

(Convenience Translation into English from  
the Original Previously Issued in Portuguese)

## **Banco Daycoval S.A.**

Individual and Consolidated  
Interim Financial Information for the  
Quarter Ended March 31, 2021 and  
Report on Review of Interim  
Financial Information

Deloitte Touche Tohmatsu Auditores Independentes

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## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and Management of  
Banco Daycoval S.A.

### **Introduction**

We have reviewed the accompanying individual and consolidated interim financial information of Banco Daycoval S.A. ("Bank"), included in the Interim Financial Information Form - ITR, for the quarter ended March 31, 2021, which comprises the balance sheet as at March 31, 2021 and the related statements of income, of comprehensive income, of changes in equity and of cash flows for the quarter then ended, including the explanatory notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank of Brazil - BACEN, as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities and Exchange Commission - CVM, applicable to the preparation of Interim Financial Information - ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

### **Scope of review**

We conducted our review in accordance with Brazilian and international standards on review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion on the individual and consolidated interim financial information**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the interim financial information referred to above was not prepared, in all material respects, in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by Central Bank of Brazil - BACEN, and presented in accordance with the standards issued by Brazilian Securities and Exchange Commission - CVM.

## Other matter

### *Statements of value added*

The interim financial information referred to above includes the individual and consolidated statements of value added - DVA for the quarter ended March 31, 2021, prepared under the responsibility of the Bank's Management, which the presentation in the interim financial information is required by the standards issued by the Brazilian Securities and Exchange Commission - CVM applicable to the preparation of Interim Financial Information - ITR. These statements were subject to review procedures performed together with the review of the Interim Financial Information - ITR to reach a conclusion on whether they were reconciled with the individual and consolidated interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria set out in technical pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not appropriately prepared, in all material respects, in relation to the interim financial information taken as a whole.

The accompanying individual and consolidated interim financial information has been translated into English for the convenience of readers outside Brazil.

São Paulo, May 6, 2021



DELOITTE TOUCHE TOHMATSU  
Auditores Independentes



Vanderlei Minoru Yamashita  
Engagement Partner

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<b>Number of shares (Units)</b>	<b>Current quarter 03/31/2021</b>
Common shares - Paid-in Capital	1,323,471,042
Preferred shares- Paid-in Capital	567,201,876
<b>Total - Paid-in Capital</b>	<b>1,890,672,918</b>
Common shares - Treasury Shares	0
Preferred shares- Treasury Shares	0
<b>Total - Treasury Shares</b>	<b>0</b>

**Individual Financial Statements / Balance Sheet - Asset**  
**(In thousands of Brazilian reais - R\$)**

Account Number	Account description	Current quarter 03/31/2021	Prior year 12/31/2020
1	Total Assets	52,342,199	49,552,860
1.01	Cash and cash equivalents	4,026,274	3,812,370
1.01.01	Cash	249,596	342,892
1.01.02	Interbank investments	3,776,678	3,469,478
1.01.02.01	Money market investments	3,480,544	3,286,298
1.01.02.02	Foreign currency investments	296,134	183,180
1.02	Financial assets	43,369,964	40,846,597
1.02.01	Restricted deposits - Central Bank of Brazil	174,594	217,672
1.02.02	Financial assets at fair value through profit or loss	1,643,814	1,325,617
1.02.02.01	Securities	124,514	136,907
1.02.02.02	Derivatives	1,519,300	1,188,710
1.02.03	Financial assets at fair value through other comprehensive income	6,305,334	5,146,031
1.02.03.01	Securities and derivatives	6,305,334	5,146,031
1.02.04	Financial assets at amortized cost	35,246,222	34,157,277
1.02.04.01	Interbank deposits	994,183	1,017,200
1.02.04.02	Money market investments	1,525,463	1,078,694
1.02.04.03	Securities and derivatives	17,354	15,685
1.02.04.04	Lending operations	31,183,570	31,212,251
1.02.04.05	Allowance for loan losses	-1,527,091	-1,515,720
1.02.04.08	Other financial assets	3,052,743	2,349,167
1.03	Tax assets	1,571,241	1,628,398
1.03.01	Current tax assets	38,632	193,975
1.03.02	Deferred tax assets	1,532,609	1,434,423
1.04	Other assets	1,856,775	1,770,778
1.04.01	Non current assets held for sale	103,732	100,249
1.04.03	Other	1,753,043	1,670,529
1.04.03.01	Debtors for escrow deposits	1,518,557	1,438,626
1.04.03.02	Other sundry credits	234,486	231,903
1.05	Investments	1,457,587	1,432,901
1.05.01	Equity domestic subsidiaries	1,452,651	1,428,965
1.05.05	Other investments	4,936	3,936
1.06	Permanent assets	60,358	61,816
1.06.01	Fixed assets	109,798	108,670
1.06.03	Accumulated Depreciation	-49,440	-46,854

