,980
Marketable debt securities	124,397,422	124,265,003	-	-	124,265,003
Debt instruments Eligible Capital	19,626,967	19,626,967	-	-	19,626,967
Other financial liabilities	64,793,584	64,793,584	-	-	64,793,584
Other financial liabilities	910,550,506	909,727,671	-	118,798,021	790,929,650

The methodologies and assumptions applied in estimating fair value are outlined below:

Loans and other receivables from credit institutions and customers - The fair value is estimated for groups of similar credit transactions. The fair value of loans is determined by discounting future cash flows using the interest rates of new contracts. In other words, the future cash flow of the current loan portfolio is projected based on contractual rates, and then, spreads derived from new loans are incorporated into the risk-free interest rate curve to calculate the fair value of the loan portfolio. Regarding behavioral assumptions, it is important to underscore that the prepayment rate is applied to the loan portfolio, thereby enabling a more realistic projection of future cash flows.

Deposits from credit institutions and customers - The fair value of the deposits was calculated by discounting the difference between the cash flows under contractual conditions and the current market rates for instruments with similar maturities. The fair value of variable-rate time deposits was considered to be close to their carrying amount.

Liabilities arising from securities - The fair values of these items were estimated by calculating the discounted cash flows, using the market interest rates for liabilities with similar terms and maturities.

Debt Instruments Eligible as Capital – these refer to the transaction fully executed with a related party, within the context of the Capital Optimization Plan, whose carrying amount is similar to the fair value.

The valuation techniques employed for estimating each level are detailed in **note 2.e**.

Management reviewed the criteria for classifying the fair value level of assets and liabilities measured at amortized cost, which are presented exclusively for disclosure purposes, and concluded that they are more appropriately classified as level 3, given the observable market data.

30. Operational Ratios

The Brazilian Central Bank requires financial institutions to maintain a Regulatory Capital (RC), Tier 1 Capital, and Common Equity Tier 1 Capital (CET1) that are compatible with the risks inherent in their activities, exceeding the minimum Required Regulatory Capital, represented by aggregating the credit risk, market risk, and operational risk components.

As established in CMN Resolution No. 4,958/2021, the Regulatory Capital requirement is set at 11.50%, comprising 8.00% of Minimum Regulatory Capital, 2.50% of Capital Conservation Buffer, and 1.00% of Systemic Risk Buffer. The Tier 1 Capital Ratio stands at 9.50%, and the Minimum Common Equity Tier 1 Capital is 8.00%. Continuing with the implementation of the rules set forth by CMN Resolution No. 4,955/2021, the calculation of capital adequacy ratios is conducted on a consolidated basis, utilizing data from the Prudential Conglomerate, as established by CMN Resolution No. 4,950/2021, demonstrated below:

Thousand of Reais	2024	2023
Tier I Regulatory Capital	85,562.9	81,259.1
Principal Capital	77,547.6	75,042.8
Supplementary capital	8,015.3	6,216.3
Tier II Regulatory Capital	15,488.4	13,644.2
Regulatory Capital (Tier I and II)	101,051.2	94,903.3
Credit Risk (1)	603,286.5	560,780.9
Market Risk (2)	43,523.7	33,002.7
Operational Risk	60,643.3	60,491.1
Total RWA (3)	707,453.5	654,274.7
Basel I Ratio	12.09	12.43
Basel Principal Capital	10.96	11.48
Basel Regulatory Capital	14.28	14.51

- (1) Credit risk exposures subject to capital requirement calculations under the standardized approach (RWACPAD) are based on the procedures established by BCB Resolution No. 229, dated May 12, 2022.
- (2) Includes the portions for market risk exposures subject to variations in interest rates (RWAjur1), foreign currency coupons (RWAjur2), price indexes (RWAjur3), and interest rate coupons (RWAjur4), the price of commodities (RWAcom), the price of shares classified in the trading portfolio (RWAacs), portions for exposure to gold, foreign currency and operations subject to exchange rate variation (RWAcam), and adjustment for derivatives arising from variation in the counterparty's credit quality (RWAacva)..Risk Weighted Assets or risk weighted assets.
- (3) Risk Weighted Assets or risk weighted assets.

*Values expressed in thousands, except when indicated

Banco Santander discloses its Risk Management Report on a quarterly basis, which includes information on risk management, a concise description of the Recovery Plan, capital management, RC, and RWA. The report, providing more detailed insights into the assumptions, framework, and methodologies, is available at www.santander.com.br/ri.

Financial institutions are required to maintain the allocation of funds to fixed assets in alignment with the adjusted Regulatory Capital level. The funds allocated to fixed assets, determined on a consolidated basis, are limited to 50% of the value of the adjusted Regulatory Capital, as per current regulations. Banco Santander is in compliance with the established requirements.

31. Interest and similar income

Interest and similar income in the consolidated income statement comprise interest accrued during the year on all financial assets with either an implicit or explicit return, calculated by applying the effective interest method, irrespective of the fair value measurement, and adjustments to income as a result of hedge accounting. Interest is recognized on a gross basis, without the deduction of withholding taxes.

The breakdown of the main items of interest and similar income earned in 2024, 2023 and 2022 is presented below:

Thousand of Reais	2024	2023	2022
Cash and balances with the Brazilian Central Bank	17,990,483	13,807,832	10,202,362
Loans and advances - Credit institutions	2,992,514	2,234,602	2,722,311
Loans and advances - Customers	75,859,217	81,330,804	73,596,047
Debt instruments	29,500,935	24,195,031	22,001,700
Pension Plans (note 21)	36,014	36,973	19,587
Other interest	10,804,315	6,677,465	6,683,111
Total	137,183,478	128,282,707	115,225,118

32. Interest and similar expenses

Interest and similar expenses" in the consolidated income statement consist of interest accrued in the year on all financial liabilities with implicit or explicit return, including remuneration in kind, calculated using the effective interest method, regardless of the measurement of the fair value, cost adjustments as a result of hedge accounting and interest costs attributed to pension funds.

The breakdown of the main items of interest and similar charges accrued in 2024, 2023 and 2022 is as follows:

Thousand of Reais	2024	2023	2022
Deposits from credit institutions	8,905,425	9,828,381	6,736,736
Customer deposits	58,469,742	48,543,885	38,508,954
Marketable debt securities and subordinated liabilities:			
Marketable debt securities (note 18)	3,778,418	4,998,766	6,951,908
Debt Instruments Eligible to Compose Capital (note 19)	2,523,206	1,925,772	863,394
Pension Plans (note 21)	241,133	189,138	176,224
Other interest (1)	6,586,994	15,912,731	14,484,725
Total	80,504,918	81,398,673	67,721,941

(1) It is mainly composed of Expenses with Interest on Repo Agreements

33. Equity instrument income

The "Equity Instrument Income" line item encompasses dividends and payments received as well as the profits generated by invested entities after the acquisition of equity instruments.

The breakdown of the balance for this line item is presented below:

Thousand of Reais	2024	2023	2022
Equity instruments classified as:			
Financial Assets Measured At Fair Value Through Profit Or Loss	31,626	18,658	33,985
Financial Assets Measured At Fair Value Through Other Comprehensive Income	52,021	3,521	4,088
Total	83,647	22,179	38,073

*Values expressed in thousands, except when indicated

34. Fee and commission income

The "Fee and Commission Income" line item includes all fees and commissions accrued to the Bank's benefit during the year, excluding those that are incorporated into the effective interest rate on financial instruments.

The breakdown of the balance for this line item is presented below:

Thousand of Reais	2024	2023	2022
Collection and payment services:			
Bills	961,360	1,040,113	1,097,170
Demand accounts	2,965,171	2,940,423	2,917,271
Cards (Credit and Debit) and Acquiring Services	6,663,921	6,528,718	5,890,549
Checks and other	87,459	98,884	109,014
Orders	1,095,150	905,907	751,766
Total	11,773,061	11,514,045	10,765,770
Marketing of non-Banking financial products:			
Investment funds	573,929	510,695	568,455
Insurance and brokerage commissions	4,183,116	3,646,974	3,524,201
Capitalization plans	622,573	712,660	803,052
Total	5,379,618	4,870,329	4,895,708
Securities services:			
Securities underwriting and placement	1,077,297	1,167,677	1,017,763
Securities trading	329,009	291,167	325,960
Administration and custody	984,656	898,058	704,936
Asset management	418	1,645	890
Total	2,391,380	2,358,547	2,049,549
Other:			
Foreign exchange	1,835,203	1,856,492	1,888,194
Financial guarantees	884,711	757,770	678,908
Other fees and commissions	1,401,014	1,097,595	959,594
Total	4,120,928	3,711,857	3,526,696
Total	23,664,987	22,454,778	21,237,723

35. Fee and commission expenses

The "Fee and Commission Expenses" line item reflects the total amount of fees and commissions paid or payable during the year, excluding those that are incorporated into the effective interest rate on financial instruments.

The breakdown of the balance for this line item is presented below:

Thousand of Reais	2024	2023	2022
Commissions assigned to third parties (1)	4,541,274	4,147,976	3,918,115
Other fees and commissions	1,918,504	2,666,837	2,443,728
Total	6,459,778	6,814,813	6,361,843

(1) Primarily consisting of credit cards.

36. Gains (losses) on financial assets and liabilities (net)

Gains (losses) on financial assets and liabilities comprise the fair value adjustments of financial instruments, excluding those related to accrued interest from applying the effective interest method and provisions, as well as the gains or losses incurred from buying or selling financial instruments.

The breakdown of the balance for this line item, categorized by type of instrument, is presented below:

*Values expressed in thousands, except when indicated

Thousand of Reais	2024	2023	2022
Financial Assets Measured At Fair Value Through Profit Or Loss (1)	(641,147)	3,440,830	4,801,086
Financial Assets Not Measured At Fair Value Through Profit Or Loss	(180,427)	(463,844)	(239,777)
Of which: Financial assets at fair value through other comprehensive income			
Debt instruments	(105,789)	(42,405)	(42,552)
Equity instruments	(74,638)	(421,439)	(197,225)
Of which: Financial Assets Measured At Fair Value Through Other Comprehensive Income			
Gains or losses from hedge accounting, net	(537,100)	(247,467)	(407,973)
Total	(1,358,674)	2,729,519	4,153,336

(1) Includes the foreign exchange hedge of the Bank's position in Cayman (note 23).

37. Foreign exchange fluctuations (net)

Foreign exchange fluctuations reflect the gains or losses on currency transactions, the changes resulting from the conversion of monetary items from a foreign currency to the functional currency, and the gains or losses recognized on non-monetary foreign currency assets at the time of disposal.

Thousand of Reais	2024	2023	2022
Revenue with Exchange Variations	121,821,934	104,400,557	170,221,459
Expenses with Exchange Variations	(120,334,255)	(103,335,390)	(169,675,569)
Total	1,487,679	1,065,167	545,890

38. Other Operating Expenses (Net)

The breakdown of the "Other Operating Income (Expenses)" line item is presented below:

Thousand of Reais	2024	2023	2022
Other operating income	1,135,725	714,363	885,774
Other operating expense	(1,172,124)	(866,732)	(1,238,328)
Contributions to fund guarantee of credit - FGC	(615,722)	(563,421)	(488,448)
Total	(652,121)	(715,790)	(841,002)

39. Personnel expenses

a) Breakdown

The breakdown of the "Personnel Expenses" line item is presented below:

Thousand of Reais	2024	2023	2022
Wages and salaries	7,087,141	6,640,403	6,311,240
Social security costs	1,692,382	1,654,056	1,431,129
Benefits	1,753,478	1,659,195	1,602,744
Defined benefit pension plans (note 21)	6,280	3,867	6,447
Contributions to defined contribution pension plans	215,685	180,926	128,091
Share-based compensation	294,088	163,695	39,876
Training	68,043	61,686	59,832
Other personnel expenses	480,899	450,098	317,636
Total	11,597,996	10,813,926	9,896,995

*Values expressed in thousands, except when indicated

b) Stock-based compensation

Banco Santander has long-term compensation programs linked to the market price performance of its instruments (Local and Global shares/options). The members of Banco Santander's Executive Board are eligible for these plans, in addition to participants who have been determined by the Board of Directors, whose selection takes into account seniority in the group. Members of the Board of Directors only participate in these plans when they hold positions on the Executive Board.

b.1) Local and Global Program

Program	Liquidity Type	Vesting Period	Period of Exercise	01/01 to 12/31/2024		01/01 to 12/31/2023		01/01 to 12/31/2022	
				R\$		R\$		R\$	
Local	Santander Brasil Bank Shares	01/2024 to 12/2027	2026, 2027 and 2028	R\$ 1,100,000	(1)	R\$ —	(1)	R\$ —	(1)
		01/2023 to 12/2026	2026	20,263	SANB11	15,637	SANB11	—	SANB11
		01/2023 to 12/2026	2025 and 2026	R\$ 750,000	(1)	R\$ 750,000	(1)	R\$ —	(1)
		01/2022 to 12/2025	2025	118,363	SANB11	118,363	SANB11	66,323	SANB11
		01/2021 to 12/2023	2023	R\$ —	(4)	R\$ —	(4)	R\$ 1,500,000	(4)
		01/2021 to 10/2024	2024	R\$ —	(1)	R\$ 18,270,000	(1)	R\$ 23,490,000	(1)
		09/2020 to 09/2022	2022	—	SANB11	—	SANB11	209,278	SANB11
		09/2020 to 09/2022	2024	—	SANB11	217,291	SANB11 (2)	222,178	SANB11 (2)
		01/2020 to 12/2022	2023	R\$ —	(2)	R\$ —	(2)	R\$ 4,002,000	(2)
		01/2020 to 09/2023	2023	—	SANB11	—	SANB11	139,163	SANB11
		07/2019 to 06/2022	2022	—	SANB11	—	SANB11	111,066	SANB11
		07/2019 to 06/2022	2022	—	SANB11	—	SANB11	304,594	SANB11
		07/2019 to 06/2022	2024	—	SANB11	292,537	SANB11 (2)	343,863	SANB11 (2)
	01/2019 to 12/2021	2022 and 2023	R\$ —	(3)	R\$ —	(3)	R\$ 40,403	(3)	
Global	Santander Spain Shares and Options	2023		—	SAN (3)	80,412	SAN (3)	159,253	SAN (3)
		2023, with limit for options' exercise until 2030		420,394	Op. SAN Shares (3)	420,394	Op. SAN Shares (3)	832,569	Op. SAN Shares (3)
		02/2024		117,601	SAN (4)	117,601	SAN (4)	124,184	SAN (4)
		02/2024, with a limit for exercising the options until 02/2029		183,840	Op. SAN Shares (4)	350,839	Op. SAN Shares (4)	370,477	Op. SAN Shares (4)
		2025		95,786	SAN (4)	95,786	SAN (4)	150,703	SAN (4)
		2025, with a limit for exercising the options until 2030		367,827	Op. SAN Shares (4)	367,827	Op. SAN Shares (4)	578,713	Op. SAN Shares (4)
		2026		175,476	SAN (4)	199,680	SAN (4)	199,680	SAN (4)
		2026, with a limit for exercising the options until 2033		472,469	Op. SAN Shares (4)	537,637	Op. SAN Shares (4)	537,637	Op. SAN Shares (4)
		2027		8,528	SAN (4)	9,095,000	SAN (4)	—	SAN (4)
		2027, with a limit for exercising the options until 2032		80,476	Op. SAN Shares (4)	—	Op. SAN Shares (4)	—	Op. SAN Shares (4)
		2028		2,411	SAN (4)	—	SAN (4)	—	SAN (4)
		2028, with a limit for exercising the options until 2033		9,888	Op. SAN Shares (4)	—	Op. SAN Shares (4)	—	Op. SAN Shares (4)
		12/2024, with payment in 2025		50,419	SANB11	—	SANB11	—	SANB11
12/2025, with payment in 2026		70,346	SANB11	—	SANB11	—	SANB11		

*Values expressed in thousands, except when indicated

	R\$			R\$			R\$		
	1,850,000	(1)		19,020,000	(1)		28,992,000	(1)	
				9,095,000	Op. Ações SAN (4)				
Balance of Plans on December 31, 2024	259,391	SANB11		643,828	SANB11		1,436,867	SANB11	
				293,799	Op. Ações SAN (4)				
	399,802	SAN (3) (4)		1,139,060	SAN (3) (4)		434,140	SAN (3) (4)	
	1,444,530	SAN (3) (4)		106,147	SAN (3) (4)		1,781,759	SAN (3) (4)	

(1) Plan target in Reais, paid in SANB11 shares according to the achievement of the plan's performance indicators at the end of the vesting period, based on the price of the last 15 trading sessions of the month immediately prior to payment. Throughout 2024, 551,572 gross shares were paid and the amount of R\$1,820,000 was canceled due to non-achievement of the contracts' performance indicators.

(2) Long-Term Incentive Plans finalized, with 486,502 shares paid and 23,326 shares canceled throughout 2024.

(3) Plan completed with 100% achievement. The portion equivalent to 80,412 shares was paid in cash in Mar/2024 (after the lockup) and 78,841 shares were canceled. The options may be exercised until the end of the period for exercise in 2030, and in the period we had the cancellation of 412,175 options.

(4) Target of the plan in shares and options on Global shares, to be paid in cash at the end of the vesting period, according to the achievement of the plan's performance indicators.

Our long-term programs are divided into local and global plans, with specific performance indicators and rules in the event of dismissal to be entitled to receive.

Global ILP (Long Term Incentive) Plans

We currently have 5 global plans launched in 2019, 2020, 2021, 2022 and 2023. Eligible executives have target incentives in global shares and options, with payment after a minimum deferral period of three years and settlement of the sale value of the Assets in reais.

Pricing Model

The pricing model is based on the Local Volatility model or Dupire model, which allows simultaneous calibration of all quoted European options. In addition to this model, there is an extension to deal with uncertainty in dividends, where part of the dividend value is considered confirmed, and the rest is linked to the performance of the underlying. This extended model is integrated into a PDE engine, which numerically solves the corresponding stochastic differential equation to calculate the expected value of the product.

Data and assumptions used in the pricing model, including the weighted average share price, exercise price, expected volatility, option life, expected dividends and the risk-free interest rate

- The weighted average share price (and exercise price) is €3.104 based on the 15-day weighted average between 01/07/2022 and 01/27/2022
- The expected volatility used was 33.80
- Options expire on 02/01/2033
- Expected dividends range from approximately 6.6 cents in the short term (2022) to approximately 5.75 cents per share per year in the long term (2030)
- The discount curve used gives a discount of 0.96 for 2030

The exercise price, in all cycles and if the objectives established in the regulations are achieved, will be the market price on the exercise date.

Local ILP Plans (Long-Term Incentive)

Long-term incentive plans may be granted in accordance with the strategy of new companies in the group or specific businesses, generally with a vesting period of 3 years.

Each plan will have a specific contract and its calculation and payment must be approved by the established governance, observing local and global regulatory resolutions.

The reference value of each participant will be converted into SANB11 shares, normally at the price of the last 15 trading sessions of the month immediately preceding the payment of the plan.

At the end of the vesting period, payment of either the resulting shares in the case of local plans or the value equivalent to the shares/options of global plans are made with a 1-year restriction, and this payment is still subject to the application of the Malus/Clawback clauses, which may reduce or cancel the shares to be delivered in cases of non-compliance with internal regulations and exposure to excessive risks and in cases of material failure to comply with financial reporting requirements, in accordance with Section 10D, of the Exchange Act (SEC), applicable to companies with shares listed on the NYSE.

*Values expressed in thousands, except when indicated

Impact on Results

The impacts on results are recognized in the Personnel Expenses line item, as detailed below:

Program	Settlement Type	Consolidated		
		01/01 to 12/31/2024	01/01 to 12/31/2023	01/01 to 12/31/2022
Local	Santander Actions (Brazil)	6,178	17,097	25,506
Global	Santander Spain shares and stock options	6,953	6,380	3,534

b.2) Stock-Based Variable Compensation

The long-term incentive plan (deferral) sets forth the criteria for the disbursement of future deferred portions of variable compensation, taking into account sustainable financial foundations over the long term. This includes the possibility of applying reductions or cancellations in response to the risks undertaken and the fluctuations in the cost of capital.

