



IRB-BRASIL RESSEGUROS S.A.
Publicly-Held Company
CNPJ No. 33.376.989/0001-91
NIRE No. 333.00309179

NOTICE TO SHAREHOLDERS

Notice about the resolution adopted by the Board of Directors on capital increase

APPENDIX 30-XXXII OF CVM RULING 480

The Board of Directors of IRB-Brasil Resseguros S.A. ("Company") approved on July 8, 2020 the increase in the Company's share capital of, at least, two billion and one hundred million Reais (R\$2,100,000,000.00) and, at most, two billion and three hundred Reais (R\$2,300,000,000.00), by means of issuance of common shares, registered, in book-entry form and without par value, for private subscription, within its authorized share capital limit ("Capital Increase").

For the purposes of this Notice, "Business Day(s)" shall mean any day other than Saturdays, Sundays or national holidays, or else those when banks are not open for business in the City of Rio de Janeiro, State of Rio de Janeiro.

1. The issuer shall disclose to the market the amount of the increase and the new share capital, as well as whether the increase will be made through: (i) conversion of debentures or other debt securities into shares; (ii) exercise of subscription rights or subscription warrants; (iii) capitalization of profits and reserves; or (iv) subscription of new shares.

(a) Increase amount:

The amount of the Capital Increase shall be, at least, two billion and one hundred million Reais (R\$2,100,000,000.00) ("Minimum Subscription") and, at most, two billion and three hundred Reais (R\$2,300,000,000.00).

(b) Subscription of new shares:

The Capital Increase shall be carried out by means of issuance, for private subscription, of new common shares, all of them being registered, book-entry and without par value ("Shares") corresponding to, at least, three hundred and three million, thirty thousand and three hundred and four (303,030,304) Shares ("Minimum Number of Shares") and, at most, three hundred and thirty-one million, eight hundred and ninety thousand and three hundred and thirty-one (331,890,331) Shares. The partial subscription followed by the partial ratification of the Capital Increase shall be admitted in case the subscription of the Minimum Number of Shares is verified, which corresponds to the Minimum Subscription

(c) New share capital:

Considering the issuance price of R\$6.93 per Share, which will be fully allocated to the Company's share capital, after the Capital Increase, the share capital of the Company, currently in the amount of one billion, nine hundred and fifty-three million and eighty thousand Reais (R\$1,953,080,000.00) divided into nine hundred and thirty-six million (936,000,000) common shares and one (1) preferred share of a special class of the Union's ownership, issued in accordance with article 8 of the

Company's Bylaws ("Golden Share"), shall be of, at least, four billion, fifty-three million and eighty thousand Reais (R\$4,053,080,000.00) divided into one billion, two hundred and thirty-nine million, thirty thousand and three hundred and four (1,239,030,304) shares and, at most, four billion, two hundred and fifty-three million and eighty thousand Reais (R\$4,253,080,000.00) divided into one billion, two hundred and sixty-seven million, eight hundred and ninety thousand, three hundred and thirty-one (1,267,890,331) shares and the Golden Share.

2. Explain, in detail, the reasons for the increase and its legal and economic consequences:

The proceeds arising from the Capital Increase will contribute to the Company's reframing to the criteria defined by SUSEP, for the purposes provided in the CNSP Resolution 321/2015, which provides the "coverage" of the Technical Provisions and the Additional Regulatory Liquidity Margin. In addition, this Capital Increase will strengthen the capital structure of the Company and increase its solvency, which will allow the implementation of other business strategies of the Company for the coming years.

Although the proposed Capital Increase provides for the total isonomy of conditions for all shareholders, we highlight that it may entail to a corporate dilution of the equity interest of the Company's current shareholders who opt not to exercise their preemptive right for the subscription of new Shares. The shareholder may opt to sell his rights at B3, instead of subscribing new shares.

With the exception of the above, the Company's management does not envisage any legal or economic consequences other than those normally expected in a capital increase by private subscription.

3. Copy of the fiscal council's opinion

The copy of the Fiscal Council's opinion is available on the website: <https://ri.irbre.com/corporate-governance/minutes/>. On this page, access "Minutes of the Fiscal Council Meeting of the day 07/07/2020". The copy of the Fiscal Council's opinion is attached to such minutes.

4. In the event of a capital increase by subscription of shares, the issuer must:

(i) describe the use of proceeds:

The proceeds arising from the Capital Increase will contribute to the Company's reframing to the criteria defined by SUSEP, for the purposes provided in the CNSP Resolution 321/2015, which provides the "coverage" of the Technical Provisions and the Additional Regulatory Liquidity Margin. In addition, this Capitalization will strengthen the capital structure of IRB and increase its solvency, which will allow the implementation of other business strategies of the Company for the coming years.