**Individual Financial Statements / Balance Sheet - Liability**  
**(In thousands of Brazilian reais - R\$)**

Account Number	Account description	Current quarter 03/31/2021	Prior year 12/31/2020
2	Total Liabilities	52,342,199	49,552,860
2.01	Financial liabilities at fair value through profit or loss	2,749,281	5,614,932
2.01.01	Foreign issuance	2,632,606	2,405,406
2.01.02	Borrowings	0	3,151,462
2.01.03	Derivatives	116,675	58,064
2.02	Financial liabilities at amortized cost	39,150,857	34,067,224
2.02.01	Deposits	13,829,144	13,557,672
2.02.02	Money market funding	2,241,135	1,951,672
2.02.03	Interbank deposits	694,907	524,880
2.02.04	Other funding	22,385,671	18,033,000
2.02.04.01	Issuance of securities	16,823,386	16,055,053
2.02.04.02	Borrowings	4,946,419	1,352,440
2.02.04.03	Domestic onlendings	153,648	164,850
2.02.04.04	Subordinated debts	462,218	460,657
2.03	Provision	1,972,571	1,930,898
2.03.01	Provision of risks	1,928,283	1,886,117
2.03.02	Provision for financial guarantees provided	44,288	44,781
2.04	Tax liabilities	733,017	933,409
2.05	Other liabilities	2,880,814	2,580,524
2.05.01	Foreign exchange portfolio	2,326,543	1,718,030
2.05.02	Interbank accounts	139,793	227,702
2.05.03	Other payables	340,067	557,753
2.05.04	Deferred income	74,411	77,039
2.07	Equity	4,855,659	4,425,873
2.07.01	Paid-in Capital	3,557,260	3,557,260
2.07.03	Earnings capital	1,125	279
2.07.04	Earnings reserves	875,713	875,713
2.07.04.01	Legal	59,131	59,131
2.07.04.02	Bylaws	816,582	816,582
2.07.05	Retained earnings / accumulated losses	436,693	0
2.07.08	Other comprehensive income	-15,132	-7,379

**Individual Income Statements**  
(In thousands of Brazilian reais - R\$)

Account Number	Account description	Current quarter 01/01/2021 to 03/31/2021	Prior year 01/01/2020 to 03/31/2020
3.01	Income from Financial Intermediation	1,949,237	2,545,250
3.01.01	Lending Operations	1,186,184	1,105,676
3.01.02	Securities and derivatives	790,019	1,360,021
3.01.03	Interbank investments	20,391	37,515
3.01.04	Foreign Exchange Transactions	-48,173	41,019
3.01.05	Sale or Transfer of Financial Assets	816	1,019
3.02	Expenses on Financial Intermediation	-822,259	-1,545,105
3.02.01	Interbank and time deposits	-70,324	-78,418
3.02.02	Issuance of securities in Brazil and abroad	-339,784	-633,876
3.02.03	Loans and onlendings	-412,151	-832,811
3.03	Gross Profit From Financial Intermediation	1,126,978	1,000,145
3.04	Other Operating (Expenses) Income	-331,746	-373,647
3.04.01	Expenses allowance for loan losses	-100,091	-157,871
3.04.02	Income from Services Provided	56,787	58,954
3.04.03	Personnel Expenses	-118,581	-101,366
3.04.04	Other Administrative Expenses	-144,083	-150,853
3.04.05	Tax Expenses	-51,611	-47,310
3.04.06	Other Operating Income	4,203	13,694
3.04.07	Other Operating Expenses	-3,184	-24,518
3.04.08	Equity Income	24,814	35,623
3.05	Income Before Taxes on Income and Profit	795,232	626,498
3.06	Income tax and social contribution	-321,342	-202,148
3.06.01	Current	-315,041	-152,830
3.06.02	Deferred	-6,301	-49,318
3.07	Profit or loss from continuing operations	473,890	424,350
3.09	Profit or loss before interests and statutory contributions	473,890	424,350
3.10	Statutory Participations / Contributions	-37,197	-28,470
3.11	Profit/Loss for the period	436,693	395,880
3.99	Earnings per share - (R\$ / share)	0.23100	0.20940
3.99.01	Basic earnings per share	0.00000	0.00000
3.99.01.01	Common share	0.23100	0.20940
3.99.01.02	Preferred share	0.23100	0.20940
3.99.02	Diluted earnings per share	0.00000	0.00000
3.99.02.01	Common share	0.23100	0.20940
3.99.02.02	Preferred share	0.23100	0.20940

**Individual Statements of Comprehensive Income**  
**(In thousands of Brazilian reais - R\$)**

Account Number	Account description	Current quarter	Prior year
		01/01/2021 to 03/31/2021	01/01/2020 to 03/31/2020
4.01	Profit or loss for the period	436,693	395,880
4.02	Other Comprehensive Income	-7,753	-24,122
4.02.01	Amounts to be reclassified to profit or loss	-7,753	-24,122
4.02.01.01	Attributable to the parent	-8,491	-19,857
4.02.01.02	Attributable to subsidiaries	-3,083	-13,201
4.02.01.03	Deferred tax on valuation adjustments to equity - Attributable to the parent	3,821	8,936
4.04	Comprehensive Income for the Period	428,940	371,758