The variable compensation plan, which is linked to Banco Santander shares, is divided into 2 programs: (i) Identified Group and (ii) Other Employees. The impacts on results are recognized in the Personnel Expenses line item, as detailed below:

Program	Participant	Liquidity Type	01/01 to 12/31/2024	01/01 to 12/31/2023	01/01 to 12/31/2022
Collective Identified	Members of the Executive Committee, Statutory Officers and other executives who assume significant and responsible risks of control areas	50% in cash indexed to 100% of CDI and 50% and instruments	139,470	156,962	8,228
Unidentified Collective	Management-level employees and employees who are benefited by the Deferral Plan	50% in cash indexed to 100% of CDI and 50% and instruments	170,949	223,562	76,275

*Values expressed in thousands, except when indicated

40. Other Administrative Expenses

a) Breakdown

The breakdown of the balance for this line item is as follows:

Thousand of Reais	2024	2023	2022
General maintenance expenses	878,393	896,232	895,734
Technology maintenance expenses	2,409,697	2,383,988	2,577,479
Advertising	516,448	521,964	540,593
Communications	351,019	501,765	421,522
Per diems and travel expenses	201,195	163,057	72,647
Taxes other than income tax	154,047	173,147	148,950
Surveillance and cash courier services	474,477	524,680	548,759
Insurance premiums	25,311	26,783	21,977
Specialized and technical services	2,413,970	2,397,149	2,228,715
Technical reports	409,138	512,257	425,767
Others specialized and technical services	2,004,832	1,884,892	1,802,948
Other administrative expenses (1)	1,393,951	1,159,950	886,742
Total	8,818,508	8,748,715	8,343,118

(1) As of December 31, 2024, this is predominantly comprised of Business Formalization Expenses of R\$1,001,084 (2023 – R\$949,009 and 2022 - R\$926,119), Data Processing Expenses of R\$263,719 (2023 – R\$157,010 and 2022 - R\$155,326), Service Expenses of R\$250,192 (2023 - income of R\$152,065 and 2022 - R\$52,165), and Recovery of Charges and Expenses of R\$558,296 (2023– R\$304,025 and 2022 – R\$435,717)

b) Other Information

The “Technical Reports” line item encompasses the fees paid by the various entities within the Consolidated Group to their respective auditors, broken down as follows:

Thousand of Reais	2024	2023
Independent audit of the financial statements of the companies included in the consolidation scope	29,987	27,100
Audit Related	588	300
Tax Services	105	215
Others	1,980	2,885
Total	32,660	30,500

The approximate tax amount, as per Law No. 12,741/2012 was R\$5,687 (2023 - R\$4,580).

41. Gains (losses) on disposal of assets not classified as non-current assets held for sale

The breakdown of the balance for this line item is as follows:

Thousand of Reais	2024	2023	2022
Gains	1,854,664	1,038,003	62,951
Tangible and intangible assets	84,633	114,159	62,951
Investments (1)	1,770,031	923,844	-
Losses	(48,481)	(39,595)	(40,596)
Tangible and intangible assets	(48,481)	(33,956)	(40,596)
Investments	-	(5,639)	-
Total	1,806,183	998,408	22,355

(1) In 2024, this refers to the Partnership operation between Banco Santander (Brasil) S.A. and Pluxee International, as per the terms described in **Note 3.d**. In 2023, results from the sale of 40% of Webmotors, as per **Note 3.i**.

42. Gains (losses) on disposal and expenses on non-current assets held for sale not classified as discontinued operations

The breakdown of the balance of this item is as follows:

Thousand of Reais	2024	2023	2022
Composition			
Net constitution of reversal of provision of non-financial assets	79,024	29,707	47,130
Result on the Sale of non-financial assets	54,272	32,260	73,588
Operating expenses of non-financial assets	(27,260)	(16,772)	(11,591)
Total	106,036	45,195	109,127

43. Other disclosures

a) Guarantees and commitments

The Bank offers a range of guarantees to help its clients improve their credit standing and enable them to compete effectively. The table below details all the guarantees as of December 31, 2024 and 2023.

As required, the "Maximum potential value of future payments" represents the notional amounts that could be regarded as a loss in the event of a total default by the guaranteed parties, without taking into account possible recoveries from guarantees held or pledged, or recoveries on appeal. There is no correlation between these values and the probable losses on these guarantees. In fact, the "Maximum potential value of future payments" significantly exceeds the inherent losses.

Thousand of Reais	2024	2023
Maximum potential amount of future payments		
Contingent liabilities		
Guarantees and other sureties	60,657,334	62,579,329
Financial guarantees	33,246,872	44,891,226
Performance guarantees	1,903,656	1,994,311
Financial letters of credit	25,485,782	15,667,096
Other	21,024	26,696
Other contingent exposures	3,730,419	3,091,932
Documentary Credits	3,730,419	3,091,932
Total Contingent Liabilities	64,387,753	65,671,261
Commitments		
Loan commitments drawable by third parties (1)	205,309,683	177,455,391
Total Commitments	205,309,683	177,455,391
Total	269,697,436	243,126,652

(1) Includes approved and unutilized limits for overdrafts, credit cards, and other similar facilities.

The Bank provides its clients with financial guarantees in commitments with third parties. The Bank retains the right to seek reimbursement from clients for any amounts it is required to pay under these guarantees. Additionally, cash or other forms of high liquidity collateral may be held against these commitments. These contracts are subject to the same credit assessment process as that applied to loans.

The Bank expects that these guarantees will expire without the need for any cash advances. Therefore, in the normal course of operations, the Bank anticipates that these transactions will have virtually no impact on its liquidity.

Performance guarantees are issued to secure clients' commitments, such as contractually specified investments, and to provide specified products, basic goods, or maintenance or warranty services to third parties, ensuring project completion in accordance with contractual terms, among other obligations. Included within standby letters of credit are guarantees for loan repayment, credit lines, promissory notes, and commercial acceptances. The Bank invariably requires collateral to issue this type of financial guarantee. In documentary credits, the Bank acts as a payment intermediary between commercial entities across different countries (import/export operations). In these transactions, the parties involved handle documents rather than the actual goods these documents represent. Typically, the basic goods traded serve as collateral for the transaction, and the Bank may extend certain credit lines. Commitments for loans redeemable by third parties primarily encompass most credit card lines and commercial commitments. Credit card lines may be unilaterally terminated by the issuer. Commercial commitments are generally one-year lines, contingent upon the client providing requisite information.

The risk criteria for issuing all types of guarantees, standby letters of credit, documentary credits, and all signature risks are generally the same as those used for other credit risk products and, therefore, are subject to the same admission and monitoring standards. Guarantees provided

*Values expressed in thousands, except when indicated

on behalf of clients undergo the same credit quality review process as any other credit risk product. Regularly, at least once a year, the solvency of clients is assessed, as well as the likelihood of these guarantees being executed. Should there be any doubt regarding a client's solvency, provisions are recognized in net profit for the amount of inherent losses, even if no legal proceedings have been initiated against the Bank.

The recognition of provisions for impairment losses related to guarantees and other sureties (**note 9.c**) is recorded under the line item Impairment losses on financial assets (net) in the consolidated statement of income, and the methodology for its calculation is detailed in **note 2.i**.

Furthermore, the liability recognized as deferred income for the premium received for providing these guarantees is being amortized over the life of the related guarantees and totals R\$300,711 (2023 - R\$282,613 and 2022 - R\$307,296).

b) Managed funds not recognized on the balance sheet

Banco Santander manages funds in which it does not hold a significant stake, does not act as a "principal," and has no equity interest. Based on the contractual relationship that governs the management of these funds, other equity holders are exposed to, or have rights to variable returns and are able to influence these returns through their decision-making authority. Additionally, the Bank act as manager of these funds by analyzing the remuneration regime, which is proportional to the services rendered. Therefore, there is no indication that the fund is "principal" (**note 2.w**).

Following are the funds managed by Banco Santander not recognized on its balance sheet:

Thousand of Reais	2024	2023
Funds under investment management (1)	134,133	11,871,919
Administered Funds	242,717,969	291,736,828
Total	242,852,102	303,608,747

(1) In 2024, fund management was transferred to Santander Asset.

c) Third-party securities held in custody

As of December 31, 2024, the Bank held in custody third-party debt securities and securities totaling R\$51,196,827 (2023 - R\$80,174,807).

d) Residual maturity

The breakdown, by maturity, of the balances of Financial Assets and Financial Liabilities in the consolidated balance sheet is as follows:

							2024
	On Demand	Up to 3 Months	3 to 12 Months	1 to 3 Years	3 to 5 Years	After 5 Years	Total
Assets:							
Cash	15,131,969	21,952,285	-	-	-	-	37,084,254
Debt instruments	110,385	28,818,116	43,426,801	80,644,990	56,763,284	74,409,608	284,173,184
Equity instruments	2,117,553	571,818	198,961	100,124	-	-	2,988,456
Loans and amounts due from credit institutions	41,763	6,746,688	4,400,946	12,206,990	6,157,811	623,429	30,177,627
Loans and advances to customer	38,842,391	149,527,493	112,549,440	147,550,348	68,790,302	48,829,940	566,089,914
Derivatives	22,753	17,117,638	588,359	18,411,051	1,701,330	2,365,168	40,206,299
Balances with the Brazilian Central Bank	167,800,211	-	-	-	-	-	167,800,211
Total	224,067,025	224,734,038	161,164,507	258,913,503	133,412,727	126,228,145	1,128,519,945
Liabilities:							
Financial liabilities at amortized cost:							
Deposits from credit institutions (1)	3,388,235	72,720,534	66,515,869	12,938,966	2,038,443	963,435	158,565,482
Customer deposits (1)	227,425,242	184,353,360	87,235,595	46,521,772	59,474,729	57,465	605,068,163
Marketable debt securities (1)	-	23,042,497	3,980,720	42,216,454	55,260,981	15,177,476	139,678,128
Debt Instruments Eligible to Compose Capital	-	-	-	-	-	23,137,784	23,137,784
Other financial liabilities	1,121,506	20,529,202	7,482,333	37,652,435	12,377,824	13,879	79,177,179
Short positions	-	972,415	2,728,931	5,637,952	11,872,654	18,184,714	39,396,666
Derivatives	-	4,506,806	5,611,956	12,539,932	1,652,110	15,099,470	39,410,274
Total	231,934,983	306,124,814	173,555,404	157,507,511	142,676,741	72,634,223	1,084,433,676
Difference (assets less liabilities)	(7,867,958)	(81,390,776)	(12,390,897)	101,405,992	(9,264,014)	53,593,922	44,086,269

2023

	On Demand	Up to 3 Months	3 to 12 Months	1 to 3 Years	3 to 5 Years	After 5 Years	Total
--	-----------	----------------	----------------	--------------	--------------	---------------	-------

*Values expressed in thousands, except when indicated

Assets:

Cash	9,213,539	13,909,011	-	-	-	-	23,122,550
Debt instruments	412,242	69,310,969	10,259,106	120,485,997	36,519,808	7,426,528	244,414,650
Equity instruments	2,768,129	365,129	155,528	149,321	-	-	3,438,107
Loans and amounts due from credit institutions	54,683	7,259,224	4,100,331	13,974,320	320,376	7,911	25,716,845
Loans and advances to customer	24,033,838	130,798,304	120,472,284	136,237,815	56,969,138	49,465,756	517,977,135
Derivatives	27,780	7,346,217	874,329	17,727,138	1,035,989	2,283,268	29,294,721
Balances with the Brazilian Central Bank	170,867,718	-	-	-	-	-	170,867,718
Total	207,377,929	228,988,854	135,861,578	288,574,591	94,845,311	59,183,463	1,014,831,726

Liabilities:

Financial liabilities at amortized cost:

Deposits from credit institutions (1)	397,566	43,944,781	57,342,156	11,884,064	3,024,168	1,919,222	118,511,957
Customer deposits (1)	73,434,602	248,146,746	105,182,508	99,181,326	53,188,713	4,086,681	583,220,576
Marketable debt securities (1)	-	13,968,517	35,762,179	67,809,219	1,612,849	5,244,658	124,397,422
Debt Instruments Eligible to Compose Capital	-	391,121	812,411	1,260,717	1,416,688	15,746,030	19,626,967
Other financial liabilities	1,492,807	15,473,357	3,863,003	43,925,800	38,617	-	64,793,584
Short positions	-	722,785	1,672,459	3,182,266	2,741,410	11,513,071	19,831,991
Derivatives	-	4,344,309	4,013,055	12,858,091	1,674,379	2,050,594	24,940,428
Total	75,324,975	326,991,616	208,647,771	240,101,483	63,696,824	40,560,256	955,322,925
Difference (assets less liabilities)	132,052,954	(98,002,762)	(72,786,193)	48,473,108	31,148,487	18,623,207	59,508,801

(1) Includes liabilities that may be subject to early settlement, comprising: demand and time deposits, repurchase agreements with clients, Real Estate Credit Notes (LCI), and Agribusiness Credit Notes (LCA).

e) Equivalent value of assets and liabilities in BRL

The main foreign currency balances recorded in the consolidated balance sheet, based on the nature of the respective items, are as follows:

Equivalent Value in Thousand of Reais	2024		2023	
	Assets	Liabilities	Assets	Liabilities
Cash	22,500,450	-	14,163,790	-
Financial assets/liabilities measured at fair value through profit or loss held for trading	14,413,853	12,658,267	9,524,235	4,258,857
Financial assets measured at fair value through other comprehensive income	-	-	15,148,639	-
Financial assets/liabilities measured at amortized cost	105,973,276	174,910,624	76,408,125	133,451,264
Total	142,887,579	187,568,891	115,244,789	137,710,121

f) Other Commitments

Banco Santander leases properties, primarily for use as branches, under a standard lease agreement that it may terminate at its discretion. This agreement includes a renewal option and adjustment clauses, falling within the concept of operational leasing.

The total of future minimum lease payments under non-cancellable operational leases is presented below:

	2024	2023
Up to 1 Year	469,244	582,294
Between 1 to 5 Years	1,004,390	1,132,409
More than 5 Years	139,324	734,431
Total	1,612,958	2,449,134

Additionally, Banco Santander holds indefinite-term contracts, amounting to R\$431 (2023 - R\$649), corresponding to the monthly lease payments for contracts of this nature. Lease payments, recognized as expenses in the fiscal year of 2024, totaled R\$256,371 (2023 - R\$326,745).

Lease agreements will be adjusted annually in accordance with prevailing legislation, where the maximum adjustment is based on the fluctuation of the General Market Price Index ("IGPM"). The lessee is granted the right to unilaterally terminate these agreements at any time, pursuant to contractual clauses and current legislation.

g) Contingent assets

*Values expressed in thousands, except when indicated

As of December 31, 2024 and 2023, contingent assets were not recognized in the accounting records.

44. Business segment reporting

In accordance with IFRS 8, an operating segment is defined as a component of an entity:

- That engages in activities from which it can generate income and incur expenses (including income and expenses arising from transactions with other components of the same entity);
- Whose operational results are regularly reviewed by the entity's chief decision-maker responsible for operational decisions regarding the allocation of resources to the segment and assessment of its performance; and
- For which separate financial information is available.

Based on these guidelines, the Bank has identified the following reportable operating segments:

- Commercial Bank
- Global Wholesale Bank (SCIB)

The Bank operates across two segments: the Commercial Segment, catering to both individual and corporate clients (excluding global corporate clients, who are served in the Global Wholesale Banking Segment), and the Global Wholesale Banking Segment, which encompasses Investment Banking and Markets operations, including the Treasury and Equity Business Departments.

The Bank operates both in Brazil and internationally through its branches in Cayman and Luxembourg, as well as its subsidiary in Spain, serving Brazilian clients. Accordingly, it does not present geographical segmentation.

The Income Statements and other relevant data are as follows:

Thousand of Reais	2024		
(Condensed) Income Statement	Commercial Banking	Global Wholesale Banking	Total
NET INTEREST INCOME	51,563,173	5,115,387	56,678,560
Equity instrument income	5,109	78,538	83,647
Income from companies accounted for by the equity method	259,321	53,665	312,986
Net fee and commission income	14,943,536	2,261,673	17,205,209
Gains (losses) on financial assets and liabilities (net) and Exchange differences (net) (1)	(1,487,662)	1,616,667	129,005
Other operating expense (net)	(479,848)	(172,273)	(652,121)
TOTAL INCOME	64,803,629	8,953,657	73,757,286
Personnel expenses	(10,534,033)	(1,063,963)	(11,597,996)
Other administrative expenses	(7,835,919)	(982,589)	(8,818,508)
Depreciation and amortization	(2,599,134)	(131,884)	(2,731,018)
Provisions (net)	(4,582,750)	(12,488)	(4,595,238)
Impairment losses on financial assets (net)	(28,450,756)	(33,274)	(28,484,030)
Impairment losses on non-financial assets (net)	(252,550)	63	(252,487)
Other non-financial gains (losses)	1,912,219	-	1,912,219
OPERATING PROFIT BEFORE TAX (1)	12,460,706	6,729,522	19,190,228
Currency Hedge(1)	664,616	-	664,616
ADJUSTED OPERATING INCOME BEFORE TAX (1)	13,125,322	6,729,522	19,854,844

Thousand of Reais	2023		
(Condensed) Income Statement	Commercial Banking	Global Wholesale Banking	Total
NET INTEREST INCOME	44,651,967	2,232,067	46,884,034
Equity instrument income	3,514	18,665	22,179
Income from companies accounted for by the equity method	184,889	54,347	239,236
Net fee and commission income	13,269,837	2,370,128	15,639,965
Gains (losses) on financial assets and liabilities (net) and Exchange differences (net) ⁽¹⁾	(1,125,430)	4,920,116	3,794,686
Other operating expense (net)	(595,993)	(119,797)	(715,790)

*Values expressed in thousands, except when indicated

TOTAL INCOME	56,388,784	9,475,526	65,864,310
Personnel expenses	(9,753,972)	(1,059,954)	(10,813,926)
Other administrative expenses	(7,866,949)	(881,766)	(8,748,715)
Depreciation and amortization	(2,621,353)	(119,597)	(2,740,950)
Provisions (net)	(4,404,408)	(20,004)	(4,424,412)
Impairment losses on financial assets (net)	(26,582,759)	(1,425,327)	(28,008,086)
Impairment losses on non-financial assets (net)	(250,044)	(129)	(250,173)
Other non-financial gains (losses)	1,043,603	-	1,043,603
OPERATING PROFIT BEFORE TAX ⁽¹⁾	5,952,902	5,968,749	11,921,651
Currency Hedge ⁽¹⁾	(163,165)	-	(163,165)
ADJUSTED OPERATING INCOME BEFORE TAX ⁽¹⁾	5,789,737	5,968,749	11,758,486

Thousand of Reais

(Condensed) Income Statement			2022
	Commercial Banking	Global Wholesale Banking	Total
NET INTEREST INCOME	45,617,896	1,885,281	47,503,177
Equity instrument income	11,239	26,834	38,073
Income from companies accounted for by the equity method	147,676	51,503	199,179
Net fee and commission income	12,538,806	2,337,074	14,875,880
Gains (losses) on financial assets and liabilities (net) and Exchange differences (net) ⁽¹⁾	(360,383)	5,059,609	4,699,226
Other operating expense (net)	(718,459)	(122,543)	(841,002)
TOTAL INCOME	57,236,775	9,237,758	66,474,533
Personnel expenses	(8,985,721)	(911,274)	(9,896,995)
Other administrative expenses	(7,571,376)	(771,742)	(8,343,118)
Depreciation and amortization	(2,479,643)	(105,859)	(2,585,502)
Provisions (net)	(1,207,531)	(7,959)	(1,215,490)
Impairment losses on financial assets (net)	(23,682,848)	(1,145,901)	(24,828,749)
Impairment losses on non-financial assets (net)	(160,479)	(955)	(161,434)
Other non-financial gains (losses)	131,482	-	131,482
OPERATING PROFIT BEFORE TAX ⁽¹⁾	13,280,659	6,294,068	19,574,727
Currency Hedge ⁽¹⁾	(129,406)	-	(129,406)
ADJUSTED OPERATING INCOME BEFORE TAX ⁽¹⁾	13,151,253	6,294,068	19,445,321

(1) Includes, within the Commercial Bank, the foreign exchange hedge of the dollar investment (a strategy to mitigate the tax effects and exchange rate fluctuations of offshore investments on net income), with its result recorded in 'Gains (losses) on financial assets and liabilities,' fully offset in the Tax line.