(ii) inform the number of shares of each type and class issued:

A minimum of three hundred and three million, thirty thousand and three hundred and four (303,030,304) Shares and a maximum of three hundred and thirty-one million, eight hundred and ninety thousand and three hundred and thirty-one (331,890,331) Shares will be issued, all of them common, registered and in book-entry form, pursuant to item 4 (xvii) below.

(iii) describe the rights, advantages and restrictions attributed to the shares to be issued:

The Shares to be issued shall be entitled to the same extent of the currently existing common shares, to all benefits, including dividends, interest on net equity and any capital remunerations that may be declared by the Company as of the date of approval, partial or not, of the Capital Increase.

(iv) inform whether related parties, as defined by the accounting rules that relate to this matter, will subscribe shares in the capital increase, indicating the respective amounts, when these amounts are already known:

Not applicable.

(v) inform the issuance price of the new shares:

The issuance price of the Shares shall be six Reais and ninety-three cents (R\$6.93) per Share.

(vi) inform the par value of the issued shares or, in the case of share without par value, the portion of the issuance price that will be allocated to the capital reserve:

Not applicable, as the shares issued by the Company shall have no par value and no portion of the issuance price shall be allocated to the capital reserve.

(vii) provide management's opinion on the capital increase effects, especially in relation to the dilution caused by the increase:

As explained on item 2, the management believes that the Capital Increase under the proposed terms and conditions, even if limited to the minimum amount, will contribute to the reframing of the current position, recently disclosed by the Company, regarding the insufficiency of resources guaranteeing the Technical Provisions and the Additional Regulatory Liquidity Margin.

To the extent that the Company's shareholders shall be entitled to the preemptive right, pursuant to article 171 of the Brazilian Corporation Law, under the exactly same conditions, there shall be no corporate dilution of the shareholders who subscribe the new Shares in the proportion of their respective equity interest in the Company's share capital.

Only shareholders who opt not to exercise their preemptive rights or to partially exercise it shall have their equity interest diluted.

In addition, the management understands that the price per Share was set out in such a way to avoid an unjustified economic dilution for the Company's current shareholders, pursuant to article 170, first paragraph, item III, of the Brazilian Corporation law, as provided on the next item.

(viii) inform the criteria for the issuance price calculation and justify, in details, the economic aspects that determined its choice:

The issuance price of the Shares was set out pursuant to article 170, first paragraph, item III, of the Brazilian Corporation Law, based on the Shares' volume weighted average price (VWAP) on the trading sessions of B3 S.A. – Brasil, Bolsa, Balcão (“B3”) held between April 13, 2020 (including) and July 8, 2020 (including), applying a negative goodwill of 30.4% (thirty and four tenths percent)

which is consistent with the current moment of the Brazilian capital market (including the influence of the COVID-19 pandemic), as well as with the situation in which the Company is inserted, evidenced by the proposal of allocation of the proceeds to be obtained with the Capital Increase.

The price was set by the Board of Directors based on the current moment of the Brazilian capital market (including the influence of the COVID-19 pandemic), as well as with the situation in which the Company is inserted, evidenced by the proposal of allocation of the proceeds to be obtained with the Capital Increase. The price selected represents approximately a 25.6% (twenty-five and six tenths percent) discount to the closing price of the Company's shares, on July 8, 2020, and a 30.4% (thirty and four tenths percent) discount to the 60 trading sessions VWAP.

(ix) if the issuance price was set out with goodwill or negative goodwill in relation to the market value, identify the reason for the premium or discount and explain how it was determined:

The negative goodwill in relation to the market value aims to encourage the subscription of Shares by the Company's shareholders (and preemptive rights' assignees), based on the current moment of the Brazilian capital market (including the influence of the COVID-19 pandemic), as well as with the situation in which the Company is inserted, evidenced by the proposal of allocation of the proceeds to be obtained with the Capital Increase.

(x) provide a copy of all reports and studies that supported the determination of the issuance price:

There was no issuance of a report to support the determination of the issuance price. The copy of the price analysis used to support to the determination of the issuance price is available on the website: <https://ri.irbre.com/en/>. On this page, click on "Investor Services"; click on "Download Center" and, then, select on "Price Analysis".