**Individual Statements of Cash Flows**

(In thousands of Brazilian reais - R\$)

Account Number	Account description	Current quarter	Prior year
		01/01/2021 to 03/31/2021	01/01/2020 to 03/31/2020
6.01	Cash from Operating Activities	730,126	-64,021
6.01.01	Net Cash Operating Activities	907,564	650,943
6.01.01.01	Profit or loss before income taxes	436,693	395,880
6.01.01.02	Profit or loss adjustments	470,871	255,063
6.01.02	Changes in assets and liabilities	-177,438	-714,964
6.01.02.01	(Increase) Decrease in interbank investments	23,017	-33,141
6.01.02.02	(Increase) Decrease in securities and derivatives	-1,449,039	-1,347,173
6.01.02.03	(Increase) Decrease in interbank and interbranch	-46,695	-40,527
6.01.02.04	(Increase) Decrease in lending operations	-687,334	-690,088
6.01.02.06	(Increase) Decrease in other receivables	-16,123	902,258
6.01.02.07	(Increase) Decrease in other assets	-2,533	-6,120
6.01.02.08	Increase (Decrease) in deposits	441,500	423,989
6.01.02.09	Increase (Decrease) in money market funding	-157,274	66,138
6.01.02.10	Increase (Decrease) in funds from exchange acceptances and issuance of securities	1,299,606	-594,944
6.01.02.11	Increase (Decrease) in borrowings and onlendings	443,452	112,982
6.01.02.12	Increase (Decrease) in other payables	410,315	862,276
6.01.02.13	Income tax and social contribution paid	-433,702	-366,682
6.01.02.14	Increase (Decrease) in deferred income	-2,628	-3,932
6.02	Net Cash Investing Activities	-1,277	-2,111
6.02.01	Disposal of property and equipment in use	-1,277	-2,111
6.03	Net Cash Financing Activities	-488,277	1,072,454
6.03.01	Increase (Decrease) in funds from exchange acceptances and issuance of securities	-304,073	929,254
6.03.02	Increase (Decrease) in borrowings and onlendings	-12,136	382,883
6.03.03	Increase (Decrease) in subordinated debts	1,561	1,958
6.03.04	Accrued interest on capital	-173,629	-241,641
6.04	Exchange Rate Changes on Cash and Cash Equivalents	-26,636	116,287
6.05	Increase (Decrease) in Cash and Cash Equivalents	213,936	1,122,609
6.05.01	Cash and Cash Equivalents Opening Balance	3,812,370	2,585,577
6.05.02	Cash and Cash Equivalents Closing Balance	4,026,306	3,708,186

**Individual Statements of Changes in Shareholders Equity - from - 01/01/2021 to 03/31/2021**  
(In thousands of Brazilian reais - R\$)

Account number	Account description	Capital	Capital Reserves	Earnings reserves	Valuation Adjustments to Equity	Retained earnings	Other comprehensive income	Equity
5.01	Opening Balance	3,557,260	279	875,713	0	0	-7,379	4,425,873
5.03	Adjusted opening balance	3,557,260	279	875,713	0	0	-7,379	4,425,873
5.05	Total comprehensive income	0	0	0	0	436,693	-7,753	428,940
5.05.01	Profit for the period	0	0	0	0	436,693	0	436,693
5.05.02	Other comprehensive income	0	0	0	0	0	-7,753	-7,753
5.05.02.01	Financial instruments adjustments	0	0	0	0	0	-7,753	-7,753
5.06	Equity internal changes	0	846	0	0	0	0	846
5.06.01	Constitution of capital reserves	0	846	0	0	0	0	846
5.07	Closing Balance	3,557,260	1,125	875,713	0	436,693	-15,132	4,855,659

**Individual Statements of Changes in Shareholders Equity - from - 01/01/2020 to 03/31/2020**  
(In thousands of Brazilian reais - R\$)

Account number	Account description	Capital	Capital Reserves	Earnings reserves	Valuation Adjustments to Equity	Retained earnings	Other comprehensive income	Equity
5.01	Opening Balance	2,253,595		1,142	1,427,789	0	0	12,633
5.03	Adjusted opening balance	2,253,595		1,142	1,427,789	0	0	12,633
5.04	Capital transactions with shareholders	1,303,665		-1,142	-1,427,789	0	-45,244	0
5.04.01	Capital increase	1,303,665		-1,142	-1,302,523	0	0	0
5.04.06	Dividends	0		0	-125,266	0	0	0
5.04.07	Interest on Capital	0		0	0	0	-45,244	0
5.05	Total comprehensive income	0		0	0	0	395,880	-24,122
5.05.01	Profit for the period	0		0	0	0	395,880	0
5.05.02	Other comprehensive income	0		0	0	0	0	-24,122
5.05.02.01	Financial instruments adjustments	0		0	0	0	0	-24,122
5.06	Equity internal changes	0		279	0	0	0	0
5.06.01	Constitution of capital reserves	0		279	0	0	0	0
5.07	Closing Balance	3,557,260		279	0	0	350,636	-11,489