Other aggregates:			2024
	Commercial Banking	Global Wholesale Banking	Total
Total assets	1,143,663,122	95,133,688	1,238,796,810
Loans and advances to customers	484,849,401	81,240,513	566,089,914
Customer deposits	446,780,888	158,287,275	605,068,163

Other aggregates:			2023
	Commercial Banking	Global Wholesale Banking	Total
Total assets	1,010,503,261	105,149,515	1,115,652,776
Loans and advances to customers	445,085,759	72,891,376	517,977,135
Customer deposits	425,724,599	157,495,977	583,220,576

*Values expressed in thousands, except when indicated

45. Related party transactions

The Bank's related parties include, in addition to its subsidiaries, affiliates, and jointly-controlled entities, the key management personnel of the Bank and entities over which such key management personnel may exert significant influence.

Santander has a Related-Party Transactions Policy approved by the Board of Directors, designed to ensure that all transactions covered by the policy are conducted in the best interests of Banco Santander and its shareholders. This policy grants the Board of Directors the authority to approve certain transactions. Additionally, the established rules apply to all employees and administrators of Banco Santander and its subsidiaries.

Transactions and compensation for services involving related parties are conducted in the ordinary course of business and on arm's length terms, encompassing interest rates, terms, and guarantees, without entailing higher collection risks than usual or presenting any additional disadvantages.

a) Compensation of Key Management Personnel

For the period from January to December of 2024, management proposed a total remuneration for the administrators (Board of Directors and Executive Board) of up to R\$500,000,000 (five hundred million reais), encompassing fixed, variable, and stock-based compensation. This proposal underwent consideration at the Ordinary General Meeting (OGM) held on April 26, 2024.

i) Long and short-term benefits

The Bank, in line with Banco Santander Spain and other subsidiaries globally within the Santander Group, maintains long-term compensation programs that are tied to the market performance of its share price, contingent upon the achievement of specified targets.

The table below presents the Salaries and Fees of the Board of Directors and Executive Management:

Thousand of Reais	2024	2023	2022
Fixed Compensation	127,341	132,276	115,680
Variable Compensation - in cash	110,111	126,181	117,730
Variable Compensation - in shares	94,787	91,306	87,702
Others	111,000	79,229	61,294
Total Short-Term Benefits	443,239	428,992	382,406
Variable Compensation - in cash	113,766	99,506	95,398
Variable Compensation - in shares	102,388	96,361	99,827
Total Long-Term Benefits	216,154	195,867	195,225
Total	659,393	624,859	577,631

Additionally, in the fiscal year ended December 31, 2024, charges were collected on management remuneration in the amount of R\$43,124 (2023 - R\$40,863 and 2022 - R\$36,747).

ii) Contract termination

The termination of the employment agreement with Administrators, due to non-compliance with obligations or at the initiative of the contracted party, does not confer any right to financial compensation, and their accrued benefits will be discontinued.

b) Loan operations

In accordance with current legislation, no loans or advances are granted when involving the following:

I - Officers, Board of Directors and Audit Committee members, as well as their respective spouses and second-degree relatives;

II - Individuals or legal entities holding an interest in Banco Santander's capital exceeding 10%;

III - Legal entities in which Banco Santander holds a capital interest exceeding 10%; and

IV - Legal entities, whose capital is held by more than 10%, any of the directors, members of the Board of Directors and the Audit Committee or administrators of the financial institution itself, as well as their spouses and respective relatives, up to the second degree.

c) Ownership interest

The table below presents the direct equity interests (ordinary and preference shares) as of December 31, 2024, December 2023 and 2022.

*Values expressed in thousands, except when indicated

Stockholders'	Common		Preferred		Total	
	Shares (thousand)	Shares (%)	Shares (thousand)	Shares (%)	Shares (thousand)	Shares (%)
Sterrebeeck B.V. (1)	1,809,583	47.4 %	1,733,644	47.1 %	3,543,227	47.3 %
Grupo Empresarial Santander, S.L. (GES) (1)	1,627,891	42.6 %	1,539,863	41.9 %	3,167,754	42.2 %
Banco Santander, S.A. (1)	2,696	0.1 %	—	— %	2,696	— %
Directors (*)	2,828	0.1 %	2,828	0.1 %	5,656	0.1 %
Others	356,245	9.3 %	384,050	10.4 %	740,295	9.9 %
Total	3,799,243	99.5 %	3,660,385	99.5 %	7,459,628	99.5 %
Treasury shares	19,452	0.5 %	19,452	0.5 %	38,904	0.5 %
Total	3,818,695	100.0 %	3,679,837	100.0 %	7,498,532	100.0 %
Free Float (2)	356,245	9.3 %	384,050	10.4 %	740,295	9.9 %

Stockholders'	Common		Preferred		Total	
	Shares (thousand)	Shares (%)	Shares (thousand)	Shares (%)	Shares (thousand)	Shares (%)
Sterrebeeck B.V. (1)	1,809,583	47.4 %	1,733,644	47.1 %	3,543,227	47.3 %
Grupo Empresarial Santander, S.L. (GES) (1)	1,627,891	42.6 %	1,539,863	41.9 %	3,167,754	42.2 %
Banco Santander, S.A. (1)	2,696	0.1 %	—	— %	2,696	— %
Directors (*)	3,184	0.1 %	3,184	0.1 %	6,368	0.1 %
Others	348,148	9.1 %	375,952	10.2 %	724,100	9.8 %
Total	3,791,502	99.3 %	3,652,643	99.3 %	7,444,145	99.3 %
Treasury shares	27,193	0.7 %	27,193	0.7 %	54,386	0.7 %
Total	3,818,695	100.0 %	3,679,836	100.0 %	7,498,531	100.0 %
Free Float (2)	348,148	9.1 %	375,952	10.2 %	724,100	9.7 %

Stockholders'	Common		Preferred		Total	
	Shares (thousand)	Shares (%)	Shares (thousand)	Shares (%)	Shares (thousand)	Shares (%)
Sterrebeeck B.V. (1)	1,809,583	47.4 %	1,733,644	47.1 %	3,543,227	47.3 %
Grupo Empresarial Santander, S.L. (GES) (1)	1,627,891	42.6 %	1,539,863	41.9 %	3,167,754	42.2 %
Banco Santander, S.A. (1)	2,696	0.1 %	—	— %	2,696	— %
Administrators (*)	4,444	0.1 %	4,444	0.1 %	8,888	0.1 %
Others	342,919	9.0 %	370,723	10.1 %	713,642	9.6 %
Total	3,787,533	99.2 %	3,648,674	99.2 %	7,436,207	99.2 %
Treasury shares	31,162	0.8 %	31,162	0.8 %	62,324	0.8 %
Total	3,818,695	100.0 %	3,679,836	100.0 %	7,498,531	100.0 %
Free Float (2)	342,919	9.0 %	370,723	10.1 %	713,642	9.5 %

(1) Companies of the Santander Spain Group.

(2) Comprised of Employees and Others.

(*) None of the members of the Board of Directors and Executive Board holds 1.0% or more of any class of shares.

*Values expressed in thousands, except when indicated

d) Related-party transactions

The following table presents the transactions that occurred between the group's companies:

	Parent (1) (4)		Joint-controlled companies and Other Related Party (2) (4)		Key Management Personnel (3)		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Assets	18,182,830	18,816,451	28,222,527	24,551,973	58,891	36,813	46,464,248	43,405,237
Derivatives Measured At Fair Value Through Profit Or Loss, Net	(333,181)	4,483,269	-	-	-	-	(333,181)	4,483,269
Debt Instruments	-	-	67,071	497,304	-	-	67,071	497,304
Loans and other amounts with credit institutions - Availability and Applications in Foreign Currency (Overnight Applications)	18,514,514	14,331,685	385,458	147,443	-	-	18,899,972	14,479,128
Loans and other values with customers	-	-	27,571,123	23,747,834	36,420	23,463	27,607,543	23,771,297
Other Assets	1,497	1,497	198,875	159,392	-	-	200,372	160,889
Warranties and Limits	-	-	-	-	22,471	13,350	22,471	13,350
Liabilities	(304,650)	(11,147,364)	(10,423,148)	(8,987,115)	(618,068)	(407,621)	(11,345,866)	(20,542,100)
Deposits from credit institutions	(11,181)	(5,030,951)	(596,956)	(227,688)	-	-	(608,137)	(5,258,639)
Securities	-	-	(519,000)	(150,000)	(39,904)	(76,365)	(558,904)	(226,365)
Customer deposits	-	-	(1,946,618)	(1,375,954)	(29,246)	(26,553)	(1,975,864)	(1,402,507)
Other financial liabilities - Dividends and interest on equity payable	-	-	(7,268,606)	(7,186,249)	-	-	(7,268,606)	(7,186,249)
Other Liabilities	(293,469)	(195)	(91,968)	(47,224)	(548,918)	(304,703)	(934,355)	(352,122)
Debt Instruments Eligible for Capital	-	(6,116,218)	-	-	-	-	-	(6,116,218)
	2024	2023	2024	2023	2024	2023	2024	2023
Income	(2,790,659)	1,311,196	1,810,374	1,371,735	(665,054)	(618,470)	(1,645,339)	2,064,461
Interest and similar income - Loans and amounts due from credit institutions	268,957	349,749	45,881	155,654	314	2,835	315,152	508,238
Warranties and Limits	-	-	-	-	25	16,276	25	16,276
Interest expense and similar charges	(625,820)	(871,324)	(149,293)	(261,360)	(665,501)	(638,304)	(1,440,614)	(1,770,988)
Fee and commission income (expense)	(5,344)	(12,674)	2,391,649	1,869,898	-	454	2,386,305	1,857,678
Gains (losses) on financial assets and liabilities and exchange differences (net)	(2,157,771)	2,056,710	(1,232)	(548)	108	269	(2,158,895)	2,056,431
Other operating income (expenses)	-	-	326,301	227,882	-	-	326,301	227,882
Administrative expenses and amortization	(270,681)	(211,265)	(642,983)	(459,842)	-	-	(913,664)	(671,107)
Profit from disposal of assets not classified as non-current assets held for sale	-	-	(159,949)	(159,949)	-	-	(159,949)	(159,949)

(1) Parent - Banco Santander is indirectly controlled by Banco Santander Spain (note 1) through its subsidiaries GES and Sterrebeeck B.V.

(2) Related entities as disclosed in note 11.

(3) Refers to the recording in clearing accounts of Guarantees and Limits on credit operations, Provisions and Result of variable remuneration with Key Management Personnel.

(4) To improve the presentation of certain transactions with related parties, some balances in the comparison as of December 31, 2023 were remeasured.

*Values expressed in thousands, except when indicated

46. Risk management

Risk management at Banco Santander is based on the following principles:

- A. Risk function independence from the commercial department.
- B. Senior Management involvement in decision-making.
- C. Consensus between the Risk and Commercial departments on lending decisions.
- D. Collective decisions, involving the branch network, aimed at fostering diversity of opinions and preventing the assignment of individual decisions.
- E. Use of statistical forecasting tools for default prediction, including internal ratings, credit scoring, behavior scoring, RORAC (Risk-Adjusted Return on Capital), VaR (Value at Risk), economic capital, and scenario analysis, among other methods.
- F. Global perspective, integrating the management of risk factors across business units and employing economic capital as a uniform metric for assessing assumed risk and evaluating management performance.
- G. Common management instruments
- H. Organizational structure
- I. Scopes and responsibilities
- J. Risk limitation
- K. Recognition
- L. Efficient information channels
- M. Maintaining a medium-low risk profile and low volatility through:
 - Portfolio diversification, by limiting concentrations in clients, groups, sectors, products, or geographies; reducing the complexity of market operations; analyzing the social and environmental risks of businesses and projects financed by the Bank; and continuous monitoring to prevent portfolio deterioration.
 - Establishment of policies and procedures that constitute the Normative Risk Model, governing risk-related activities and processes in compliance with directives from the Board of Directors, Brazilian Central Bank regulations, as well as international best practices, aiming to safeguard capital and ensure the profitability of business operations.

At Santander Brasil, the risk control and management process was determined based on the Framework set forth at the corporate level, outlined according to the following phases:

- I. Adaptation of risk management structures and policies in alignment with Banco Santander's risk management principles.

The Corporate Risk Management Framework, approved by Senior Management (Risks), is designed to establish the principles and standards for risk management and control at Banco Santander. It is based on corporate organizational models and complies with the requisite regulatory standards for credit management.

The organizational model consists of the management map, which delineates the responsibilities of each area by risk type, the risk governance function, and the regulatory framework itself.
- II. Risk identification through continuous review and monitoring of exposures, assessment of new products and business ventures, and specific analysis of unique transactions.
- III. Risk measurement using periodically tested methods and models.
- IV. Preparation and distribution of a comprehensive set of reports, which undergo daily review by the Executive Board of Banco Santander.
- V. Implementation of a risk control system that assesses, on a daily basis, the extent to which the Bank's risk profile conforms to approved policies and established limits. The most significant tools and techniques (previously mentioned), currently employed by Banco Santander, are at various stages of maturity regarding their implementation and application within the Bank. For the wholesale segment, these techniques are aligned with corporate-level development. For other segments, models based on internal classifications and score systems, VaR analysis, market risk scenario analysis, and stress testing have already been integrated into the risk management routine, while the integration of expected loss, economic capital, and RORAC into risk management is underway.
- VI. Models based on internal classifications and score systems, which, by assessing the various qualitative and quantitative risk components for each client and transaction, enable the estimation of the probability of default initially, and subsequently, the loss based on LGD estimates.
- VII. Economic capital, as a consistent measure of assumed risk and a basis for evaluating management performance.
- VIII. RORAC, utilized both as a pricing tool in wholesale operations, particularly within global relationship companies (employing a bottom-up approach), and in the analysis of portfolios and business units (using a top-down approach).
- IX. VaR, utilized to control and set market risk limits for the treasury's various portfolios.

*Values expressed in thousands, except when indicated

- X. Scenario analysis and stress testing to complement market and credit risk assessments in order to evaluate the impact of alternative scenarios, including on provisions and capital.

a) Corporate Governance of the Risk Function

The structure of Banco Santander's Risk Committees is defined in line with a prudent risk management standard, always in compliance with the local regulatory and normative environment. Its primary responsibilities are the following:

- A. Integrate and adapt the Bank's risk culture to the local context, in addition to the risk management strategy, tolerance level, and risk appetite, previously approved by the Executive Committee and the Board of Directors, all in alignment with the corporate standards of Banco Santander Spain;
- B. Assess and approve proposals, operations, and limits, whether related to credit or market, for clients and portfolios;
- C. Conduct periodic monitoring of all inherent business risks, ensuring that the risk profile is aligned with the established risk appetite;
- D. Authorize the use of management tools, local risk models, and understand the results of their internal validation;
- E. Remain informed, assess, and comply with any observations and recommendations that may periodically be issued by supervisory authorities in the execution of their duties;

The credit risk management structure comprises departments operating from a portfolio management perspective and units dedicated to the individualized analysis and decision-making on loans for Individual, Business, and Wholesale clients. A specific area is tasked with consolidating the portfolios and their respective risks, providing support to management, as well as to the Group's headquarters in Spain, offering an integrated risk view.

The credit risk management structure comprises departments operating from a retail and wholesale portfolio management perspective. A specific area is tasked with consolidating the portfolios and their respective risks, providing support to management, as well as to the Group's headquarters in Spain, offering an integrated risk view.

A designated structure is responsible for attending to regulators, supervisors, as well as internal and external auditors.

It has a core called ERM-Enterprise Risk Management, integrated by a set of functions, transversal to all risks, necessary for their adequate management. This structure includes the areas of Methodology (development and parameterization of models); Credit Risk Control; Integrated Management and Relationship with Supervisors and Stress Test. In addition, the Strategy Risk Management department is the team responsible for managing and monitoring the Risk Culture.

b) Credit Risk

b.1) Introduction to credit risk management

Credit Risk Management supports the formulation of strategies in alignment with risk appetite, while also setting limits that include the analysis of exposure and trends, as well as assessing the effectiveness of the credit policy. The objective is to sustain a risk profile and sufficient minimum profitability to offset the anticipated default, for both individual clients and the overall portfolio, as determined by the Executive Committee and the Board of Directors. Moreover, it is tasked with overseeing the risk management systems and their implementation in the identification, measurement, control, and mitigation of risk exposure in either individual or similarly grouped operations.

Risk Management is specialized according to client characteristics, distinguishing between individualized clients (monitored by dedicated analysts) and clients with similar characteristics (standardized).

- Individualized management – Conducted by a designated risk analyst, who is responsible for the preparation of analyses, submission to the Risk Committee, and ongoing monitoring of the client's progress. It applies to clients from the Global Wholesale Banking segment (Corporate and Santander Corporate & Investment Banking - SCIB) and Commercial Banking (Portfolio clients, Companies 3, as well as GIU-Governments, Institutions, and Universities).
- Standardized management – Targeted at individuals and companies not classified as individualized clients. It relies on automated decision-making models and internal risk assessment frameworks, supplemented by commercial units and specialized analyst teams to address exceptions.

Macroeconomic factors and market conditions, as well as sector-wise and geographical concentrations, alongside the profiles of clients and economic forecasts, are also evaluated and considered for a proper assessment of credit risk.

b.2) Measures and evaluation tools

Rating tools

The Bank employs its proprietary rating models to assess the credit quality of a client or transaction. Each rating is linked to a probability of default or non-payment, determined based on the Bank's historical experience, to predict default. These scores/ratings are utilized in the credit risk approval and monitoring process.

*Values expressed in thousands, except when indicated

The classification of credit exposures into distinct categories is conducted based on an analysis of the client's financial and economic circumstances, as well as other registration information that is regularly updated. New types of operations are subjected to a credit risk assessment and must be verified for compliance with the controls adopted by the Bank.

The ratings assigned to clients are periodically reviewed, incorporating the latest financial information and insights gained from the banking relationship. The frequency of these reassessments is heightened for clients who reach specific thresholds in automated alert systems, as well as for those designated for special monitoring. The rating tools are also continually reviewed and refined to ensure the accuracy of the ratings they assign is continually improved.

Credit risk parameters

We assess all loans with regard to the provision for impairment losses on credit risk. Loans are individually assessed for impairment or collectively assessed through grouping by similar risk characteristics. Loans that are individually evaluated for impairment losses are not assessed collectively.

To measure the impairment loss of loans assessed individually for impairment, we consider the conditions of the borrowers, including their economic and financial status, level of indebtedness, cash flow generation capacity, management quality, corporate governance, internal controls quality, payment history, industry experience, contingencies, and credit limits. Additionally, we evaluate asset characteristics, such as their nature and purpose, type, adequacy, and liquidity of collateral, drawing on historical impairment experience and other known circumstances at the time of assessment.