(xi) inform the closing price of each type and class of the issuer's shares in the markets where they are traded, identifying:

The Company's common shares (B3: IRBR3) began to be traded at B3 S.A. – Brasil, Bolsa, Balcão as of July 31, 2017, so that the information about the Company's common shares presented in the tables below consider the trading sessions occurred as of that date.

a) minimum, average and maximum closing price of each year, in the last three (3) years:

IRB (B3: IRBR3):

R\$	2017	2018	2019
Minimum	9.25	11.24	26.37
Simple average	10.56	17.91	33.21
Maximum	11.45	27.82	39.97

b) minimum, average and maximum closing price of each quarter, in the last two (2) years:

IRB (B3: IRBR3):

R\$	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20
Minimum	11.24	13.85	15.73	20.20	26.37	30.67	29.53	35.10	7.00	6.70
Simple average	12.94	15.81	19.15	23.89	29.30	32.59	33.49	37.38	29.88	9.76
Maximum	14.53	17.13	22.15	27.82	31.62	34.77	37.66	39.97	44.90	13.22

c) minimum, average and maximum closing price of each month, in the last six (6) months:

IRB (B3: IRBR3):

R\$	jan/20	feb/20	mar/20	apr/20	may/20	jun/20
Minimum	39.21	32.00	7.00	8.59	6.70	8.31
Simple average	42.17	36.19	12.44	10.34	7.89	10.99
Maximum	44.90	42.65	30.35	11.98	9.59	13.22

d) average closing price in the last ninety (90) days;

IRB (B3: IRBR3):

R\$	
Simple average	9.74

(xii) inform the issuance prices of shares in capital increases made in the last three (3) years:

The Company has not issued new shares in capital increases in the last three (3) years.

(xiii) present the potential dilution percentage resulting from the issuance:

The shareholders who do not subscribe any new Share during the period for the exercise of their preemptive rights shall have their equity interest in the Company diluted by at least 24.4570534733% and at most 26.1765803307%, depending on the number of new Shares to be effectively issued in the Capital Increase, considering, for purposes of this calculation, the Shares which are held in

treasury;

(xiv) inform the terms, conditions and form of subscription and payment of the issued shares:

(a) Exercise Term of the Preemptive Right:

The holders of Shares of the Company may exercise their preemptive rights to subscribe new shares, and may subscribe or assign such right for third parties to do so, from July 14, 2020 (including) to August 12, 2020 (including), in proportion to their status as shareholders in the Company's share capital at the closing of B3's trading session on July 13, 2020.

(b) Conditions and Form of Payment:

The Shares will be paid up in cash, in Brazilian currency, upon subscription, in accordance with the proper rules and procedures of Banco do Brasil S.A., bookkeeping agent of the shares issued by the Company ("Bookkeeping Agent"), and of the Central Securities Depository of B3 ("Central Securities Depository"). The same payment procedures will also be applied to Shares subscribed in the apportionment of unsubscribed shares.

(c) Subscription Procedure:

(1) The holders of subscription rights in custody at the Central Securities Depository who intend to exercise their preemptive rights have to do so through their custodian agents and in accordance with the rules provided by the Central Securities Depository itself.

(2) The holders of subscription rights in custody with the Bookkeeping Agent who intend to exercise their preemptive rights to subscribe new Shares have to contact, within the term for the exercise of the preemptive right, to one of the specialized agencies of the Bookkeeping Agent indicated in item I, sub item(s), of the Material Fact.

The preemptive right has to be exercised by signing the subscription form, according to the template to be made available by the Bookkeeping Agent, and the delivery of the documentation listed in item (e) below, which has to be presented by the shareholder (or preemptive rights' assignee) for the exercise of its preemptive right directly at the Bookkeeping Agent.

THE SIGNING OF THE SUBSCRIPTION FORM SHALL REPRESENT AN IRREVOCABLE AND IRREVERSIBLE INTENT MANIFESTATION TO PAY UP, UPON SUBSCRIPTION, THE SUBSCRIBED SHARES, SUBJECT TO THE CONDITIONS ESTABLISHED IN THE BULLETIN ITSELF.

(d) Assignment of Rights:

Subject to the applicable formalities, the preemptive right related to the subscription of Shares may be assigned by the Company's shareholders, pursuant to article 171, sixth paragraph, of the Brazilian Corporation Law. The shareholders of the Company who wish to negotiate their subscription's preemptive rights may do it within the term for the exercise of preemptive right provided in item (a) above, proceeding to allow in advance the assigned subscription rights to be exercised by the respective assignee within the said period, as set out below:

(1) The holders of Shares issued by the Company registered in the Bookkeeping Agents' register books may assign their respective preemptive rights by filling the proper assignments' form, available at any of the Bookkeeping Agents' specialized agencies indicated in item I, sub item(s), of the Material Fact.