**Individual Statements of Value Added**  
**(In thousands of Brazilian reais - R\$)**

Account Number	Account description	Current quarter 01/01/2021 to 03/31/2021	Prior year 01/01/2020 to 03/31/2020
7.01	Revenue	1,909,671	2,438,143
7.01.01	Income from Financial Intermediation	1,949,237	2,545,250
7.01.02	Revenue from Services	56,787	58,954
7.01.03	Allowance for Loan Losses	-100,091	-157,871
7.01.04	Other	3,738	-8,190
7.02	Expenses on Financial Intermediation	-822,259	-1,545,105
7.03	Inputs Purchased from Third Parties	-139,718	-146,852
7.03.01	Materials and Utilities	-19,720	-25,910
7.03.02	Outside Services	-119,998	-120,942
7.04	Gross Value Added	947,694	746,186
7.05	Retention	-2,720	-2,634
7.05.01	Depreciation and Amortization	-2,720	-2,634
7.06	Wealth Created	944,974	743,552
7.07	Wealth Received in Transfer	24,814	35,623
7.07.01	Equity Income	24,814	35,623
7.08	Total Wealth for Distribution	969,788	779,175
7.09	Distribution of Wealth	969,788	779,175
7.09.01	Employees	136,682	113,854
7.09.01.01	Salaries and Wages	114,362	66,942
7.09.01.02	Benefits	18,073	43,480
7.09.01.03	Severance Pay Fund (FGTS)	4,247	3,432
7.09.02	Taxes	392,049	265,439
7.09.02.01	Federal	387,632	261,267
7.09.02.02	State	578	450
7.09.02.03	Municipal	3,839	3,722
7.09.03	Lenders and Lessors	4,364	4,002
7.09.03.01	Rentals	4,364	4,002
7.09.04	Shareholders	436,693	395,880
7.09.04.01	Interest on Capital	0	45,244
7.09.04.03	Retained Income / Loss accumulated	436,693	350,636