To measure the impairment loss on loans assessed collectively for impairment, we segregate financial assets into groups based on their credit risk characteristics and similarities. In other words, according to the segment, type of assets, collateral, and other factors related to historical impairment losses and other known circumstances at the time of assessment. The impairment loss is calculated using statistical models that incorporate the following factors:

Exposure At Default (EAD): refers to the amount of a transaction exposed to credit risk, including the proportion of the current exposure of the outstanding balance that could be realized in the event of default. The developed models incorporate assumptions to account for potential changes in the payment schedule.

Probability of Default (PD): denotes the likelihood of a counterparty failing to fulfill its obligation to repay the principal and/or interest. Within the framework of IFRS 9, this encompasses both the PD-12 months, which is the probability of the financial instrument defaulting within the next 12 months, and the lifetime PD, which is the probability of the transaction defaulting over its remaining term. The estimation of these parameters requires the consideration of relevant future information, as per the standard.

Loss Given Default (LGD): represents the loss incurred upon default. In other words, it quantifies the percentage of exposure that was not recoverable following a default event. The determination of LGD is primarily influenced by the collateral, which serves as a mitigator of the credit risk associated with each financial asset, and the expected future cash flows to be recovered. In accordance with the standard, forward-looking information must be considered in the estimation process.

Discount Rate: the rate applied to the estimated future cash flows over the expected lifespan of the asset, which corresponds to the net present value of the financial instrument relative to its carrying amount.

To estimate the aforementioned parameters, the Bank leveraged its expertise in developing internal models for the calculation of parameters for both regulatory and management purposes.

The table presented in **note 9.b** outlines the portfolio according to internal risk rating levels and their probability of default.

The expected loan losses, measured using sufficient and available historical data, are detailed below.

Thousand of Reais	2024	2023
By maturity		
Less than 1 Year	320,774,167	287,366,871
Between 1 and 5 years	199,768,489	185,907,482
More than 5 years	79,145,188	78,261,850
Loans and advances to customers, gross	599,687,844	551,536,203
By internal classification of risk		
Low	454,224,878	408,973,257
Medium-low	95,687,016	87,232,484
Medium	15,804,991	16,643,774
Medium-High	12,180,529	13,238,069
High	21,790,430	25,448,619
Loans and advances to customers, gross	599,687,844	551,536,203

*Values expressed in thousands, except when indicated

2024			
	Exposure	Probability of default	Default loss
Commercial and industrial	241,177.143	5%	39%
Real Estate Credit - construction	64,820.223	10%	9%
Individual loans	290,347.271	10%	62%
Leasing	3,343.207	2%	42%

2023			
	Exposure	Probability of default	Default loss
Commercial and industrial	233,946.174	6%	38%
Real Estate Credit - construction	61,747.722	8%	6%
Individual loans	252,687.422	11%	61%
Leasing	3,154.886	1%	37%

b.3) Observed losses: credit cost measures

Each month, the Bank estimates the losses associated with credit risk and subsequently compares these estimates with the actual losses incurred during the month. Periodic analyses are conducted to monitor and maintain control over credit risk.

To complement the use of admission and rating models, Banco Santander employs additional measures to support the prudent and effective management of credit risk, based on observed losses.

The cost of credit is calculated by adding the loan losses incurred over the fiscal year to the average loan portfolio for the same period.

b.4) Credit risk cycle

Banco Santander has a global perspective of its loan portfolio across all stages of the risk cycle, with a level of granularity that enables the assessment of the current risk situation and potential movements. This mapping is overseen by the Board of Directors and the Executive Committee of the bank, which are responsible for setting risk management policies and procedures, limits, and delegating authority, in addition to approving and supervising the department's operations.

The credit risk management process involves the identification, measurement, analysis, control, negotiation, mitigation, and decision-making on the risks incurred in the operations of the Bank and its affiliated entities within the Conglomerate. The credit cycle comprises three distinct stages:

- Pre-sales: encompasses the planning activities, goal setting, assessment of Banco Santander's risk appetite, approval of new products, risk analysis, credit rating procedures, and definition of limits;
- Sales: this involves the decision-making process for pre-classified and specific operations; and
- After-sales: this includes the processes of monitoring, measurement, and control, as well as the management of the recovery process.

Planning and setting risk limits

This process identifies the Bank's risk appetite by evaluating business proposals and assessing its risk position.

It is determined based on the risk appetite approved by the Bank's Management and its units.

In the context of individualized risks, the client constitutes the foundational level, for whom specific limits are set.

For SCIB clients, a pre-classification model is utilized, which is based on a system for measuring and monitoring economic capital. With respect to the Corporate segment, the operational limit model is applied, utilizing maximum nominal credit values.

For clients under standardized risk management, portfolio limits are established through loan management programs (LMP), a document that is pre-agreed upon by the business and risk departments, and approved by the Executive Committee. This document specifies the expected outcomes for the business in terms of risk and return, as well as the limits to which both the activity and risk management are subject. This client segment receives a more automated Risk treatment.

Risk analysis and rating process

Risk analysis is a prerequisite for the Bank's credit approval for clients. This analysis involves examining the counterparty's ability to fulfill its contractual obligations to the Bank, which includes assessing the client's credit quality, risk operations, solvency, and the intended return in light of the assumed risk.

**Values expressed in thousands, except when indicated*

This risk assessment is conducted at least annually, and may be revised more frequently if warranted by the client's risk profile (due to centralized alert systems or visits from the manager or credit analyst), or if there are specific transactions outside of the pre-classification.

Decision-making on operations

The decision-making process for operations is designed to analyze and implement measures in accordance with pre-established policies, factoring in the risk appetite and any significant elements of the operation for the purpose of assessing risk and return.

The Bank employs, among other methodologies, the RORAC (Risk-Adjusted Return on Capital) approach for analysis and pricing in its decision-making process concerning operations and business activities.

Risk monitoring and control

In the retail banking segment for individual customers, clients are systematically assessed through a daily credit scoring process.

This process enables the reassessment of credit exposure, allowing for increases in exposure for clients exhibiting good credit quality. In the event of detecting a deterioration in risk level, it automatically triggers actions for credit risk containment and the implementation of preventive measures.

In instances of individualized management, the preemptive detection of credit quality deterioration within an operation falls under the joint responsibility of the commercial manager and the risk analyst. Furthermore, risk monitoring is conducted through a continuous observation process, aimed at the early identification of incidents that may occur in the evolution of operations, clients, and their environment.

This monitoring may lead to the client's classification under SCAN (a system designed to differentiate management levels and dictate the appropriate actions on a case-by-case basis).

Risk control function

The control function is executed by assessing risks from various complementary perspectives, with the main pillars being control by location, business area, management model, product, and process. This approach facilitates the identification of specific situations necessitating decision-making. The objective is to gain a comprehensive understanding of the Bank's loan portfolio across all stages of the credit cycle, with a degree of detail enabling the evaluation of the current risk situation and potential changes.

Shifts in the Bank's exposure to credit risk are continuously and systematically monitored. The effects of these changes on future exogenous situations, as well as those stemming from strategic decisions, are assessed with the aim of implementing measures that restore the loan portfolio's profile and value back to the parameters set by the Executive Committee.

b.5) Credit Recovery

Operational strategies and channels are determined based on the number of days past due and the respective amounts, resulting in a Responsibilities Map and always prioritizing, as the primary option, the customer's recovery.

Behavioral scoring tools are utilized to assess the collection performance of specific groups, aiming to reduce costs and enhance recovery efforts. These models are designed to estimate the likelihood of customer default by optimizing collection strategies, so that customers with a lower probability of recovery are targeted with timely interventions. In instances where there is a higher likelihood of repayment, the emphasis is placed on maintaining a healthy relationship with customers. All customers facing significantly overdue payments or those with restructured loans are subjected to internal restrictions.

Clients with higher volumes at Risk are assigned a portfolio-based recovery model, with commercial oversight and a recovery specialist.

b.6) Credit risk from other perspectives

Certain areas and/or specific perspectives on credit risk warrant the attention of specialists, in addition to the management of overall risk.

Concentration risk

Concentration risk is a critical factor in credit risk management. The Bank continuously monitors the concentration of credit risk within its portfolios, by economic sector, geographical location/country, customer groups, and product types.

The Risk Committee establishes risk policies and assesses the necessary exposure limits for the effective management of credit risk concentration within the portfolio. From a sector-wise perspective, the distribution of the corporate client portfolio is appropriately diversified.

The Risk Executive Vice Presidency at the Bank works in conjunction with the Strategic Finance Executive Vice Presidency in the management of loan portfolios. This involves reducing the concentration of exposures through various techniques, including maintaining guarantees to mitigate corporate risk, deploying derivatives for hedging purposes, and executing securitization transactions to optimize the portfolio's overall risk/return ratio.

Credit risk from financial market operations

This topic encompasses the credit risk associated with treasury operations conducted with clients, particularly credit institutions. These operations are carried out through financing products in the money market involving various financial institutions and by employing instruments held for the purpose of serving clients.

*Values expressed in thousands, except when indicated

Risk management is conducted with the support of an integrated real-time system, enabling the Bank to ascertain, at any moment, the unused exposure limit with respect to any counterparty, any product, and any maturity across all units of the Bank.

Credit risk is measured at its current fair value and its potential value (the value of exposure, considering future shifts in relevant market factors). Consequently, the Equivalent Credit Risk (ECR) is defined as the sum of the net replacement value plus the future maximum potential value of the contracts.

Social and Environmental Risk

In order to promote a more controlled and safe scenario for our operations and also foster the development of businesses that adopt sustainable practices, Banco Santander permanently manages the risks involved in our activities and that may have an impact on the Organization, shareholders, customers, society and the environment.

In this sense, Banco Santander has a Social, Environmental and Climate Responsibility Policy (PRSAC), which establishes guidelines and consolidates specific policies for social, environmental and climate practices in business and in relationships with stakeholders. These practices include the analysis of social, environmental and climate risks, which is guided by the Social, Environmental and Climate Risk Policy (PORSAC), for granting credit to Wholesale customers and the Retail Companies 3 segment (one of the Bank's Legal Entity segments), which have credit limits or risk above R\$7 million. These customers, both Wholesale and Retail, are classified into 14 service sectors, segregated into two risk levels: medium and high risk subsectors. This analysis also covers agricultural operations (including individual clients), real estate credit, projects, guarantees, acceptance and retention of clients, and mergers and acquisitions. The purpose of the Socio-environmental and Climate Risk analysis is to support and mitigate issues of operational risk, capital risk, credit risk, and reputational risk, always with an integrated risk perspective.

Since 2009, Santander has been a signatory to the Equator Principles, which are a set of guidelines used to analyze Socio-environmental and Climate Risks in the financing of large infrastructure and energy projects. The same set of socio-environmental criteria is applied to projects that do not fall within these principles. The aforementioned management structure is aligned with compliance with CMN resolutions no. 4,943/2021 and no. 4,945/2021, determining that organizations take a closer look at managing risks associated with social, environmental and climate issues, in addition to a Social, Environmental and Climate Responsibility Policy (PRSAC) and Social, Environmental and Climate Risk Policy (PORSAC)..

b.7) Credit Management - Main changes

The trends observed in 2024 were consistent with those of 2023, during which we observed a challenging economic environment. The Bank succeeded in maintaining the high quality of its business, evidenced by an improvement in the non-performing loan ratio, primarily due to the enhanced quality observed in the new vintages, coupled with the write-off of older vintages. As of December 2024, this ratio stood at 7.03% compared to 7.23% in December 31, 2023 and 7.5% in December 31, 2022.

Below is a table illustrating the evolution of the main credit indicators.

	2024	2023
Credit risk exposure - customers (Thousand of Reais)	750,357,060	719,880,952
Loans and advances to customers, gross (note 9)	599,687,844	551,536,203
Contingent Liabilities - Guarantees and other sureties (note 43.a)	64,387,753	65,671,261
Private securities	86,281,463	102,673,488
Non-performing loans ratio (%)	7.03%	7.23%
Impairment coverage ratio (%)	84.44%	88.13%
Specific credit loss provisions, net of RAWO (*) (Thousand of Reais)	35,668,907	35,152,998

Data prepared based on management criteria and accounting criteria of the controlling unit.

(*) RAWO = Recoveries of Assets Written Off at Loss

The Bank incorporates forward-looking information in both its assessment of whether the credit risk of a financial instrument has substantially increased since its initial recognition and in its measurement of expected loan losses. Drawing on guidance from its internal committees and economic experts, and taking into account a range of actual and forecasted external information, the Bank develops a base scenario as well as other possible scenarios. This process involves projecting two or more additional economic scenarios and assessing the respective probabilities of each outcome. External information includes economic data and forecasts published by government agencies, monetary authorities, and selected analysts from the private sector and academia.

The base case represents the most probable outcome and aligns with the information the Bank uses for other purposes, including strategic planning and budget formulation. The alternative scenarios depict outcomes that are either more optimistic or more pessimistic. Periodically, the Bank conducts stress tests on more extreme shocks to refine its assessment of these alternative scenarios.

c) Market Risk

Market risk represents exposure to risk factors such as interest rates, exchange rates, commodity prices, stock market prices, and other financial instruments, contingent upon the product type, transaction volume, duration, contractual terms, and underlying volatility.

The Bank operates in accordance with global policies, framed within its risk tolerance perspective and aligned with its objectives in Brazil and internationally. To achieve this, it has developed its own Risk Management model, adhering to the following principles:

*Values expressed in thousands, except when indicated

- Functional independence;
- Executive capability sustained by knowledge and close customer relationships;
- Global reach of the function (diverse risk types);
- Collective decision-making that evaluates all possible scenarios without compromising outcomes with individual decisions, including the Executive Risk Committee for Brazil, which establishes limits and approves operations, and the Executive Committee for Assets and Liabilities, responsible for the management of capital and structural risks, encompassing country risk, liquidity, and interest rates;
- Management and optimization of the risk/return equation; and
- Risk management methodologies, such as Value At Risk - VaR (historical simulation over 521 days, with a confidence level of 99% and a one-day time horizon), scenarios, sensitivity of net interest income, sensitivity of fair value of equity, and contingency planning.

The Market Risk structure is part of the Risk Vice Presidency, an independent unit that implements risk policies in accordance with the directives from the Board of Directors and the Risk Division of the Santander Group Spain.

c.1) Activities subject to market risk

The measurement, control, and monitoring of market risk encompass all operations where asset risk is assumed. This risk arises from fluctuations in risk factors - including interest rates, exchange rates, equities, commodity prices, and the volatility of these factors - as well as from solvency and liquidity risks associated with the various products and markets in which the Bank operates.

The activities are segmented by type of risk, as follows:

- I. Financial intermediation: this item encompasses financial services provided to clients, financial intermediation operations and positioning, particularly in fixed-income securities, foreign exchange, and equities.
- II. Balance sheet management: the objective of balance sheet risk management is to stabilize the net interest income of the commercial area and the economic value of the Bank, so as to maintain adequate liquidity and solvency levels. Risk is assessed based on the balance sheet's exposure to interest rate movements and liquidity levels.
- III. Structural Risks:
 - Structural foreign exchange risk/earnings hedge: exchange rate risk arising from the currency in which investments in consolidated and non-consolidated entities are made (structural exchange rate). This item also includes positions taken to hedge against the foreign exchange risk in future earnings generated in currencies other than the Brazilian Real (earnings hedge).
 - Structural equity risk: this item includes equity interests in both financial and non-financial and non-consolidated entities that may present an equity risk.

The Financial Management area is responsible for centrally managing balance sheet and structural risks by applying standardized methodologies tailored to the specific conditions of each market in which the Bank operates. In the Convertible Currencies segment, Financial Management directly oversees the risks at the Headquarters and coordinates the risk management of other units operating in these currencies. Decisions impacting the management of these risks are made by the ALCO (Asset Liability Committee) in the respective countries.

The purpose of the Financial Management area is to ensure the stability and recurring nature of both the net interest margin arising from commercial activities and the Bank's economic value, while maintaining adequate levels of solvency and liquidity.

Each of these activities is measured and analyzed using various tools to accurately reflect their risk profiles as precisely as possible.

Interest Rate Risk

The table below consolidates, by product, the cash flows from operations within our group of companies that earn interest income. These operations are reported at their book balance as of the closing dates for the years 2024 and 2023. It is not associated with the management of risks related to changes in interest rates or the mismatching of indices, which is conducted through the monitoring of market metrics. However, it facilitates the assessment of concentrations of maturities and potential risks. Below this, the balances of the same products are presented at their redemption value at maturity, with the exception of the line concerning receivables and liabilities from derivative contracts.

Position of accounts subject to interest rate risk	2024					Total
	On Demand	Up to 3 Months	3 to 12 Months	1 to 5 years	Above 5 years	
In millions of Reais						
Interest-earning assets:						
Financial assets measured at fair value in income	-	-	121	1,283	-	1,404
Debt instruments	-	-	121	1,283	-	1,404
Financial assets measured at fair value in profit or loss	7,700	6,779	24,793	52,083	32,175	123,530
Debt instruments	7,700	1,123	19,038	35,033	26,977	89,871
Equity instruments	-	17	-	23	-	40
Derivatives	-	5,639	5,755	17,027	5,198	33,619
Financial assets not intended for trading Mandatory measured at the fair value of the result	-	-	-	-	209	209

*Values expressed in thousands, except when indicated

Debt instruments	-	-	-	-	209	209
Financial assets measured at fair value in other comprehensive income	2,183	5,258	4,977	59,238	31,711	103,367
Debt instruments	2,183	5,258	4,977	59,238	31,711	103,367
Financial Assets Measured at Amortized Cost	113,264	107,139	153,954	234,133	70,674	679,164
Loans and Other Amounts with Credit institutions	110,426	2,020	2,197	3,910	-	118,553
Loans and advances to customers	2,557	98,218	138,836	193,061	61,220	493,892
Debt Instruments	281	6,901	12,921	37,162	9,454	66,719
Total	123,147	119,176	183,845	346,737	134,560	907,465

Remunerated Liabilities:

Financial Liabilities Measured at Fair Value in income Held for Trading	39,403	2,529	1,958	6,497	1,206	51,593
Derivatives	6	2,529	1,958	6,497	1,206	12,196
Short Positions	39,397	-	-	-	-	39,397
Financial liabilities at amortized cost	174,985	116,741	249,441	242,650	32,136	815,953
Deposits from credit institutions	508	32,060	68,882	21,268	326	123,044
Customer deposits	174,477	59,547	124,584	160,324	33	518,965
Bonds and securities	-	25,134	55,975	61,058	8,435	150,602
Debt Instruments Eligible to Capital	-	-	-	-	23,342	23,342
Total	214,388	119,270	251,399	249,147	33,342	867,546

2023

In millions of Reais

Position of Accounts Subject to Interest Rate Risk	On Demand	Up to 3 Months	3 to 12 Months	1 to 5 years	Above 5 years	Total
Interest-earning assets:						
Financial assets measured at fair value in income	-	-	-	-	1,591	1,591
Debt instruments	-	-	-	-	1,591	1,591
Financial assets measured at fair value in profit or loss	17,088	5,722	7,003	45,863	30,323	105,999
Debt instruments	8,822	1,425	4,940	35,164	26,137	76,488
Equity instruments	22	1	3	17	-	43
Derivatives	8,244	4,296	2,060	10,682	4,186	29,468
Financial assets not intended for trading Mandatory measured at the fair value of the result	-	-	-	-	183	183
Debt instruments	-	-	-	-	183	183
Financial assets measured at fair value in other comprehensive income	1,237	4,360	2,684	44,722	10,994	63,997
Debt instruments	1,237	4,360	2,684	44,722	10,994	63,997
Financial Assets Measured at Amortized Cost	135,427	105,253	86,314	220,663	84,800	632,457
Loans and Other Amounts with Credit institutions	86,391	1,394	3,496	2,978	-	94,259
Loans and advances to customers	37,176	96,038	68,597	183,156	73,832	458,799
Debt Instruments	11,860	7,821	14,221	34,529	10,968	79,399
Total	153,752	115,335	96,001	311,248	127,891	804,227

Interest-bearing liabilities:

Financial Liabilities Measured at Fair Value in income Held for Trading	30,627	4,972	1,779	9,467	4,101	50,947
Derivatives	6,863	4,972	1,779	9,467	4,101	27,183
Short Positions	23,764	-	-	-	-	23,764
Financial liabilities at amortized cost	212,885	139,140	130,337	221,561	28,280	732,203
Deposits from credit institutions	7,189	36,767	32,650	10,595	7,380	94,580
Customer deposits	197,507	70,908	80,260	151,046	53	499,774
Bonds and securities	8,189	31,465	17,427	59,920	4,360	121,361
Debt Instruments Eligible to Capital	-	-	-	-	16,488	16,488
Total	243,512	144,113	132,116	231,028	32,381	783,150

*Values expressed in thousands, except when indicated

Currency Risk

				2024
				In millions of Reais
Asset:	Dollar	Euro	Others	Total
Cash/Applications/Debt Instruments	207,780	10,523	3,447	221,750
Loans and advances to customers	5,629	1	565	6,195
Derivatives	421,574	19,908	14,310	455,792
Others	33,181	-	-	33,181
Total	668,164	30,432	18,322	716,918
				2023
				In millions of Reais
Liabilities:	Dollar	Euro	Others	Total
Funding in foreign currency	172,082	8,333	2,778	183,193
Derivatives	384,550	25,804	12,402	422,756
Others	116,669	501	2,778	119,948
Total	673,301	34,638	17,958	725,897
				2023
				In millions of Reais
Asset:	Dollar	Euro	Others	Total
Cash/Applications/Debt Instruments	214,500	1,043	3,794	219,337
Loans and advances to customers	3,699	2,585	90	6,374
Derivatives	267,585	11,024	9,002	287,611
Others	3,687	-	-	3,687
Total	489,470	14,652	12,887	517,009
Liabilities:	Dollar	Euro	Others	Total
Funding in foreign currency	154,096	851	2,873	157,820
Derivatives	238,389	14,392	8,183	260,964
Others	99,544	3,043	1,733	104,320
Total	492,029	18,286	12,789	523,105

c.2) Methodologies

Financial Intermediation

Banco Santander has been calculating the minimum capital requirement for market risks using an internal model since its approval by the Brazilian Central Bank in May of 2018.