(2) The shareholders whose Shares are in custody at the Central Securities Depository who wish to assign their subscription rights have to reach and instruct their custodian agents, in accordance with the rules provided by the Central Securities Depository itself.

(e) Documentation for the exercise or assignment of subscription rights:

The holders of subscription rights in custody at the Central Securities Depository who intend to exercise their preemptive right or assign such right have to consult their custodian agents regarding the necessary documentation. The holders of subscription rights in custody with the Bookkeeping Agent who intend to exercise their preemptive right or assign such right, directly through the Bookkeeping Agent, have to present the following documents:

(1) Natural Person: (a) identity document (RG or RNE); (b) supporting document of enrollment with the Individual Taxpayer Registry (CPF); and (c) proof of residence; and

(2) Legal Entity: (a) certified copy of the corporate documents that prove the signatory powers of the subscription form; (b) supporting document of enrollment with the National Registry of Legal Entities (CNPJ); and (c) certified copy of RG or RNE, CPF and proof of residence of the signatory(ies). In case of proxy representation, the public power of attorney with specific powers has to be presented, accompanied by the documents mentioned above, as applicable, of the grantor and the attorney. Investors residing abroad may be required to present other representation documents, pursuant to the applicable legislation.

(f) Credit and Beginning of the Subscribed Shares:

The subscribed Shares shall be issued and credited on behalf of the subscribers within three (3) Business Days counted as from the ratification of the capital increase by the Board of Directors. The beginning of the trading of the Shares shall occur after the ratification of the share capital increase by the Board of Directors.

(xv) inform whether the shareholders will have preemptive rights to subscribe the new shares issued and detail the terms and conditions to which this right is subject:

In accordance with the procedures established by the Bookkeeping Agent and the Central Securities Depository, the Company's shareholders will have the preemptive right to subscribe the newly issued Shares.

The shareholders shall have the preemptive right for the subscription of Shares in the proportion of 0.35938828 new common share for each one (1) share they hold on the closing of B3's trading session on July 13, 2020 ("Cut-off Date"). In percentage terms, the shareholders shall be able to subscribe the number of new shares which correspond 35.938828% of the number of shares that they hold at the closing of B3's trading session on the Cut-off Date

The fractions of shares resulting from the percentage calculation of the subscription right, as well as the right to subscribe the unsubscribed shares or the possible apportionment of shares, will be disregarded. Such fractions will be subsequently grouped into integral numbers of shares and will

be object of apportionment, and may be subscribed by those who have expressed their interest in the unsubscribed shares during the subscription period.

The Shares issued by the Company acquired as of July 14, 2020 (including) shall not be entitled to the preemptive right by the acquiring shareholder, being traded ex-subscription rights.

(xvi) inform the management's proposal for the treatment of any unsubscribed shares:

Treatment of Unsubscribed Shares:

The subscriber shall, upon subscription, request the reserve of any unsubscribed shares during the subscription period. In the case of apportionment of unsubscribed shares, the percentage for the exercise of the subscription right of unsubscribed shares has to be obtained by dividing the quantity of unsubscribed shares by the total number of shares subscribed by the subscribers who have expressed interest in the unsubscribed shares during the preemptive right period, multiplying the quotient obtained by 100.

First Apportionment of Unsubscribed Shares. After the end of the subscription period and provided there are any unsubscribed shares, even though the Minimum Number of Capital Increase Shares has been reached, the shareholders (or third parties who participated in the Capital Increase through the assignment of preemptive rights) that have expressed its intention to assign unsubscribed shares in the respective subscription form will be entitled to participate in the apportionment of unsubscribed shares during the period of 5 (five) business days from the disclosure of a notice to the market informing the number of the intended unsubscribed shares ("First Apportionment").

After this First Apportionment, once the Minimum Number of Capital Increase Shares has been reached, the Company's Board of Directors may, at its sole discretion, ratify the partial approval of the capital increase.

Second Apportionment of Unsubscribed Shares. Alternatively, after the First Apportionment, if there are still unsubscribed shares remaining unsubscribed, such procedure of apportioning of the remaining unsubscribed shares may, at the Company's sole discretion, be repeated one last time, with the opening of a new term of five (5) business days from the release of a notice to the market informing the number of unsubscribed shares not subscribed in the First Apportionment ("Second Apportionment"; and, together with the First Apportionment, "Apportionments of Unsubscribed Shares"), the participation in the Second Apportionment shall be permitted for any and all subscribers that express the intent, in the subscription form of the First Apportionment, to reserve the right to subscribed any unsubscribed shares in the Second Apportionment, to be apportioned among such subscribers proportionally to the shares subscribed in the preemptive right term and in the First Apportionment.