### Recurring Net Income

**R\$ 330.0** million in **1Q21**

-0.5% in 3 months  
+ 18.8% in 12 months

### Net Income

**R\$ 436.7** million in **1Q21**

+ 82.4% in 3 months  
+ 10.3% in 12 months

### Shareholders' Equity

**R\$ 4,855.7** million

+ 9.7% in 3 months  
+ 24.6% in 12 months

### Profitability

**Recurring  
ROAE**

**28.3%** in **1Q21**

-1.4 p.p. in 3 months  
-0,7 p.p. in 12 months

**ROAE 37.5%** no **1Q21**

+16.0 p.p. in 3 months  
-3.9 p.p. in 12 months

### Regulatory Capital

**R\$ 5,306.6** million

+ 8.9 % in 3 months  
+ 31.3 % in 12 months

MAIN FIGURES (R\$ million unless otherwise stated)	1Q21	4Q20	Δ	1Q20	Δ
<b>RESULTS</b>					
Income from loans operations	1,229.8	1,155.4	6.4%	1,149.7	7.0%
Net Income	436.7	239.4	82.4%	395.9	10.3%
Recurring Net Income	330.0	331.5	-0.5%	277.7	18.8%
<b>FINANCIAL POSITION</b>					
Total Assets	51,995.6	49,159.8	5.8%	38,166.6	36.2%
Expanded Loan Portfolio <sup>(1)</sup>	37,133.9	36,629.3	1.4%	26,177.7	41.9%
- Companies	28,421.8	28,193.4	0.8%	17,778.5	59.9%
- Payroll Loans	7,476.4	7,223.3	3.5%	7,135.8	4.8%
- Auto Loans	1,162.6	1,144.3	1.6%	1,206.3	-3.6%
- Home Equity	73.1	68.3	7.0%	57.1	28.0%
Funding	39,002.5	37,080.8	5.2%	25,576.3	52.5%
- Total Deposits + LCI + LCM	17,046.4	16,217.3	5.1%	10,301.1	65.5%
- Local Bonds	14,223.5	13,789.4	3.1%	8,751.1	62.5%
- Foreign Borrowing and Onlending	5,100.0	4,668.7	9.2%	4,183.2	21.9%
- Foreign Issuances	2,632.6	2,405.4	9.4%	2,340.9	12.5%
Shareholders' Equity	4,855.7	4,425.9	9.7%	3,896.7	24.6%
Regulatory Capital	5,306.6	4,872.4	8.9%	4,042.8	31.3%
<b>CREDIT RATIOS</b>					
Final Balance LLP <sup>(1)</sup>	1,591.3	1,579.5	0.7%	1,413.5	12.6%
Nonperforming Loans Ratio (90 days overdue)	1.6%	1.7%	-0.1 p.p	1.6%	-
Final Balance LLP/Loan Portfolio (%)	4.3%	4.3%	0.0 p.p	5.4%	-1.1 p.p
Final Balance LLP / Overdue Loans more than 90 days past due	260.4%	260.0%	0.4 p.p	335.4%	-75.0 p.p
Final Balance Loan E-H/Loan Portfolio (%)	168.8%	172.3%	-3.3 p.p	167.9%	0.9 p.p
<b>HIGHLIGHTS</b>					
Net Interest Margin (NIM-AR) (% p.a.) <sup>(2)</sup>	10.0%	11.6%	-1.6 p.p	12.9%	-2.9 p.p
Recurring ROAE (%) <sup>(3)</sup>	28.3%	29.7%	-1.4 p.p	29.0%	-0.7 p.p
Recurring ROAA (%) <sup>(4)</sup>	2.7%	2.9%	-0.2 p.p	3.1%	-0.4 p.p
Return on Average Equity (ROAE) (% p.a.)	37.5%	21.5%	16.0 p.p	41.4%	-3.9 p.p
Return on Average Asset (ROAA) (% p.a.)	3.5%	2.1%	1.4 p.p	4.4%	-0.9 p.p
Efficiency Ratio (%)	22.5%	29.0%	-6.5 p.p	24.0%	-1.5 p.p
Recurring Efficiency Ratio (%)	25.6%	25.8%	-0.2 p.p	27.3%	-1.7 p.p
BIS Index III (%)	15.0%	14.5%	0.5 p.p	14.2%	0.8 p.p
Employees	2,719	2,564	6.0%	2,464	10.3%
Number of Branches (Companies)	46	46	-	45	2.2%

(1) Includes Avals and Sureties.

(2) Includes exchange-rate variance on liability transactions, for foreign trading and excludes matched operations—repurchase agreements—tri-party repos outstanding.

(3) Recurring ROAE = Recurring Net Income / Average Shareholders' Equity

(4) Recurring ROAA = Net Income / Average Assets

## 1Q21 Highlights

### Daycoval obtains funding of US\$ 400 million from the IFC and Bank syndicate

- In April 2021, the Bank raised US\$ 400 million from IFC, a World Bank member, and a syndicate of Banks, with a maturity of up to 3.5 years.
- US\$ 130 million was financed with IFC funds and the remainder, US\$ 270 million, by the group of banks.

Some of these resources will be used to stimulate credit to women entrepreneurs and small- and medium-size companies, especially in less favored regions of Brazil.



### Event | Economic and Investment Outlook for Brazil 2021

- The Bank held the second edition of the Economic and Investment Outlook for Brazil event.



- The online meeting brought together important authorities and representatives of the national economy, such as the presidents of the Central Bank, the BNDES and fund management professionals, to analyze the country's and the world's macroeconomic scenario, along with prospects for the financial market in 2021, factoring in the impacts of the Covid-19 pandemic.

### Daycoval is featured in the Guia Valor de Fundos de Investimento (Investment Funds Guide | Valor Econômico)

- Daycoval's Ibovespa Ativo FIA, a Daycoval Asset Management fund, was recognized by the Valor Econômico Funds Guide.

#### Ações índice

##### 10 mais rentáveis

Banrisul Índice FIA	Banrisul S.A. CVMC
BB Ações Alocação ETF FIA	BB Gestão de Recursos DTVM S.A.
Daycoval Ibovespa Ativo FIA	Daycoval A. M. Adm. de Recursos Ltda.
Itaú Ibovespa Ativo FIC FIA	Itaú Unibanco S.A.
Nest FIA	Nest International ADC De VM Ltda.
Oceana Valor FIC FIA	Oceana Investimentos ADCVM Ltda.
Plural Estratégia FIC FIA	Plural Investimentos GDR Ltda.
Schroder IBX Plus FIC FIA	Schroder Investment Management Brasil Ltda.
Schroder Scredi Ibovespa FIA	Schroder Investment Management Brasil Ltda.
Sharp Ibovespa Ativo Feeder FIC FIA	Sharp Capital Gestora de Recursos Ltda.

- The selection of companies takes into account quantitative and qualitative criteria, especially the ESG criteria.