The standard methodology for measuring and controlling market risks in financial intermediation activities conducted by Banco Santander in 2024 and 2023 was Value at Risk (VaR), which quantifies the maximum expected loss at a specified confidence level over a given period. This methodology employs a standard historical simulation with a confidence level of 99% and a one-day horizon. Statistical adjustments were made to efficiently incorporate the most recent events impacting the level of risk assumed.

Specifically, the Bank employs a two-year time window or 521 daily data points collected retrospectively from the reference date of the VaR calculation. Each day, two values are computed: one utilizing an exponential decay factor that assigns lesser weight to observations more distant from the current term, and another with uniform weights for all observations. The reported VaR will be the higher of these two values.

VaR is not the only metric available for assessing the risk exposure of an institution. It is favored for its simplicity in calculation and effectiveness as a benchmark for the level of risk faced by the Bank. Nevertheless, the Bank employs additional metrics and methodologies to enhance its control over risk across all markets in which it operates.

Among these measures, scenario analysis is particularly noteworthy. It entails defining behavioral scenarios for various financial variables and assessing their impact on results by applying them to the Bank's operations. These scenarios may either replicate past events (such as crises, for example), or establish plausible scenarios that are not based on past events. A minimum of three types of scenarios—plausible, severe, and extreme—are established. Together with VaR, these scenarios enable a much more comprehensive assessment of the risk profile.

The positions are tracked daily through comprehensive oversight of portfolio fluctuations, with the purpose of identifying potential incidents and immediately rectifying them.

A daily profit and loss statement is an excellent indicator of risk, as it enables the monitoring and detection of the impact of changes in financial variables on portfolios.

*Values expressed in thousands, except when indicated

Finally, in managing credit activities (actively traded credits - trading portfolio) and derivatives, given their unique characteristics, specific measures are assessed. For derivatives, these measures include sensitivities to fluctuations in the underlying asset's price (delta and gamma), volatility (vega), and time (theta). In the case of credit management activities (actively traded) within trading portfolios, the controlled measures encompass sensitivity to spread, jump-to-default risk, and position concentration by rating level.

c.3) Balance sheet management

Interest rate risk

The Bank assesses the sensitivity of the net interest margin (financial margin) and fair value of equity to interest rate fluctuations. This sensitivity arises from the mismatch between the maturity and interest rate revision dates of the various balance sheet items.

Based on the balance sheet's interest rate position and taking into account the market's current situation and future outlook, financial measures are implemented to align this position with the Bank's desired stance. These measures may range from taking market positions to defining the interest rate characteristics of commercial products.

The measures employed by the Bank to manage risk, or exposure to interest rates in these activities, include the interest rate gap, which assesses the sensitivity of the net interest margin (NIM) and fair value of equity (MVE) to fluctuations in interest rate levels, the duration of equity, Value at Risk (VaR), Earnings at Risk (EaR), and scenario analysis.

Interest Rate Gap between Assets and Liabilities

The interest rate gap analysis focuses on the mismatches between the revaluation periods of balance sheet items (assets and liabilities) and off-balance sheet items. This analysis provides a basic representation of the balance sheet structure and enables the identification of interest rate risk concentrations across various maturities. Furthermore, it serves as a useful tool for estimating the potential impact of fluctuations in interest rates on the net interest margin and the institution's equity value.

All items, whether on the balance sheet or off the balance sheet, must be classified according to flows and reorganized based on the point of price revaluation and their maturities. In instances where a maturity date is not specified by contract, an internal model for analyzing and estimating its duration and sensitivity will be utilized.

Sensitivity of Net Interest Margin (NIM)

The sensitivity of net interest margin measures the change in expected receivables for a specific period (12 months) in response to a shift in the interest rate curve.

The calculation of the net interest margin sensitivity is performed by simulating the margin in scenarios of changes in interest rate curves and comparing it with the current scenario. Sensitivity is the difference between the two calculated margins.

Sensitivity of Fair value of Equity (MVE)

The sensitivity of fair value of equity is a supplementary measure to the sensitivity of net interest margin.

It assesses the implicit interest rate risk in equity, based on the impact of interest rate fluctuations on the present values of financial assets and liabilities.

Value at Risk (VaR) and Earnings at Risk (EaR)

It is determined at the 99% percentile of the MVE's loss distribution function, calculated by considering the current fair value of positions, based on the returns obtained in the last two years, and with a degree of statistical certainty (confidence level) for a specified time horizon.

A similar methodology is also applied to calculate the maximum loss in NII (EaR), aiming to assess the interest rate risk in terms of its impact on both economic value and net interest margin.

The unit combines the VAR return vectors with the EaR return vectors, resulting in the total return vector. This combination is executed by incorporating into the EaR metric the losses in financial margin that occur between the reference date and the holding period of the non-trading portfolio. Losses in economic value account for the impact on positions maturing after the holding period.

c.4) Liquidity risk

Liquidity risk relates to the Bank's ability to fund commitments undertaken at reasonable market prices and to execute its business plans with stable funding sources.

Liquidity management of Banco Santander

For liquidity management and control, Banco Santander employs both short-term and long-term metrics, as well as metrics for stress scenarios, which are capable of measuring a robust liquidity buffer, ensuring the Bank can comfortably meet its obligations to the market and shareholders. Accordingly, in this regard, we note:

Short-term metrics and liquidity stress:

a. LCR

*Values expressed in thousands, except when indicated

Banco Santander employs the "Liquidity Coverage Ratio" (LCR) in its liquidity risk management strategy. The LCR is a short-term liquidity measure for a stress scenario spanning 30 days, calculated as the ratio of high-quality liquid assets to net cash outflows over 30 days.

The total High Quality Liquidity Assets - HQLA (Liquid Assets) primarily consist of Brazilian federal government securities and compulsory reserve yields. Net outflows are mainly due to deposit losses, partially offset by inflows, predominantly loans.

b. Liquidity stress scenarios

Liquidity management entails the analysis of financial scenarios to assess potential liquidity issues, which demands the development and examination of scenarios in crisis conditions. The Stress Test is the model employed for this analysis.

The Stress Test evaluates the financial structure of the institution and its capacity to withstand and respond to more extreme scenarios.

The purpose of the Liquidity Stress Test is to allow for the simulation of adverse market conditions, thereby enabling the assessment of their impacts on the institution's liquidity and payment capacity. Consequently, it aims to preemptively identify solutions or avoid positions that could significantly compromise liquidity in volatile scenarios.

Scenarios are defined based on the analysis of market behavior during previous crises. Four crisis scenarios are formulated, each with varying levels of intensity.

Following the analysis of stress models, the concept of minimum liquidity was established as the amount sufficient to cover liquidity losses over a specified horizon of days, across all simulated crisis scenarios.

Long-term metric:

Its purpose is to assess the stability of funding sources relative to committed assets. The Net Stable Funding Ratio (NSFR), a metric developed by the Bank for International Settlements (BIS) and adapted by the local regulator, aims to determine, through specified percentages, whether the institution maintains a stable funding source to support its assets. This metric applies varying weightings based on term, customer segment, and product type. It is calculated on a monthly basis by the institution.

c. Liquidity ratios

To support management, certain liquidity ratios, including counterparty concentration ratios and segment concentration ratios, are calculated on a monthly basis.

Funding from Customers

Banco Santander has diverse sources of funding, both in terms of products and customer mix, with a healthy distribution across segments. Total customer funding currently stands at R\$787 billion, marking an increase from the previous volume of 2023. This growth is primarily attributed to a significant rise in term deposit inflows and the consistent maintenance of the financial bills portfolio.

Customers Funding	In millions of Reais					
	2024			2023		
	0 a 30 days	Total	%	0 a 30 days	Total	%
Demand deposits	40,398	40,398	100 %	35,714	35,714	100 %
Savings accounts	57,369	57,369	100 %	58,112	58,112	100 %
Time deposits	103,569	403,686	26 %	103,519	393,757	26 %
Interbank deposit	1,058	5,850	18 %	779	4,264	18 %
Funds from acceptances and issuance of securities	11,237	151,686	7 %	8,820	142,553	6 %
Borrowings and Onlendings	9,959	105,768	9 %	6,711	87,236	8 %
Subordinated Debts / Debt Instruments Eligible to Compose Capital	-	23,125	0 %	-	19,627	0 %
Total	223,590	787,882	28 %	213,655	741,263	29 %

Assets and liabilities, classified by their remaining contractual maturities and considering the undiscounted cash flows, are as follows:

Future Cash Flows Except for Derivatives	2024					Total
	On Demand	Up to 3 Months	3 to 12 Months	1 to 5 years	Above 5 years	
Interest-earning assets:						
Financial assets measured at fair value in income	-	-	121	1,283	-	1,404
Debt instruments	-	-	121	1,283	-	1,404
Financial assets measured at fair value in profit or loss	10,844	7,206	32,461	66,004	42,695	159,210
Debt instruments	10,844	1,550	26,706	48,954	37,497	125,551

*Values expressed in thousands, except when indicated

Equity Instruments	-	17	-	23	-	40
Derivatives	-	5,639	5,755	17,027	5,198	33,619
Financial assets measured at fair value in other comprehensive income	2,931	7,339	6,576	81,687	44,655	143,188
Debt instruments	2,931	7,339	6,576	81,687	44,655	143,188
Financial assets measured at amortized cost	114,080	163,232	211,015	223,938	106,752	819,017
Loans and Other Amounts with Credit Institutions	110,426	2,535	2,863	3,187	-	119,011
Loans and advances to customers	3,373	150,960	181,405	198,944	88,425	623,107
Debt instruments	281	9,737	26,747	21,807	18,327	76,899
Total	127,855	177,777	250,173	372,912	194,102	1,122,819

Remunerated Liabilities:

Financial Liabilities Measured at Fair Value in Income Held for Trading	39,403	2,529	1,958	6,497	1,206	51,593
Derivatives	6	2,529	1,958	6,497	1,206	12,196
Short positions	39,397	-	-	-	-	39,397
Financial liabilities at amortized cost	222,840	130,959	282,616	325,846	80,804	1,043,065
Deposits from credit institutions	505	32,408	74,803	22,099	1,237	131,052
Customer deposits	222,279	75,866	158,729	204,254	42	661,170
Bonds and securities	56	22,685	49,084	99,493	56,183	227,501
Debt Instruments Eligible to Capital	-	-	-	-	23,342	23,342
Total	262,243	133,488	284,574	332,343	82,010	1,094,658

2023

In millions of Reais

Non-Discounted Future Flows Except Derivatives	On Demand	Up to 3 Months	3 to 12 Months	1 to 5 years	Above 5 years	Total
Interest-earning assets:						
Financial assets measured at fair value in income	-	-	-	-	1,591	1,591
Debt instruments	-	-	-	-	1,591	1,591
Financial assets measured at fair value in profit or loss	19,295	6,077	8,225	54,467	36,616	124,679
Debt instruments	11,028	1,780	6,161	43,768	32,430	95,168
Equity Instruments	22	1	3	17	-	43
Derivatives	8,244	4,296	2,060	10,682	4,186	29,468
Financial assets measured at fair value in other comprehensive income	1,393	5,054	3,222	55,140	13,951	78,761
Debt instruments	1,393	5,054	3,222	55,140	13,768	78,578
Equity Instruments	-	-	-	-	183	183
Financial assets measured at amortized cost	145,514	145,270	103,823	206,862	115,879	717,347
Loans and Other Amounts with Credit Institutions	86,325	1,162	2,836	2,899	-	93,222
Loans and advances to customers	54,270	128,381	85,109	178,329	101,509	547,599
Debt instruments	4,919	15,727	15,877	25,634	14,369	76,527
Total	166,202	156,401	115,269	316,469	168,037	922,379

Remunerated Liabilities:

Financial Liabilities Measured at Fair Value in Income Held for Trading	30,627	4,972	1,779	9,467	4,101	50,947
Derivatives	6,863	4,972	1,779	9,467	4,101	27,183
Short positions	23,764	-	-	-	-	23,764
Financial liabilities at amortized cost	318,836	145,130	156,974	270,185	51,853	942,977
Deposits from credit institutions	16,811	38,298	36,953	12,990	8,252	113,304
Customer deposits	295,413	82,892	93,485	175,856	53	64,770
Bonds and securities	6,612	23,940	26,535	81,339	27,060	165,486
Debt Instruments Eligible to Capital	-	-	-	-	16,488	16,488
Total	349,463	150,102	158,753	279,652	55,954	993,924

*Values expressed in thousands, except when indicated

Scenario analysis/contingency plan

Based on the results of the Stress Test, the Bank formulates its Liquidity Contingency Plan, comprising a formal set of preventive and corrective actions to be deployed in the event of a liquidity crisis. The activation of the Plan is contingent upon the monitoring of internal parameters that reflect the Bank's market and liquidity conditions. These parameters are used to identify different levels of crisis severity, thereby determining whether there is a need to initiate the activation process.

Following the identification of a crisis, clear communication is established among the internal departments capable of executing corrective actions to mitigate the arising issues. These corrective actions, aimed at generating liquidity to resolve or alleviate the effects of the crisis, are selected based on their complexities, implementation timelines, and impact on liquidity.

The parameters and measures of this Plan are subject to review whenever necessary, with a minimum review period of one year.

c.5) Structural foreign exchange risk/earnings hedge/structural equity risk

These activities are monitored by measuring positions, VaR, and results.

c.5.1) Complementary measures

Testing and calibration measures

Back-testing consists of a comparative analysis between Value at Risk (VaR) estimates and daily "clean" results (portfolio profits or losses at the end of the previous day, valued at the next day's prices) and "dirty" results (managerial income incorporating costs, intraday results, and carry). The purpose of these tests is to verify and provide a measure of the accuracy of the models used in the VaR calculation.

The back-testing analyses conducted by Banco Santander are in compliance, at a minimum, with the BIS recommendations concerning the verification of internal systems used in the measurement and management of financial risks. The Bank also engages in hypothesis testing, including tests for outliers, normality tests, Spearman correlation, and measures of average excess, among others. The assessment models are regularly calibrated and tested by a specialized unit.

c.6) Control system

Limit setting

The limit-setting process is conducted in conjunction with budgeting activities and serves as a mechanism to determine the assets and liabilities available for each business activity. This process is dynamic, adjusting to the level of risk deemed acceptable by Management. The framework for setting limits entails devising a process that takes into account, among other factors, the following aspects:

Efficiently and comprehensively identify and delineate the principal types of financial risks generated, ensuring alignment with business management and the defined strategy.

Quantify and communicate to the business divisions the levels and profiles of risk deemed acceptable by Management, in order to prevent undesired risks.

Provide business areas with the flexibility to undertake financial risks efficiently and timely, in response to market changes and business strategy adjustments, always within the risk thresholds deemed acceptable by the institution.

Enable business generators to assume risks at a volume that is both prudent and adequate to achieve the budgeted results.

Specify the range of products and underlyings that each Treasury unit is authorized to operate with, taking into account factors such as valuation models and systems, and the liquidity of the instruments involved.

c.7) Risks and results in 2024

Financial Intermediation Activities

In 2024, the Bank's trading portfolio's average VaR was R\$4,527 million. The dynamic management of this profile allows the Bank to adjust its strategy to capitalize on opportunities presented by an uncertain environment.

c.7.1) Balance sheet management

Interest risk

Convertible currencies

At the end of 2024, the interest rate risk, as measured by the one-year sensitivity of the net interest margin to a parallel increase of 100 basis points across Banco Santander's portfolios, was primarily concentrated in the Brazilian Real interest rate curve, resulting in a positive impact of R\$798 million.

Additionally, at the close of 2024, the interest rate risk, as measured in terms of the company's fair value sensitivity to a parallel increase of 100 basis points applied to Banco Santander on the Brazilian Real interest rate curve, resulted in a negative impact of R\$2,643 million.

*Values expressed in thousands, except when indicated

Quantitative risk analysis

The interest rate risk in balance sheet management portfolios, as measured by the sensitivity of the net interest margin, over a one-year period with a parallel increase of 100 basis points in the interest rate curve, decreased by R\$31 million from 2024 to 2023, reaching a peak of R\$972 million in April of 2024. The sensitivity of value decreased by R\$691 million during the year of 2024, achieving a maximum level of R\$2,663 million in April of 2024. The key factors that occurred in the year 2024 and influenced the sensitivities were the slope/decrease of the interest rate curve (convexity effect), portfolio decay, and the refinement of implicit methodologies applied to cash flows of Banco Santander's products.

Million of Reais	2024	2023	2022
Sensibilities			
Net Interest Margin	798	754	954
Fair value of Equity	2,643	1,924	2,154
Value at Risk - Balance			
VaR	731	415	971

c.8) Sensitivity analysis

Risk management is concentrated on portfolios and risk factors, in accordance with Brazilian Central Bank regulations and international best practices.

Financial instruments are classified into trading books (Trading Book) and banking books (Banking Book), as performed in the management of market risk exposure, in line with market best practices and the Brazilian Central Bank's criteria for operation classification and capital management. The trading book encompasses all transactions involving financial instruments and commodities, including derivatives, held for trading purposes. The banking book includes structural operations stemming from the various business lines of Banco Santander and their corresponding hedges, if any. Consequently, in accordance with the nature of Banco Santander's activities, the sensitivity analysis has been split between the trading and banking portfolios.

Banco Santander conducts sensitivity analysis of its financial instruments in accordance with IFRS 7, taking into account market information and scenarios that could adversely affect the Bank's positions.

The summary tables presented below encapsulate sensitivity values generated by Banco Santander's corporate systems, relating to the trading book and the banking book, for each portfolio scenario on December, 31, 2024.