Additional Requests of Unsubscribed Shares. As of the second apportionment of unsubscribed shares (Second Apportionment), upon the subscription of the unsubscribed shares to which it is entitled in the Second Apportionment, the subscriber may also express its interest in subscribing an additional number of unsubscribed shares, subject to the availability of unsubscribed shares. Hence, the number of subscribed shares in the Second Apportionment can be higher than the number of unsubscribed shares the shareholder shall be entitled to, up to the limit of available unsubscribed shares. If the total number of shares of the requests for additional unsubscribed shares, exceeds the amount of unsubscribed shares available in the Second Apportionment, a proportional apportionment will be made among the subscribers that have requested to reserve additional unsubscribed shares.

In case the total number of shares subject to the additional requests of unsubscribed shares exceeds the amount of remaining unsubscribed shares in the Second Apportionment, a proportional apportionment will be carried out among the subscribers who have requested the reserve of additional unsubscribed shares. The percentage for the subscription right's exercise of unsubscribed shares in the Second Apportionment will be obtained by dividing the number of unsubscribed shares by the number of subscribed shares, in the preemptive right and in the First Apportionment, by the subscribers who have expressed interest in the unsubscribed shares, multiplying the quotient obtained by 100. In case the total number of shares subject to the additional requests of unsubscribed shares is equal to or less than the amount available of unsubscribed shares, the additional requests for unsubscribed shares will be fully met.

Subscription and payment procedures of unsubscribed shares. Considering the possibility of additional requests of unsubscribed shares after the Second Apportionment and the possible necessity to carry out an apportionment, the specific procedures and terms for the allocation and payment of the unsubscribed shares shall be detailed in a notice to the market to be conveniently disclosed by the Company, with the opening of a term of three (3) Business Days from the disclosure of the notice to the market informing the number of additional unsubscribed shares to be subscribed by those who have expressed interest.

Considering the possibility of ratification of a capital increase partially subscribed when the Minimum Subscription is reached, at the discretion of the Company, it may or may not be carried out, after the First Apportionment of Unsubscribed Shares, an auction of unsubscribed shares as provided in article 171, paragraph 7, "b", in fine, of the Corporation Law.

The subscription right of unsubscribed shares may be assigned independently and autonomously of the preemptive right for subscription on the capital increase.

(xvii) describe, in detail, the procedures that will be adopted in the event of a partial ratification of the capital increase:

Considering the possibility of partial subscription followed by partial ratification of the Capital Increase, the subscribers may, at the time of the exercise of their subscription rights, condition their investment decision:

(1) to the subscription of the maximum number of Shares object of the Capital Increase; or

(2) to the subscription of a certain minimum number of Shares object of the Capital Increase, provided that such amount is not less than the Minimum Number of Shares, indicating, in the latter case, whether they intend (a) to receive all subscribed Shares; or (b) to receive the number of Shares equivalent to the ratio between the number of Shares to be effectively issued and the maximum number of Shares of the capital increase.

If the option provided in item (2)(b) above is checked, the subscriber shall indicate upon subscription the following data, so that the Company can return the excess amount (which will be the total amount paid by the subscriber, reduced to the extent of the amount of Shares to be attributed to the subscriber according to the chosen option): (i) bank; (ii) agency number; (iii) current account number of his ownership; (iv) full name or corporate name; (v) CPF or CNPJ; (vi) complete address; and (vii) contact phone number.

In case of partial subscription of the capital increase, the subscriber who conditions his subscription to reaching a subscription level greater than the one effectively verified and ratified, shall receive until up to two (2) Business Days as from the ratification of the Capital Increase, the return of the

amounts paid up, without interest or monetary restatement, without refund and with tax deduction, if applicable.

The trading of subscription receipts from the subscribers who exercised the conditioned subscription to Shares (i.e., any option other than the full receipt of the subscribed shares, as described above) shall not be possible. Accordingly, the Company shall not be responsible for any loss arising from the trading of subscription receipts in such conditions, considering that they are subject to future and possible conditions.

To the extent it will be possible to condition the subscription of the Capital Increase, as mentioned above, no additional term will be granted to withdrawal the investment decision after the end of the round of unsubscribed shares, even if the Capital Increase has been partially subscribed.

(xviii) if the shares' issuance price can be, total or partially, paid up in assets: (a) present a complete description of the assets that will be accepted; (b) clarify the relationship between the assets and its corporate purpose; and (c) provide a copy of the appraisal report, if available.

Not applicable, considering that the shares' issuance price can not be paid up in assets.

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