## Profitability

### Recurring Figures

#### ROAE in 1Q21 (%)

-1.4 p.p in 3 months

-0.7 p.p in 12 months



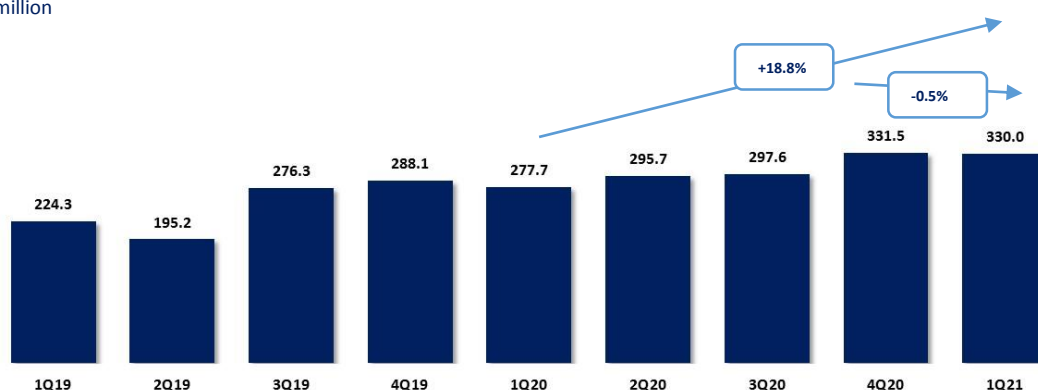
#### ROAA in 1Q21 (%)

-0.2 p.p in 3 months

-0.4 p.p. in 12 months

### Recurring Net Income

R\$ million



Recurring Key Figures (R\$ million)	1Q21	4Q20	Δ	1Q20	Δ
<b>Accounting Net Income</b>	<b>436.7</b>	<b>239.4</b>	<b>82.4%</b>	<b>395.9</b>	<b>10.3%</b>
(-) Hedge/ MTM R\$ - Foreign Issues and Credit Operations	81.5	(70.3)	n.a.	73.6	10.7%
(-) Exchange Variation - Equivalence - foreign investments	25.2	(21.8)	n.a.	44.6	-43.5%
<b>Recurring Net Income</b>	<b>330.0</b>	<b>331.5</b>	<b>-0.5%</b>	<b>277.7</b>	<b>18.8%</b>
<b>Adjusted ROAE (%)</b>	<b>28.3%</b>	<b>29.7%</b>	<b>-1.4 p.p</b>	<b>29.0%</b>	<b>-0.7 p.p</b>
<b>Adjusted ROAA (%)</b>	<b>2.7%</b>	<b>2.9%</b>	<b>-0.2 p.p</b>	<b>3.1%</b>	<b>-0.4 p.p</b>
<b>Adjusted Efficiency Ratio (%)</b>	<b>25.6%</b>	<b>25.8%</b>	<b>-0.2 p.p</b>	<b>27.3%</b>	<b>-1.7 p.p</b>

In 1Q21 **Recurring Net Income** reached R\$ 330.0 million, stable compared to 4Q20 and growth of 18.8% over 1Q20. This result reflects the reduction in the allowance for loan losses in 1Q21, the growth in the loan portfolio and the maintenance of margins.

According to the table above, in the accounting Net Income for 1Q21 was positive impact of the mark-to-market of the hedge on external funding and credit operations of R\$ 81.5 million and a positive exchange variation of R\$ 25.2 million in investments in subsidiaries abroad, resulting from the appreciation of the dollar against the real over the period.

We do not perform mark-to-market foreign funding that is not subject to hedge accounting. However, we perform it on their respective hedges, and therefore we consider this mark-to-market as non-recurring.



## Net Income of R\$ 436.7 million in 1<sup>st</sup> quarter of 2021.

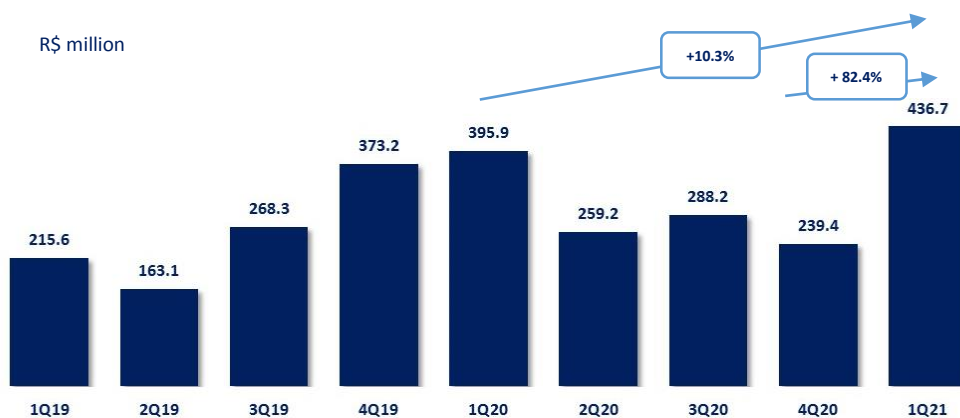
**ROAE in 1Q21 (%)**  
**+ 16.0 p.p in 3 months**  
**- 3.9 p.p in 12 months**