Thousand of Reais		2024		
Trading Book				
Risk Factor	Description	Scenario 1	Scenario 2	Scenario 3
Interest Rate - Reais	Exposures subject to changes in interest fixed rate	(7,496)	(261,418)	(522,835)
Coupon Interest Rate	Exposures subject to changes in coupon rate of interest rate	(111)	(1,638)	(3,276)
Inflation	Exposures subject to change in coupon rates of price indexes	(8,884)	(19,405)	(38,809)
Coupon - US Dollar	Exposures subject to changes in coupon US Dollar rate	(4,078)	(16,472)	(32,944)
Coupon - Other Currencies	Exposures subject to changes in coupon foreign currency rate	(431)	(2,553)	(5,107)
Foreign currency	Exposures subject to foreign exchange	(209)	(5,222)	(10,443)
Eurobond/Treasury/Global	Exposures subject to Interest Rate Variation on Papers Traded on the International Market	(10,988)	(112,284)	(224,568)
Shares and Indexes	Exposures subject to change in shares price	(265)	(6,613)	(13,226)
Commodities	Exposures subject to change in commodities' prices	(37)	(920)	(1,841)
Total ⁽¹⁾		(32,499)	(426,525)	(853,049)

(1) Net amounts after tax effects

Scenario 1: shock of +10bps and -10bps in interest rate curves and 1% for price fluctuations (currencies and equities), considering the largest losses by risk factor.

Scenario 2: shock of +25% and -25% across all risk factors, considering the largest losses by risk factor.

Scenario 3: shock of +50% and -50% across all risk factors, considering the largest losses by risk factor

*Values expressed in thousands, except when indicated

Thousand of Reais		2024		
Banking Book				
Risk Factor	Description	Scenario 1	Scenario 2	Scenario 3
Interest Rate - Reais	Exposures subject to changes in interest fixed rate	(86,965)	(3,507,350)	(7,035,646)
TR and Long-Term Interest Rate (TJLP)	Exposures subject to TR and TJLP Coupon Variation	(36,810)	(1,312,615)	(2,353,906)
Inflation	Exposures subject to change in coupon rates of price indexes	(19,327)	(328,089)	(617,049)
Coupon - US Dollar	Exposures subject to changes in coupon US Dollar rate	(6,453)	(225,401)	(415,722)
Coupon - Other Currencies	Exposures subject to changes in coupon foreign currency rate	(567)	(6,601)	(13,150)
International Market Interest Rate	Exposures subject to Variation in the Interest Rate of Securities Traded in the International Market	(37,222)	(663,043)	(1,404,832)
Foreign currency	Exposures subject to foreign exchange	893	22,318	44,637
Total ⁽¹⁾		(186,451)	(6,020,781)	(11,795,668)

(1) Net amounts after tax effects.

Scenario 1: shock of +10bps and -10bps in interest rate curves and 1% for price fluctuations (currencies and equities), considering the largest losses by risk factor.

Scenario 2: shock of +25% and -25% across all risk factors, considering the largest losses by risk factor.

Scenario 3: shock of +50% and -50% across all risk factors, considering the largest losses by risk factor.

d) The Bank's operations are highly dependent on the proper functioning of its information technology systems

The Bank's operations are significantly dependent on the accurate and efficient processing of a large volume of transactions, executed by its information technology systems, along with its reliance on digital technologies, computing services, email, software, and networks, as well as the secure processing, storage, and transmission of confidential and other information within computer and network systems.

The proper functioning of the Bank's financial control, risk management, accounting, customer service, and other data processing systems is critical for its operations and its ability to compete effectively.

e) Independent Structure

The Operational Risk & Internal Control area, subordinate to the Executive Vice-Presidency of Risks, acts independently as a second line, supporting and challenging the first line. It has guidelines, policies and processes to ensure the conduct and adequacy of the Operational Risk Control and Management Model.

The area adopts the definition of the Basel Committee, the Central Bank of Brazil and other locally applicable Corporate instructions for Operational Risk as the possibility of losses resulting from inadequacy or failure of processes, operations, systems, or events. This definition covers the legal risk associated with inadequacy or deficiency in contracts signed by the Institution, as well as sanctions due to non-compliance with legal provisions and compensation for damages to third parties resulting from the activities developed by the Institution, excluding strategic and reputational Risk.

e.1) Operational Risks & Internal Controls

The Operational Risk & Internal Control area's mission within Banco Santander is to support the fulfillment of strategic objectives and the decision-making process, in adapting and meeting mandatory requirements, in maintaining solidity, reliability, reducing and mitigating losses due to operational risks, in addition to implementing and disseminating the Operational Risk culture.

Additionally, the Operational Risk & Internal Control area works to prevent Operational Risks and supports the continuous strengthening of the Internal Controls system, meeting the requirements of Regulatory Agencies, the Basel Accord, resolutions of the National Monetary Council (CMN) and Applicable Regulators. This Model also follows the guidelines established by Banco Santander Spain based on COSO – Committee of Sponsoring Organizations of the Treadway Commission – Internal Control – Integrated Framework 2013.

Control and Management Model

Santander Brasil implemented the Model based on three lines that aims at the continuous improvement and development of the management and control of operational risks, ensuring that the structures can assess, monitor, control, mitigate, report and reduce the risks and losses to which they are exposed.

The attributions of this model encompass conducting activities for the identification, assessment, monitoring, control, mitigation, and reporting of Operational Risk. Accordingly, diverse analyses and monitoring efforts are undertaken and reported. Below are the key instruments that constitute the Operational Risk Management and Control Model:

- Definition of Operational Risk appetite;
- Capture and assessment of loss events (both internal and external);
- Training, Communication, and Culture;
- Evaluation of products and services;
- Operational risk self-assessment;

*Values expressed in thousands, except when indicated

- Scenario Analysis;
- Risk and Control Indicators;
- Internal Controls.

Model Governance

The Model is approved by the Executive Risk Committee and the Board of Directors, integrating the Organization's Corporate Governance responsibility into the structure. Relevant Operational Risk matters are periodically communicated to Senior Management for their knowledge and deliberation.

As part of the Risk Governance system, the Senior Forum for Internal Controls and Operational Risks (FSCIRO) has also been implemented, with the objective of deliberating for the Risk Pro Officers (RPO), on the front line, the policies, processes, procedures, strategy and decisions on the topics to be applied in the business units, and it is held monthly, except in the event of calendar/schedule conflicts of the members, and may be replaced by the Operational Risk Meeting.

To ensure a structured approach to the dissemination of the culture of management and control of Operational Risks, relevant topics are addressed in specific Committees and Forums.

e.2) Attributions of the Operational Risk and Internal Controls division

The Operational Risk & Internal Control area acts as the second line in the Banco Santander model and aims to maintain compliance, alignment and conformity with the corporate guidelines of the Santander Group, the Basel Accords, Resolutions of the National Monetary Council (CMN) and Applicable Regulators. It exercises control and challenges the activities performed by the first line, contributing to its strengthening, envisioning an integrated approach to risk management. The main responsibilities are presented below:

- Propagate a culture oriented to the management of Operational Risks and Internal Controls, converging towards the prevention and reduction of events and losses attributable to Operational Risk, thereby mitigating financial, legal, and reputational impacts.
- Refine risk analysis to reduce, consolidate, and prioritize mitigation actions.
- Maintain the dynamics and control of operational risk exposure in alignment with the risk appetite.
- Set out roles and responsibilities, with oversight in conjunction with the responsible parties across the defense lines.
- Ensure business continuity and strengthen the Internal Control environment.
- Provide an adequate level of coverage throughout the business units.
- Offer support for the Organization's strategic decision-making, grounded in an integrated Operational Risk profile and emerging trends.
- Implement best practices for managing and controlling operational risks in the 1st and 2nd Line of Defense.
- Identify the Organization's Operational Risk Profile.
- Enable continuous improvement of existing methodologies and the deepening of the culture of accountability for Operational Risks and Internal Controls.

e.3) Differentiating factor

The Operational Risk & Internal Control area invests in the development, training and updating of its professionals to respond to changes identified in the business environment and provides training to other professionals through courses on the Intranet, in-person and virtual in real time. For in-person and virtual in real time, we prioritize the provision of training aimed at fostering the culture of Operational Risk management, Internal Controls, training to capture operational losses, among others.

These achievements contribute significantly to Banco Santander Brasil achieving its strategic and operational objectives in a consistent manner, with knowledge regarding the exposure to operational risks assumed and a controlled environment, maintaining the bank's low-risk profile and ensuring the sustainable development of its operations. The Bank highlights:

- Mandatory training for all Banco Santander employees, through the Santander Academy, on Operational Risks and Internal Controls.
- Creation, dissemination and maintenance of Instruction Manuals, allowing corporate dissemination for everyone's commitment.
- Coordination of the annual process for the preparation of operational risk loss forecasts and definition of action plans to mitigate these losses.
- Development of key indicators for the purpose of monitoring the main operational risks.
- Composition of governance lines with the "ORM - Operational Risk management" Networks: "RPO-Risk Pro Officer", whose role is to report to the executive the monitoring of Operational Risk issues at the strategic level of the Executive Board, the "RPA-Risk Pro Agent" who is responsible for the VPE regarding the Operational Risk Management and Control Model and "Operational Risk Assistant" covering the RO perimeter and "Specialists" for cases where the operational risk is transversal to the organization.

e.4) Communication

The Operational Risk & Internal Control area is part of Banco Santander's Governance structure and maintains a periodic communication and reporting process for Management through the Senior Forum on Internal Controls and Operational Risks (FSCIRO) and the RO Meeting. This process includes the presentation of materialized events, main risks, corrective action plans and information on the Internal Controls environment, ensuring transparency and knowledge to the governance forums. Additionally, the main risks (materialized and emerging) are

*Values expressed in thousands, except when indicated

reported and escalated, when applicable, to the Risk Control Committee and the Audit Committee and the Risk and Compliance Committee of the Board.

f) Reputation Risk

f.1) Reputation Risk

Reputation risk is defined as the risk of a negative economic impact, either current or potential, derived from an unfavorable perception of the Bank by employees, customers, shareholders/investors, and society at large.

Reputational risk may emerge from a variety of sources and, frequently, results from other risk events. Typically, these sources are associated with the business and other support activities undertaken by Santander, as well as the economic, social, or political landscape, or even incidents triggered by competitors that could impact the Bank.

f.2) Compliance

It is defined as legal risk, the risk of regulatory sanctions, financial loss, or reputational damage that an institution may face due to failure in complying with laws, regulations, codes of ethics and conduct, and best banking practices. Compliance risk management is preventive in nature and includes monitoring, educational initiatives, advisory, risk assessment, and corporate communication related to the rules and legislation applicable to each business area.

f.3) Operating guidelines

a. Compliance Principles - Ethics and conduct in the securities markets

Ethical principles and standards are encapsulated in internal policies, which are made available and communicated to everyone. The Code of Ethics applies to all employees of the Organization, while the Code of Conduct in Securities Markets garners adherence from all individuals closely associated with the Securities Markets. Channels for clarification and reporting are established, alongside the implementation of monitoring and control measures designed to ensure compliance with the rules by all employees.

b. Anti-Money Laundering and Counter-Terrorism Financing

The Anti-Money Laundering and Counter-Terrorist Financing Policy is predicated on the knowledge and stringent criteria applied to the onboarding of our clients, further reinforced by the continuous surveillance of all transactions the Bank engages in. The concern with this issue is reflected in the active involvement of our management through the Anti-Money Laundering Operational Committee and the Ethics and Compliance Committee, which convene monthly to deliberate on issues pertinent to this matter. The committee plays a direct role in the client onboarding process and in addressing reports of suspicious activities.

c. New products and services and suitability

All new products and services undergo an internal evaluation by different technical departments to ensure a multidisciplinary risk assessment, followed by approval from the Local Commercialization Committee (LCC), which is composed of Santander executives. After this analysis and approval process, the new products and services are subject to ongoing monitoring and testing to mitigate any potential conduct risks during their sales.

g) Compliance with the Prudential Regulatory Framework

Santander Brasil maintains an integrated risk and capital management framework for its decision-making process, in compliance with BCB Resolution No. 4,557. This approach contributes to the optimal and efficient allocation of capital in its operations, aligned with the Institution's objectives regarding capital ratios and shareholder returns.

Brazil's participation in the Basel Committee on Banking Supervision (BCBS) promotes the timely adoption of international prudential standards within the Brazilian regulatory framework.

Consistent with this perspective, Santander Brasil invests in the continuous refinement of its capital management processes and practices, adhering to international market benchmarks, as well as regulatory and supervisory standards.

The Institution's capital management consists of an ongoing process encompassing planning, assessment, control, and monitoring of the capital required to mitigate the significant risks of the Conglomerate. This process includes evaluating the capital needed to support Pillar 1 risks (credit, market, and operational); developing methodologies for quantifying additional capital for Pillar 2 risks; implementing the Internal Capital Adequacy Assessment Process (ICAAP); projection and monitoring of capital ratios; preparation of the capital plan, preparation of contingency plans, preparation of the recovery plan; preparation of the organized exit plan; stress tests; and preparation of the quarterly risk and capital management report – Pillar 3.

g.1) Internal validation of risk models

Internal validation is a critical phase in the life cycle of a model, as well as a prerequisite for the validation process by supervisory authorities. A specialized team within the Bank, endowed with sufficient independence, provides a technical assessment on the adequacy of internal models for the intended internal and regulatory objectives, concluding on their effectiveness and utility. The team is also required to evaluate whether the risk management and control procedures are commensurate with the Bank's strategy and risk profile.

Moreover, the Internal Validation division provides critical support to the risk committees and the Bank's management by offering a qualified and independent perspective. This enables the decision-making bodies to deliberate on the authorization for the use of models, whether for management or regulatory purposes.

Internal Validation at Banco Santander primarily covers models related to Credit Risk, Operational Compliance, Market, ALM, Pricing, Provisions, Economic Capital, and other models pertinent to the ICAAP exercise. The validation scope encompasses both theoretical and methodological aspects, as well as technological architecture, data quality, and all significant facets of advanced risk management (controls, reporting, usage, management engagement, etc.). Thus, the purpose of internal validation is to examine the quantitative, qualitative, technological, and corporate governance dimensions associated with regulatory processes and risk management.

Key responsibilities of the Internal Model Validation area include the following:

- i. Establish the general principles of validation, conducting an independent assessment process that includes (i) data quality, (ii) methodological foundations, (iii) technological environment, (iv) performance, and (v) use and governance;
- ii. Issue a technical opinion on the adequacy of internal models for the intended internal and regulatory purposes, concluding on their usefulness and effectiveness.
- iii. Provide essential support to the risk committees and the Bank's management by delivering a qualified and independent opinion, enabling the responsible parties to make informed decisions on the authorization of model usage (for both management and regulatory purposes).

It is important to note that Banco Santander's internal validation function is entirely in line with the independent validation criteria for the advanced approach as prescribed by the Basel Committee, the European supervisory 'home regulator' (Bank of Spain and European Central Bank), and the Brazilian Central Bank. In this regard, the Bank enforces a clear separation of responsibilities between Internal Validation and Internal Audit, with the latter constituting the final layer of the Bank's control validation framework.

The Internal Audit is responsible for assessing and revising the methodology and internal validation work, issuing opinions with an effective level of autonomy. As the ultimate control mechanism within the Group, the Internal Audit (third line of defense) is required to (i) periodically assess the adequacy of policies, methods, and procedures, and (ii) confirm their effective implementation in management.

g.2) Capital Management

Capital management takes into account both regulatory and economic factors, with the purpose of achieving a capital structure that is both cost-efficient and compliant, while meeting the requirements set forth by regulatory authorities and contributing to the attainment of classification targets established by rating agencies, as well as fulfilling investors' expectations.

h) Economic Capital

h.1) Main objectives

The development of economic capital models in the financial world seeks to address a fundamental challenge of regulatory capital: Risk Sensitivity.

In this context, economic capital models are specifically crafted to produce risk-sensitive estimates, facilitating enhanced precision in risk management, as well as more effective allocation of economic capital across Banco Santander's business units.

Banco Santander has concentrated its efforts on developing a robust economic capital model that is seamlessly integrated with business management. The primary objectives of Banco Santander's economic capital framework are the following:

- 1 - Consolidate Pillar I and other risks impacting the business into a single quantitative model, while also determining capital estimates by establishing correlations among various risks.
- 2 - Quantify and monitor fluctuations across distinct risk types.
- 3 - Distribute capital consumption among the main portfolios and manage the efficiency of Return on Risk-Adjusted Capital (RORAC).
- 4 - Estimate the Economic Value Added for each business unit. Economic profit must exceed the Bank's cost of capital.
- 5 - Compliance with regulatory standards in the locations where the Bank operates during the Pillar II review process conducted by supervisory authorities.

*Values expressed in thousands, except when indicated

h.2) Economic Capital Model

In the determination of economic capital, it is the Bank's duty to specify the level of loss to be covered. Accordingly, a requisite confidence interval is applied to ensure the continuity of operations.

The risk profile in Brazil is distributed among Credit, Market, ALM, Business, Operational and Material Assets risks. However, in order to anticipate the changes proposed in Basel III, new risks were incorporated into the model: Intangibles, Pension Funds (defined benefit) and Deferred Tax Assets, which allow the Bank to adopt an even more conservative and prudent position.

% Capital Risk Type	2024	2023
Credit	48%	55%
Market	2%	2%
ALM	5%	6%
Business	8%	11%
Operational	7%	2%
Fixed Assets	1%	1%
Intangible Assets	2%	3%
Pension Funds	1%	1%
Deferred Tax Assets	26%	19%
TOTAL	100%	100%

However, as a commercial bank, Credit is Banco Santander's main source of risk and the evolution of its portfolio is one of the main factors for its fluctuation.

RoRAC

Banco Santander Brasil has been using RORAC, with the following objectives:

- Analyze and establish a minimum price for operations (admissions) and customers (monitoring).
- Estimate the capital consumption for each client, economic group, portfolio, or business segment to optimize the allocation of economic capital, thereby maximizing the Bank's efficiency.
- Measure and track the performance of the business.
- To assess the operations of global clients, the calculation of economic capital incorporates specific variables employed in determining expected and unexpected losses. These variables include:
 - Counterparty rating.
 - Maturity.
 - Guarantees.
 - Nature of financing.

Economic value added is determined by the cost of capital. To generate value for shareholders, the minimum return from operations must exceed Banco Santander's cost of capital.

47. Subsequent Events

a) Deliberation on Interest on Equity

The Board of Directors of Banco Santander, at a meeting held on January 10, 2025, approved the proposal of the Company's Executive Board, ad referendum of the Ordinary General Meetings to be held by April 30, 2025, for the distribution of Interest on Equity, in the amount of R\$1,500,000,000.00 (one billion and five hundred million reais), based on the balance of the Company's Dividend Equalization Reserve. Shareholders registered in the Bank's records at the end of January 22, 2025 (inclusive) will be entitled to the Interest on Equity. Therefore, as of January 23, 2025 (inclusive), the Bank's shares will be traded "Ex-Interest on Equity". The amount of Interest on Equity was paid in February 12, 2025. The Interest on Equity will be fully attributed to the minimum mandatory dividends to be distributed by the Bank, referring to the fiscal year 2025, without any remuneration as monetary adjustment.

*Values expressed in thousands, except when indicated

APPENDIX I – RECONCILIATION OF SHAREHOLDERS' EQUITY AND NET INCOME

Below are the tables reconciling shareholders' equity and net profit attributable to the Parent Company between the accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS), accompanied by a conceptual description of the main adjustments.