**ROAA in 1Q21 (%)**  
**+ 1.4 p.p. in 3 months**  
**-0.9 p.p. in 12 months**



## Net Income

R\$ million



### Accounting Key Figures (R\$ million)

	1Q21	4Q20	Δ	1Q20	Δ
Net Income (A)	436.7	239.4	82.4%	395.9	10.3%
Average Shareholders' Equity (B)	4,663.5	4,462.4	4.5%	3,828.2	21.8%
Average Assets (C)	49,645.3	45,793.1	8.4%	35,836.5	38.5%
Return on Average Equity (ROAE) (% p.a) (A/B)	37.5%	21.5%	16.0 p.p	41.4%	-3.9 p.p
Return on Average Asset (ROAA) (% p.a.) (A/C)	3.5%	2.1%	1.4 p.p	4.4%	-0.9 p.p

**Net Income** reached R\$ 436.7 million, an increase of 82.4% in three months and 10.3% over 1Q20. Profitability on average equity (ROAE) was 37.5% in the quarter, 16.0 p.p. above 4Q20.

This quarter we had a positive impact of the mark-to-market of the hedge on external funding and credit operations of R\$ 81.5 million and a positive exchange variation of R\$ 25.2 million in investments in subsidiaries abroad, resulting from the appreciation of the dollar against the real over the period.

## Adjusted and Recurring Net Interest Margin (NIM-AR)

**NIM - AR of 10.0% in 1Q21**

**- 1.6 p.p in 3 months**

**- 2,9 p.p. in 12 months**



Recurring Adjusted Net Interest Margin (NIM-AR) (R\$ million)	1Q21	4Q20	Δ	1Q20	Δ
Income from Financial Intermediation Reported	1,173.6	957.7	22.5%	1,038.7	13.0%
Hedge/MTM - Foreign Issues and Credit Operations	148.2	(127.8)	n.a	133.8	10.8%
<b>Adjusted Income from Financial Intermediation (A)</b>	<b>1,025.4</b>	<b>1,085.5</b>	<b>-5.5%</b>	<b>904.9</b>	<b>13.3%</b>
Average Remunerated Assets	43,800.6	40,618.4	7.8%	32,077.1	36.5%
(-) Expenses of financial intermediation add back provisions	(1,420.4)	(1,519.7)	-6.5%	(2,713.6)	-47.7%
<b>Average Remunerated Assets (B)</b>	<b>42,380.2</b>	<b>39,098.7</b>	<b>8.4%</b>	<b>29,363.5</b>	<b>44.3%</b>
<b>Recurring Adjusted Net Interest Margin (NIM-AR) (%YoY) (A/B)</b>	<b>10.0%</b>	<b>11.6%</b>	<b>-1.6 p.p</b>	<b>12.9%</b>	<b>-2.9 p.p</b>

## Net Interest Margin (NIM)

Net Interest Margin (NIM) (R\$ million)	1Q21	4Q20	Δ	1Q20	Δ
Gross Income from Financial Intermediation	1,173.6	957.7	22.5%	1,038.7	13.0%
<b>Income from Financial Intermediation adjusted (A)</b>	<b>1,173.6</b>	<b>957.7</b>	<b>22.5%</b>	<b>1,038.7</b>	<b>13.0%</b>
<b>Average Remunerated Assets (B)</b>	<b>43,800.6</b>	<b>40,618.4</b>	<b>7.8%</b>	<b>32,077.1</b>	<b>36.5%</b>
Interbank Investments	4,986.0	4,245.5	17.4%	5,988.8	-16.7%
Securities and derivative financial instruments	7,829.4	6,558.9	19.4%	2,745.0	n.a
Lending Operation (does not include assignments)	31,907.6	30,464.0	4.7%	23,348.8	36.7%
Trade Finance	(922.4)	(650.0)	41.9%	5.5	n.a
<b>Net Interest Margin (NIM) (% p.a.) (A/B)</b>	<b>11.2%</b>	<b>9.8%</b>	<b>1.4 p.p</b>	<b>13.6%</b>	<b>-2.4 p.p</b>

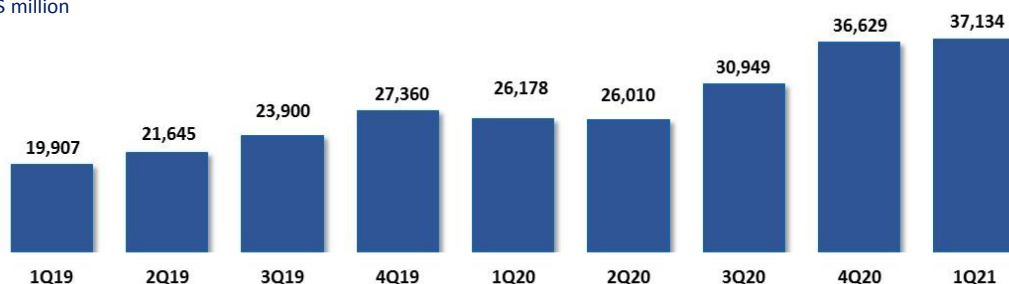
## Expanded Loan Portfolio

### Loan Portfolio Breakdown

1<sup>st</sup> quarter of 2021

R\$ million

<b>Companies</b>	<b>76.5%</b>
<b>Payroll Loans</b>	<b>20.2%</b>
<b>Auto Loans</b>	<b>3.1%</b>
<b>Others</b>	<b>0.2%</b>