Thousand of Reais	Note	2024	2023	2022
Stockholders' equity attributed under to the Parent Brazilian GAAP		90,743,958	86,084,331	82,061,915
IFRS adjustments, net of taxes, when applicable:				
Reclassification of financial instruments at fair value through profit or loss	h	(76,256)	(75,538)	(54,801)
Reclassification of fair value through other comprehensive income	i	4,200	2,814	(33)
Impairment of financial assets measured at amortized cost	a	(387,348)	234,410	(816,600)
Category transfers - IFRS 9	b	(187,807)	(664,635)	(219,671)
Deferral of financial fees, commissions and inherent costs under effective interest rate method	c	2,044,873	1,689,463	1,493,810
Reversal of goodwill amortization	d	26,925,987	26,618,368	27,136,573
Realization on purchase price adjustments	e	577,831	586,024	594,784
Adjustment referring to the difference between Book Value vs. the fair on Carsale's entry into Webmotors		79,175	79,175	-
Option for Acquisition of Equity Instrument	f	181,717	181,717	(798,016)
Santander Serviços goodwill (Santusa)	g	(298,978)	(298,978)	(298,978)
Reversal of Provision PIS Law 9,718	j	-	-	980,212
Others		(115,667)	15,853	103,639
Stockholders' equity attributed to the parent under IFRS		119,491,685	114,453,004	110,182,834
Non-controlling interest under IFRS		335,447	403,350	497,342
Stockholders' equity (including non-controlling interest) under IFRS		119,827,132	114,856,354	110,680,176
Thousand of Reais	Note	2024	2023	2022
Net income attributed to the Parent under Brazilian GAAP		13,477,390	8,973,657	12,570,191
IFRS adjustments, net of taxes, when applicable:				
Reclassification of financial instruments at fair value through profit or loss	h	(33,811)	(29,788)	(9,826)
Reclassification of fair value through other comprehensive income	i	3,080	(1,383)	(177,887)
Impairment of financial assets measured at amortized cost	a	(587,260)	1,036,851	805,578
Category transfers - IFRS 9	b	-	(17,584)	14,722
Deferral of financial fees, commissions and inherent costs under effective interest rate method	c	340,362	195,653	(90,260)
Reversal of goodwill amortization	d	138,404	147,171	96,162
Realization on purchase price adjustments	e	(8,193)	(8,760)	(8,760)
Option to Acquire Own Equity Instrument	f	181,717	181,717	184,810
Reversal of Provision PIS Law 9,718	j	-	(980,212)	980,212
Others		(146,183)	(48,008)	(77,849)
Net income attributed to the parent under IFRS		13,365,506	9,449,313	14,287,093
Non-controlling interest under IFRS		48,257	49,499	52,382
Net income (including non-controlling interest) under IFRS		13,413,763	9,498,812	14,339,475

a) Impairment of loans and receivables and financial assets measured at amortized cost

This adjustment relates to the estimated expected losses on the portfolio of assets subject to impairment, commitments for loan disbursements, and financial guarantee contracts, determined based on the criteria outlined in the accounting practices note and in accordance with IFRS 9 (in 2017, it refers to the adjustment for estimated incurred losses in accordance with IAS 39, the regulatory standard in effect at the time). These criteria differ in certain respects from those adopted under BRGAAP, which follows the regulatory thresholds established by the Brazilian Central Bank (Bacen). Moreover, the scope of the loss calculation base under IFRS is broader, including assets beyond those specified by Bacen.

b) Financial asset categories

As outlined in the note on accounting practices, IFRS 9 mandates the identification of business models associated with each portfolio, as well as the execution of the SPPI test to ascertain whether the cash flows from an asset consist exclusively of payments for principal and interest, for the purpose of classifying the asset within the appropriate financial asset categories. In contrast, BRGAAP allows for certain differences in the categorization of these financial assets and also considers Management's intention as a criterion for classification. Additionally, the criteria for reclassification across categories differ between the two accounting standards.

*Values expressed in thousands, except when indicated

c) Deferral of banking fees, commissions, and other financial costs using the effective interest rate method

Under IFRS, bank fees, commissions, and related financial costs, which are included in the effective interest rate of financial instruments measured at amortized cost, are recognized in the income statement over the validity period of the respective contracts. In contrast, under BRGAAP, these fees and expenses are recognized directly in the income statement upon receipt or payment.

d) Reversal of goodwill amortization

Under BRGAAP, goodwill is systematically amortized over a period of up to 10 years, subject to impairment testing at least once a year, or more frequently if additional evidence arises. Under IFRS, as per IAS 38 "Intangible Assets", goodwill is not amortized but is tested for impairment to ascertain its recoverable amount at least annually, and whenever there is an indication of a potential reduction in its recoverable value. The tax amortization of Banco Real's goodwill represents a permanent and definitive difference between the accounting and tax bases, as the possibility of utilizing future funds to settle a tax liability is considered remote by Management, a position supported by the opinion of specialized external advisors. Consequently, the tax amortization of goodwill is permanent and definitive, and thus, the recognition of a deferred tax liability does not apply as per IAS 12 – Income Taxes, with respect to temporary differences.

e) Recognition of purchase price adjustments

As part of the purchase price allocation for acquisitions of entities, notably in the acquisition of Banco Real, in accordance with IFRS 3 "Business Combinations" standards, the Bank reassessed the acquired assets and liabilities at fair value, including identifiable intangible assets with defined useful lives. In contrast, according to BRGAAP, in a business combination, assets and liabilities are recorded at their book value. The adjustments to the purchase price allocation primarily relate to the valuation of assets in the loan portfolio. The initial recording of the loan values at fair value resulted in an adjustment to the yield curve of the portfolio compared to its nominal value, which is recognized over the respective average realization period.

f) Option to Acquire Equity Instrument

In the context of the transaction, Banco Santander granted the shareholders of Getnet S.A. and Banco Olé Consignado a put option for all the shares issued by Getnet S.A. and Banco Olé Consignado that they held. In accordance with IAS 32, a financial liability was recognized for the commitment made, offset against a specific equity account, in the amounts of R\$950 million and R\$67 million, respectively. The options were subsequently updated, with their effects recognized in the income statement. On December 19, 2018, Banco Santander and the Minority Shareholders of Getnet S.A. signed an amendment to the Share Purchase and Sale Agreement and Other Covenants of Getnet S.A., whereby Banco Santander committed to acquiring all the shares from the Minority Shareholders, representing 11.5% of the share capital of Getnet S.A., for the amount of R\$1,431,000. The acquisition was approved by Brazilian Central Bank on February 18, 2019 and completed on February 25 2019, resulting in Banco Santander holding 100% of the shares representing the share capital of Getnet S.A. On March 14, 2019 the minority shareholder of Banco Olé Bonsucesso Consignado S.A. expressed their intention to exercise the put option stipulated in the Investment Agreement, signed on July 30, 2014, to sell their 40% stake in the share capital of Olé Consignado to Banco Santander (Brasil) S.A. On December 20, 2019 the parties entered into a binding agreement for the acquisition by Banco Santander of all the shares issued by Bosan Participações S.A., for a total value of R\$1.6 billion, payable on the closing date of the transaction. On January 30, 2020, the name of Banco Olé Bonsucesso Consignado S.A. was changed to Banco Olé Consignado S.A. On January 31, 2020, the Bank and the shareholders of Bosan Participações S.A. finalized the definitive agreement and signed the share purchase and sale agreement for 100% of the shares issued by Bosan, through the transfer of Bosan's shares to the Bank and payment to the sellers in the total amount of R\$1,608,773. As a result, the Bank has become, both directly and indirectly, the holder of 100% of the shares in Banco Olé.

g) Santander Serviços (Santusa) acquisition goodwill

Under IFRS 3 "Business Combinations", when a parent company acquires additional shares or other equity instruments of an entity it already controls, this amount must be recognized as a reduction in its equity. Under BRGAAP, this amount must be recorded on the balance sheet as goodwill or as a bargain purchase in the acquisition of the investment, which represents the difference between the acquisition cost and the equity value of the shares.

h) Reclassification of financial instruments at fair value through profit or loss

Under BRGAAP, all loans, financings, and deposits are accounted for at amortized cost. Under IFRS, as per IFRS 9 "Financial Instruments: Recognition and Measurement," financial assets may be measured at fair value and included in the category "Other financial assets at fair value through profit or loss." This approach aims to eliminate or significantly reduce the accounting mismatch in recognition or measurement arising from the valuation of assets or liabilities or the recognition of gains or losses on these assets/liabilities on different bases, which are managed and their performance evaluated based on fair value. Consequently, the Bank has classified loans, financings, and deposits that meet these criteria as "fair value through profit or loss," as well as certain debt instruments classified as "available for sale" under BRGAAP. The Bank has adopted this classification basis under IFRS, as it effectively eliminates an accounting mismatch in the recognition of income and expenses.

i) Reclassification of financial instruments to financial assets measured through other comprehensive income

Under BRGAAP, the Bank accounts for certain investments, such as debt securities initially measured at amortized cost and equity securities at cost. At the time of preparing this balance sheet, management reviewed its investment management strategy and, in accordance with the provisions of Circular No. 3.068/2001 by the Brazilian Central Bank, reclassified the debt securities to the "trading" category, recording their fair value through profit or loss. In line with IFRS, the Bank has classified these investments as financial assets measured at fair value through other comprehensive income, measuring them at fair value with the effects of this valuation being recognized in the "Consolidated Statements of

**Values expressed in thousands, except when indicated*

Comprehensive Income", in compliance with IFRS 9 "Financial Instruments", which prohibits the reclassification of any financial instrument to the fair value through profit or loss category after initial recognition.

j) Provision Reversal PIS Law No. 9.718

In December 2022, the adjustment relates to the reversal of the provision for the PIS lawsuit (Law No. 9.718), as detailed in note 21 c.4, following the adoption of Circular Letter No. 3.429/2010. This Circular Letter introduces specific rules for BRGAAP regarding the accounting treatment of tax obligations under judicial review. The total comprises R\$160,806 in taxes and R\$819,406 in interest and similar income, resulting in a net tax effect of R\$980,212.

*Values expressed in thousands, except when indicated

APPENDIX II – STATEMENT OF VALUE ADDED

The Statement of Value Added presented below is not a requirement under IFRS; however, it is provided as supplementary information in accordance with Brazilian corporate legislation for publicly traded companies. It has been derived from the Bank's Consolidated Financial Statements and prepared in conformity with IFRS.

	2024		2023		2022	
Thousand of Reais						
Interest and similar income	137,183,478		128,282,707		115,225,118	
Net fee and commission income	17,205,209		15,639,965		14,875,880	
Impairment losses on financial assets (net)	(28,484,030)		(28,008,086)		(24,828,749)	
Other income and expense	(2,705,149)		5,260,422		2,174,855	
Interest expense and similar charges	(80,504,918)		(81,398,673)		(67,721,941)	
Third-party input	(8,682,746)		(8,677,366)		(8,207,227)	
Materials, energy and others	(878,393)		(896,232)		(895,734)	
Third-party services	(6,165,611)		(6,329,546)		(6,317,067)	
Impairment of assets	(252,487)		(250,173)		(161,434)	
Other	(1,386,255)		(1,201,415)		(832,992)	
Gross added value	34,011,844		31,098,969		31,517,936	
Retention						
Depreciation and amortization	(2,731,018)		(2,740,950)		(2,585,502)	
Added value produced	31,280,826		28,358,019		28,932,434	
Investments in affiliates and subsidiaries	312,986		239,236		199,179	
Added value to distribute	31,593,812		28,597,255		29,131,613	
Added value distribution						
Employee	10,304,959	32.6 %	9,567,687	33.5 %	9,894,413	34.0 %
Compensation	7,381,229		6,804,098		6,351,116	
Benefits	1,975,443		1,843,988		1,737,282	
Government severance indemnity funds for employees - FGTS	569,555		549,538		2,221	
Other	378,732		370,063		1,803,794	
Taxes	7,640,888	24.2 %	9,382,381	32.8 %	4,749,350	16.3 %
Federal	7,632,666		9,375,150		4,625,498	
State	-		-		123,852	
Municipal	8,222		7,231		-	
Compensation of third-party capital - rental	234,202	0.7 %	148,375	0.5 %	148,375	0.5 %
Remuneration of interest on capital	13,413,763	42.5 %	9,498,812	33.2 %	14,339,475	49.2 %
Dividends and interest on capital	6,000,000		6,200,000		8,100,000	
Profit Reinvestment	7,365,506		3,249,313		6,187,093	
Profit (loss) attributable to non-controlling interests	48,257		49,499		52,382	
Total	31,593,812	100.0 %	28,597,255	100.0 %	29,131,613	100.0 %

Performance Report**To the Shareholders:**

We present the Management Report for the Consolidated Financial Statements of Banco Santander (Brasil) S.A. (Banco Santander or Bank) for the fiscal year ended on December 31, 2024. These statements have been prepared in conformity with the International Financial Reporting Standards (IFRS®) issued by the International Accounting Standards Board (IASB®), (currently referred to by the IFRS® Foundation as “standards accounting IFRS®”) and the interpretations of the IFRS Interpretations Committee (formerly the International Financial Reporting Interpretations Committee - IFRIC). They will be published on the website www.santander.com.br/ri.

**1. Economic Situation**

❖ Economic performance was highlighted by the following themes:

In the international environment

❖ **Trump's significant victory in the US presidential elections, which drove to a “red-sweep” scenario , which means victory for the Republicans in both the Senate and the House of Representatives.**

This fact should reinforce the campaign proposals, bringing challenges to trade partnerships with tariff impositions, with significant impacts on global growth.

In addition, the resilience of the US economy, together with inflation still above the target, is putting pressure on the US central bank (Fed) to adopt a more cautious stance, signaling fewer interest rate cuts, and at a slower pace, for 2025.

❖ **The geopolitical scenario continues with different points of tension in Europe, the Middle East and Asia.**

This environment, combined with the uncertainties surrounding the new North American leadership, intensifies doubts about growth.

❖ **Announcement of monetary stimulus and signaling of fiscal stimulus by Chinese authorities, but below analysts' expectations. More stimulus may come in the event of an escalation of the trade dispute with the US.**

In the domestic environment

❖ **The deterioration in the perception of fiscal risk, with a significant devaluation of the exchange rate, accentuated the unanchoring of inflation expectations.**

The main macroeconomic event in the fourth quarter of 2024 was the announcement of measures to contain federal public spending, the initial impact of which did not meet expectations. The government projected a total cut of R\$70 billion over two years, but Banco Santander estimates a lower potential, around R\$50 billion. The perception that the measures announced were insufficient significantly affected asset prices and the expectations of economic agents. The exchange rate of the real against the US dollar, for example, reached its nominal all-time high of R\$6.32/US\$ in December. Likewise, IPCA projections, according to the Focus survey, increased throughout the release horizon, moving further away from the center of the target pursued by the Central Bank.

❖ **Copom promoted larger adjustments to the Selic, raising the basic interest rate to 12.25% per year by the end of 2024.**

The conditions for the interest rate decision by the Central Bank of Brazil pointed to the need for a more contractionary monetary policy. After starting the hike cycle gradually, with increases of 0.25 percentage points, the committee accelerated the pace in the fourth quarter of 2024, raising the rate by 0.50 percentage points in November and 1.00 percentage points in December. Furthermore, given a more adverse scenario for the convergence of the IPCA, the Committee foresees adjustments of the same magnitude in its meetings in the first quarter of 2025, which would take the Selic to 14.25%, if its baseline scenario is confirmed. Based on this guidance, Banco Santander now estimates that the Selic will reach 15.50% in June 2025. This change is also consistent with the revised inflation scenario; Banco Santander now projects that the IPCA will be 5.5% in 2025.

❖ **GDP performance in 3Q24 was above expectations, with emphasis on the more cyclical components on the supply side, consumption and investments.**

In contrast to Banco Santander's expectations and the median of market projections, GDP in the third quarter of 2024 surprised positively, registering strong growth. According to Banco Santander, this performance was mainly driven by the resilience of the labor market and the accumulation of recent fiscal stimulus. As a result, there was a new wave of upward revisions in GDP growth projections for 2024. At the end of the third quarter of 2024, the median of economic agents' projections indicated a growth of 3.0% for Brazilian GDP in 2024. At the end of the fourth quarter of 2024, this median rose to 3.5%, in line with Banco Santander's current projection.



2. Consolidated Performance

We maintained our continuous evolution towards resuming higher levels of profitability. The financial margin showed an evolution guided by the strategy of qualified and selective growth, directing efforts towards assets with a better return on capital. Commissions maintained a positive trajectory, reflecting a greater diversification of our sources of revenue. We maintained the good quality of our credit portfolio with controlled default rates.

With regard to efficiency, we remain focused on our culture of productivity. We continue to advance in building a solid, less volatile balance sheet with the capacity to generate sustainable results.



Net profit (managerial)
R\$ 13.9 billions 12M24
(+47.8% vs 12M23)



Expanded Portfolio
R\$ 682.7 billions
(+6.2% vs Dec/23)



Financial Margin
R\$ 60.7 billions 2024
(+14.2% vs 2023)

Managerial Income Statement ¹

(R\$ million)	4Q24	3Q24	4Q24 x 3Q24	2024	2023	2024 x 2023
Gross Financial Margin	15,978	15,227	4.9%	60,746	53,179	14.2 %
Commissions	5,515	5,334	3.4%	20,917	18,458	13.3 %
Total Revenues	21,493	20,561	4.5%	81,663	71,637	13.2 %
PDD result	(5,932)	(5,884)	0.8%	(23,755)	(25,200)	(5.7)%
General Expenses	(6,769)	(6,457)	4.8%	(25,837)	(24,713)	4.5 %
Others	(3,688)	(3,887)	-5.1%	(15,188)	(13,240)	14.7 %
Net Profit Before Taxes	5,104	4,333	17.8%	16,883	8,484	99.0 %
Taxes and Minority Interest	(1,250)	(669)	86.9%	(3,011)	898	(435.3)%
Managerial Net Profit	3,854	3,664	5.2%	13,872	9,382	47.8 %
Accounting Net Profit	3,746	3,548	5.5%	13,477	8,974	50.2 %

¹ The table above considers managerial reclassifications pertaining to the Income Statement.



3. Strategy and Rating Agencies

For information on the Bank's strategy and its classification by rating agencies, please refer to the Earnings Report available at www.santander.com.br/ri.



4. Corporate Governance

The Governance structure of Banco Santander Brasil comprises the Executive Board and its Executive Committee, which includes the CEO, Senior Executive Vice Presidents, and Executive Vice Presidents, as well as the Board of Directors and its Advisory Committees, namely: Audit, Risks and Compliance, Sustainability, Compensation and Nomination, and Governance.

For more information on the corporate governance practices adopted by Banco Santander Brasil and the resolutions of the Board of Directors, please visit the website www.santander.com.br/ri.



5. Internal Audit

Internal Audit reports directly to the Board of Directors, while the Audit Committee is responsible for its oversight.

Internal Audit is a permanent and independent function, distinct from any other function or unit, dedicated to providing the Board of Directors and senior management with independent assurance regarding the quality and effectiveness of internal control processes and systems, risk management (both current and emerging), and governance, thus contributing to safeguard the organization's value, solvency, and reputation. Internal Audit has been awarded a quality certification by the Institute of Internal Auditors (IIA).

To fulfill its responsibilities and manage the inherent risks associated with Banco Santander's operations, the Internal Audit department maintains a suite of internally developed tools, which are updated as necessary. Among these, the risk matrix stands out as a planning

tool, prioritizing the risk level within the auditable universe by considering, among other factors, its inherent risks, the most recent audit rating, the degree of compliance with recommendations, and its magnitude. The work programs, which outline the audit tests to be conducted, are subject to periodic review.

The Audit Committee and the Board of Directors favorably analyzed and approved the Internal Audit work plan for the year 2024.



6. People

Banco Santander continues to strengthen its organizational culture, which is focused on helping people and businesses prosper. Autonomy, leadership and innovation are gaining ground, accelerating digital transformation and improving personalized offerings for the most diverse segments of society.

There are 55.646 employees, considering the entire group, committed to the ambition of making Santander the main bank for each of its customers.

To this end, Banco Santander invests in an environment where leadership is a reference in the organization's values, diversity makes each professional feel recognized and engaged in building their career, and continuous learning is at the service of constantly improving the customer experience and the evolution of each employee's journey. Growth opportunities are democratized and within everyone's reach. Banco Santander was once again elected as one of the Best Companies to Work for in Brazil by GPTW, occupying 8th place in the national ranking of companies with more than 10,000 employees and 2nd place in the Sector Ranking of Large Banks.



7. Sustainability

Our history in sustainability began more than 20 years ago. Throughout this period, we have experienced an intense journey of evolution, in which we have improved our programs, businesses and governance focused on the topic

In this trajectory, we highlight the assessment and mitigation of social, environmental and climate risks for granting credit to projects and companies; generating businesses that support customers' transition to a low-carbon economy; and the construction of a more inclusive society, through education and employability, financial inclusion and entrepreneurship and social inclusion actions. Many of these initiatives are accompanied by global targets in the areas where we have the greatest potential impact, such as net zero, financial inclusion and diversity.

To ensure good governance of this process, we have robust policies and controls, supported by senior leadership.

At the end of 4Q24, we highlight the following results:

Environmental:	
<p>Promoting sustainable businesses, with a commitment to being Net Zero by 2050.</p>	<ul style="list-style-type: none"> ❖ R\$32.2 billion in sustainable businesses made viable, with a portfolio of R\$37.7 billion in green bond issuances, clean energy financing and dedicated product options. ❖ Market leadership in CBIOS (decarbonization credits): 41% market share in Brazil ❖ Santander Brasil was once again confirmed in the ICO2 B3 portfolio, a B3 index whose main purpose is to be a tool to encourage discussions about climate change in Brazil.

*Values expressed in thousands, except when indicated

Social:

For over 20 years contributing to the construction of a more inclusive society, with access to education and financial products.

- ❖ 207 thousand people benefited from courses and scholarships through Santander Universities.
- ❖ The Amigo de Valor program, dedicated to guaranteeing the rights of children and adolescents in vulnerable situations, supported approximately 9,342 children and adolescents and their families in 64 municipalities.
- ❖ Approximately 6,271 elderly people and their families benefited from the Elderly Partner program, which aims to protect the rights of vulnerable elderly people.

Governance:

Promoting ESG in our culture, connecting all our businesses.

- ❖ Our Board of Directors currently has 45% female members and 55% independent members.



8. Independent Audit

The operating policy of Banco Santander, including its controlled companies, in contracting services unrelated to audit of the Financial Statements by its independent auditors, is based on Brazilian standards and international audit standards, which preserve the auditor's independence. This reasoning provides for the following: (i) the auditor does not must audit his own work, (ii) the auditor must not perform managerial functions at his client, (iii) the auditor must not promote the interests of its client, and (iv) need for approval of any services by the Bank's Audit Committee. In compliance with Securities and Exchange Commission Instruction 162/2022, Banco Santander informs that in the fiscal year ended December 31, 2024, no services were provided by PricewaterhouseCoopers unrelated to the independent audit of the Financial Statements of Banco Santander and relevant subsidiaries, which generate a conflict of interest, loss of independence or impact the objectivity of its independent auditors. PricewaterhouseCoopers has procedures, policies and controls in place to ensure its independence, which include the assessment of the work provided, covering any service other than the independent audit of the Financial Statements of Banco Santander and its subsidiaries. This assessment is based on applicable regulations and accepted principles that preserve the auditor's independence.



9. Acknowledgements

We extend our sincere gratitude to our clients, shareholders, and employees for the trust and support that have propelled us to this point, enabling the continuation of our story of evolution and transformation, on the path to becoming the Best Consumer Company in Brazil.

(Approved at the Board of Directors Meeting held on February 27, 2025).

*Values expressed in thousands, except when indicated

Composition of Management Bodies of December 31, 2024

Board of Directors

Deborah Stern Vieitas – President (independent)
Jose Antonio Alvarez Alvarez – Vice-president
Deborah Patricia Wright – Counselor (independent)
Ede Ilson Viani - Counselor
José de Paiva Ferreira – Counselor (independent)
Javier Maldonado Trinchant – Counselor
Marília Artimonte Rocca - Counselor (independent)
Mario Roberto Opice Leão – Counselor
Cristiana Almeida Pipponzi – Counselor (independent)
Pedro Augusto de Melo - Counselor (independent)
Vanessa de Souza Lobato Barbosa – Counselor

Audit Committee

Pedro Augusto de Melo – Coordinator
Maria Elena Cardoso Figueira – Qualified Technical Member
Andrea Maria Ramos Leonel – Member
René Luiz Grande – Member
Luiz Carlos Nannini – Member

Risk and Compliance Committee

José de Paiva Ferreira – Coordinator
Deborah Stern Vieitas – Member
José Mauricio Pereira Coelho – Member
Jaime Leôncio Singer – Member

Sustainability Committee

Marília Artimonte Rocca – Coordinator
Álvaro Antônio Cardoso de Souza – Member
Vivianne Naigeborin – Member
Tasso Rezende de Azevedo - Member

Nomination and Governance Committee

Deborah Stern Vieitas - Coordinator
Deborah Patricia Wright – Member
Cristiana Almeida Pipponzi – Member
José Antonio Alvarez Alvarez – Member

Compensation Committee

Deborah Patricia Wright – Coordinator
Deborah Stern Vieitas - Member
Luiz Fernando Sanzogo Giorgi – Member
Vanessa de Souza Lobato Barbosa – Member

**Values expressed in thousands, except when indicated*

Executive Board

Chief Executive Officer

Mario Roberto Opice Leão

Vice President Executive Officer and Investor Relations Officer

Gustavo Alejo Viviani

Vice President Executive Officers

Alessandro Tomao

Carlos José da Costa André

Ede Ilson Viani

Franco Raul Rizza

Germanuela de Almeida de Abreu

Luis Guilherme Mattoso de Oliem Bittencourt

Gilberto Duarte de Abreu Filho

Maria Elene Lanciego Perez

Maria Teresa Mauricio da Rocha Pereira Leite

Renato Ejnisman

Officers without specific designation

Alessandro Chagas Farias

Alexandre Teixeira de Araujo

Alexandre Guimarães Soares

Ana Paula Vitali Janes Vescovi

André Juaçaba de Almeida

Carlos Aguiar Neto

Celso Mateus De Queiroz

Cezar Augusto Janikian

Claudia Chaves Sampaio

Claudenice Lopes Duarte

Daniel Mendonça Pareto

Eduardo Alvarez Garrido

Eduardo Luis Sasaki

Enrique Cesar Soares Fragata Lopes

Franco Luigi Fasoli

Geraldo José Rodrigues Alckmin Neto

Gustavo de Sousa Santos

Izabella Ferreira Costa Belisario

Jean Paulo Kambourakis

Leonardo Mendes Cabral

Luciana de Aguiar Barros

Marilize Ferrazza Santinoni

Paulo César Ferreira de Lima Alves

Paulo Fernando Alves Lima

Paulo Sérgio Duailibi

Rafael Abujamra Kappaz

Ramón Sanchez Santiago

Reginaldo Antonio Ribeiro

Ricardo Olivare de Magalhães

Richard Flavio Da Silva

Robson de Souza Rezende

Sandro Kohler Marcondes

Sandro Mazerino Sobral

Thomaz Antonio Licarião Rocha

Vanessa Alessi Manzi

Vítor Ohtsuki

Accountant

Camilla Cruz Oliveira de Souza – CRC Nº 1SP – 256989/O-0

*Values expressed in thousands, except when indicated

Directors' statement on the Financial Statements

Pursuant to the provisions of article 27, § 1, item VI, of the Brazilian Securities and Exchange Commission (CVM) Instruction No. 80, dated March 29, 2022, the members of the Executive Board of Banco Santander (Brasil) S.A. (Banco Santander) hereby declare that they have discussed, reviewed, and concurred with the Financial Statements of Banco Santander for the fiscal year ended on December 31, 2024. These Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS®) and include the Management Report, Consolidated Balance Sheet, Consolidated Statement of Income, Consolidated Statement of Comprehensive Income, Statement of Changes in Shareholders' Equity, Statement of Cash Flows, Statement of Value Added, and Notes to the Financial Statements, all of which have been prepared in accordance with the accounting standards adopted in Brazil, as per Law No. 6.404, dated December 14, 1976 (Brazilian Corporation Law), and the international financial reporting standards issued by the International Accounting Standards Board (IASB). The referenced Financial Statements and their accompanying documents have received an unqualified opinion from the Independent Auditors and have been recommended for approval by the Bank's Audit Committee to the Board of Directors, with a favorable opinion from the Bank's Fiscal Board.

Members of the Executive Board of Banco Santander as of December 31, 2024:

Executive Board

Chief Executive Officer

Mario Roberto Opice Leão

Vice President Executive Officer and Investor Relations Officer

Gustavo Alejo Viviani

Vice President Executive Officers

Alessandro Tomao

Carlos José da Costa André

Ede Ilson Viani

Franco Raul Rizza

Germanuela de Almeida de Abreu

Luis Guilherme Mattoso de Oliem Bittencourt

Gilberto Duarte de Abreu Filho

Maria Elene Lanciego Perez

Maria Teresa Mauricio da Rocha Pereira Leite

Renato Ejnisman

Officers without specific designation

Alessandro Chagas Farias

Alexandre Teixeira de Araujo

Alexandre Guimarães Soares

Ana Paula Vitali Janes Vescovi

André Juaçaba de Almeida

Carlos Aguiar Neto

Celso Mateus de Queiroz

Cezar Augusto Janikin

Claudia Chaves Sampaio

Claudenice Lopes Duarte

Daniel Mendonça Pareto

Eduardo Alvarez Garrido

Eduardo Luis Sasaki

Enrique Cesar Soares Fragata Lopes

Franco Luigi Fasoli

Geraldo José Rodrigues Alckmin Neto

Gustavo de Sousa Santos

Izabella Ferreira Costa Belisario

Jean Paulo Kambourakis

Leonardo Mendes Cabral

Luciana de Aguiar Barros

Marilize Ferrazza Santinoni

Paulo César Ferreira de Lima Alves

Paulo Fernando Alves Lima

Paulo Sérgio Duailibi

Rafael Abujamra Kappaz

Ramón Sanchez Santiago

Reginaldo Antonio Ribeiro

Ricardo Olivare de Magalhães

Richard Flavio Da Silva

Robson de Souza Rezende

Sandro Kohler Marcondes

Sandro Mazerino Sobral

Thomaz Antonio Licario Rocha

Vanessa Alessi Manzi

Vítor Ohtsuki

*Values expressed in thousands, except when indicated

Directors' statement on the Independent Auditors

Pursuant to the provisions of article 27, § 1, item VI, of the Brazilian Securities and Exchange Commission (CVM) Instruction No. 80, dated March 29, 2022, the members of the Executive Board of Banco Santander (Brasil) S.A. (Banco Santander) hereby declare that they have discussed, reviewed, and concurred with the Financial Statements of Banco Santander for the fiscal year ended on December 31, 2024. These Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS®) and include the Management Report, Consolidated Balance Sheet, Consolidated Statement of Income, Consolidated Statement of Comprehensive Income, Statement of Changes in Shareholders' Equity, Statement of Cash Flows, Statement of Value Added, and Notes to the Financial Statements, all of which have been prepared in accordance with the accounting standards adopted in Brazil, as per Law No. 6.404, dated December 14, 1976 (Brazilian Corporation Law), and the international financial reporting standards issued by the International Accounting Standards Board (IASB). The referenced Financial Statements and their accompanying documents have received an unqualified opinion from the Independent Auditors and have been recommended for approval by the Bank's Audit Committee to the Board of Directors, with a favorable opinion from the Bank's Fiscal Board.

Members of the Executive Board of Banco Santander as of December 31, 2024:

Executive Board

Chief Executive Officer

Mario Roberto Opice Leão

Vice President Executive Officer and Investor Relations Officer

Gustavo Alejo Viviani

Vice President Executive Officers

Alessandro Tomao

Carlos José da Costa André

Ede Ilson Viani

Franco Raul Rizza

Germanuela de Almeida de Abreu

Luis Guilherme Mattoso de Oliem Bittencourt

Gilberto Duarte de Abreu Filho

Maria Elene Lanciego Perez

Maria Teresa Mauricio da Rocha Pereira Leite

Renato Ejnisman

Officers without specific designation

Alessandro Chagas Farias

Alexandre Teixeira de Araujo

Alexandre Guimarães Soares

Ana Paula Vitali Janes Vescovi

André Juaçaba de Almeida

Carlos Aguiar Neto

Celso Mateus de Queiroz

Cezar Augusto Janikin

Claudia Chaves Sampaio

Claudenice Lopes Duarte

Daniel Mendonça Pareto

Eduardo Alvarez Garrido

Eduardo Luis Sasaki

Enrique Cesar Soares Fragata Lopes

Franco Luigi Fasoli

Geraldo José Rodrigues Alckmin Neto

Gustavo de Sousa Santos

Izabella Ferreira Costa Belisario

Jean Paulo Kambourakis

Leonardo Mendes Cabral

Luciana de Aguiar Barros

Marilize Ferrazza Santinoni

Paulo César Ferreira de Lima Alves

Paulo Fernando Alves Lima

Paulo Sérgio Duailibi

Rafael Abujamra Kappaz

Ramón Sanchez Santiago

Reginaldo Antonio Ribeiro

Ricardo Olivare de Magalhães

Richard Flavio Da Silva

Robson de Souza Rezende

Sandro Kohler Marcondes

Sandro Mazerino Sobral

Thomaz Antonio Licario Rocha

Vanessa Alessi Manzi

Vítor Ohtsuki

*Values expressed in thousands, except when indicated

Audit Committee Report

The Audit Committee of Banco Santander (Brasil) S.A. ("Santander"), lead institution of the Santander's Economic and Financial Conglomerate ("Conglomerate"), acts as single entity for all the institutions and companies' part of the Conglomerate, including those entities under the supervision of the Superintendence of Private Insurance - SUSEP. In compliance with the U.S. Securities and Exchange Commission, the Audit Committee acts as the Audit Committee of Santander in accordance with the provisions of the Sarbanes-Oxley Act.

According to its Charter, available on Santander's Investors Relations website (www.ri.santander.com.br), the Audit Committee, among its attributions, advises the Board of Directors on the oversight of the reliability of the financial statements, its compliance with the applicable rules and legislation, the effectiveness and independence of the work performed by the internal and independent auditors, as well as on the effectiveness of the internal control system and operational risk management. Besides that, the Audit Committee also recommends amendments and improvements on policies, practices and procedures identified in the course of its duties, whenever deemed necessary.

The Audit Committee is currently composed of five independent members, elected according to resolution approved at the meeting of the Board of Directors held on May 02, 2024. It acts through meetings with executives, auditors and specialists and conducts analyzes based on the reading of documents and information submitted to it, as well as taking initiatives in relation to other procedures deemed necessary. The Audit Committee's evaluations are primarily based on information received from Management, internal and independent auditors and the areas responsible for monitoring internal controls and operational risks.

The Committee's reports are regularly sent to the Board of Directors, through regular reports from the Committee coordinator at Board of Directors meetings.

Regarding its attributions, the Audit Committee performed the following activities:

Financial Statements

The Audit Committee reviewed the financial statements of Santander, confirming its adequacy, in compliance with Brazilian corporate law, accounting practices, the rules of the Brazilian Securities and Exchange Commission ("CVM") and the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and, as listed on the NYSE, issued by the SEC and Sarbanes-Oxley Act. In this regard, it acknowledged the results recorded in the second semester of 2024 of Santander, in IFRS standard.

The Audit Committee held meetings with the independent auditors and professionals responsible for the accounting and preparation of the financial statements, prior to their disclosure.

Internals Controls and Operational Risks Management

The Audit Committee received information and held meetings with the Executive Vice-Presidency of Risks - including attending meetings of the Risk and Compliance Committee, the Compliance Directorship, Internal Controls and the relevant professionals responsible for the management, implementation and dissemination of the Conglomerate's internal controls and risk management culture and infrastructure. It also verified cases dealt by the "Canal Aberto" (Whistleblowing channel) and by the Information Security and Anti-Fraud areas. Such verifications were conducted in accordance with current regulations.

Internal Audit

The Audit Committee met formally with the Chief Audit Officer and with other Internal Audit representatives on several occasions during the second semester of 2024, in addition to receiving the report of the work performed, the reports issued and their respective conclusions and recommendations, highlighting (i) the fulfillment of recommendations for improvements in areas which controls were considered "To be improved"; (ii) the results of the improvements applied to monitor and comply with the recommendations and their action plans for continuous progress; and (iii) meeting the demands of regulatory bodies. In several other occasions, Internal Audit professionals attended the meetings of the Audit Committee, providing expert information.

Independent Audit

Regarding the Independent Audit work performed by PricewaterhouseCoopers Auditores Independentes ("PwC"), the Audit Committee met formally on several occasions in the second half of 2024. At these meetings the following topics were highlighted: discussions involving the

**Values expressed in thousands, except when indicated*

financial statements for the second semester ended 2024, accounting practices, the main audit matters (“PAAs”) and eventual deficiencies and recommendations raised in the internal control report and detailed report on the revision of “Allowance for Loan Losses”. In addition, the Committee met with the Independent Auditor in executive sessions to discuss topics of interest, such as the Brazilian Tax Reform. The Audit Committee evaluated the proposals submitted by PwC for the performance of other services, in order to verify the absence of conflicts of interest or potential risk of loss of independence. The Committee also met with KPMG Auditores Independentes (“KPMG”), responsible for the audit of Banco RCI Brasil S.A., member of the Conglomerate.

Ombudsman

In accordance with the current regulation, specific works were carried out in the second semester of 2024, which were presented to the Audit Committee that discussed and evaluated them. In addition to reporting the work of 2024, the Committee also took note of the Ombudsman's half-yearly report, both from Santander and its affiliates, and from the companies' part of the Conglomerate that have their own Ombudsman for the semester ended December 31, 2024.

Regulatory Bodies

The Audit Committee monitors and acts on the results of the inspections and notes of regulatory and self-regulatory bodies and the respective measures adopted by management to comply with such notes, accompanies the new regulations and holds meetings with regulators, whenever requested. In the case of the Central Bank of Brazil, it holds regular meetings with the supervisors of the Banking Supervision Department - Desup and the Conduct Supervision Department - Decon.

Others Activities

Besides the activities described above, as part of the work inherent to its attributions, the Audit Committee met with senior management and several areas of the Conglomerate, furthering its analysis, with emphasis on the following topics: (i) monitoring of regulatory capital; (ii) monitoring inspections reports and notes from regulators, ongoing inspections and the correspondent action plans adopted to meet the requests; (iii) monitoring of cybersecurity themes; (iv) monitoring the Sustainability themes, amongst with Sustainability Committee; (v) monitoring of topics related to conduct, PLD/CFT, KYC policies and action plans for continuous improvements; (vi) monitoring of the activities of the customer relations department, its action plans and results; (vii) monitoring of tax, labor and civil litigation; (viii) review and approval of the Tax Credit Realization Technical Study; and (ix) monitoring of provisions and topics related to PCLD.

During the period, members of the Audit Committee also participated in training, lectures and programs on topics related to its activities, and on regulations of interest and impact to the Conglomerate.

Conclusion

Based on the work and assessments carried out, and considering the context and scope in which it carries out its activities, the Audit Committee concluded that the work carried out is appropriate and provides transparency and quality to the Financial Statements of Santander, for the semester ended on December 31, 2024, recommending its approval by the Board of Directors of Santander.

São Paulo, February 27, 2025.

Audit Committee

Pedro Augusto de Melo – Chairman
Maria Elena Cardoso Figueira – Financial Expert
René Luiz Grande
Andrea Maria Ramos Leonel
Luiz Carlos Nannini