Expanded Loan Portfolio (R\$ million)	1Q21	4Q20	Δ	1Q20	Δ
<b>Total Companies</b>	<b>28,421.8</b>	<b>28,193.4</b>	<b>0.8%</b>	<b>17,778.5</b>	<b>59.9%</b>
Working Capital	6,710.8	7,043.1	-4.7%	6,455.0	4.0%
FGI PEAC	8,112.5	8,229.7	-1.4%	-	n.a
Receivables Purchase	4,904.7	5,524.4	-11.2%	3,920.4	25.1%
Guaranteed Account	1,588.8	1,416.5	12.2%	1,689.5	-6.0%
Leasing	1,420.5	1,421.1	0.0%	1,252.2	13.4%
Trade Finance	1,757.6	996.0	76.5%	1,546.5	13.7%
BNDES	154.7	165.4	-6.5%	197.2	-21.6%
Avals and Sureties	3,772.2	3,397.2	11.0%	2,717.7	38.8%
<b>Total Payroll Loans</b>	<b>7,476.4</b>	<b>7,223.3</b>	<b>3.5%</b>	<b>7,135.8</b>	<b>4.8%</b>
Payroll Loans	6,929.6	6,682.0	3.7%	6,600.9	5.0%
Payroll Card	546.8	541.3	1.0%	534.9	2.2%
<b>Total Auto Loans/Other</b>	<b>1,162.6</b>	<b>1,144.3</b>	<b>1.6%</b>	<b>1,206.3</b>	<b>-3.6%</b>
<b>Total Home Equity</b>	<b>73.1</b>	<b>68.3</b>	<b>7.0%</b>	<b>57.1</b>	<b>28.0%</b>
<b>Total Expanded Loan Portfolio</b>	<b>37,133.9</b>	<b>36,629.3</b>	<b>1.4%</b>	<b>26,177.7</b>	<b>41.9%</b>

The credit portfolio reached R\$ 37.1 billion, a growth of 1.4% in the quarter and 41.9% in the last 12 months. The credit segment companies ended with R\$ 28.4 billion, stable compared to 4Q20 and an increase of 59.9% compared to the same period of the previous year. Credit to individuals totaled R\$ 8.7 billion in 1Q21, 3.2% growth in the quarter and a 3.6% increase over 12 months.

The FGI PEAC program, which started in July 2020. This line was designed primarily to support **small and medium-sized enterprises (SMEs)** in obtaining credit, helping them through the economic crisis resulting from the Covid-19 pandemic, closed on December 31, 2020.

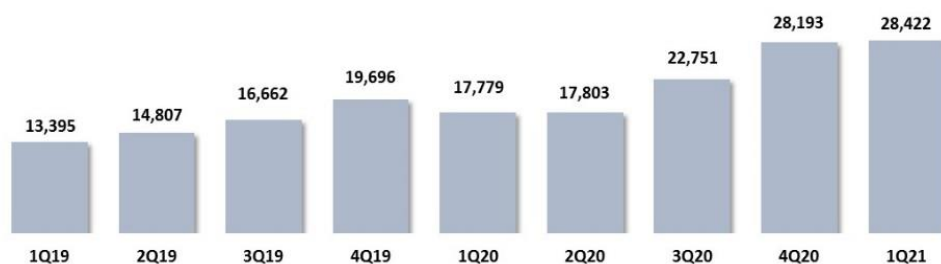
It should be clarified that Law No. 14.042/20 also allowed that up to 10% of the funds made available by the Federal Government in the FGI PEAC program be used to support companies with revenues of over R\$ 300 million, provided that they are active in the sectors of the economy most impacted by the pandemic and have committed to maintaining jobs for two months from the date of contracting the operation.

## Companies Portfolio

R\$ million

**R\$ 28.4 billion**

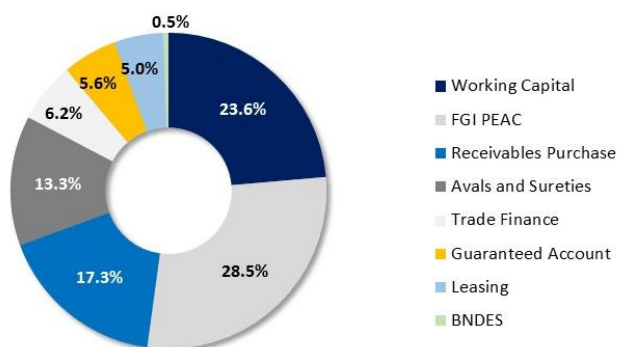
**+ 0.8% in 3 months**  
**+ 59.9% in 12 months**



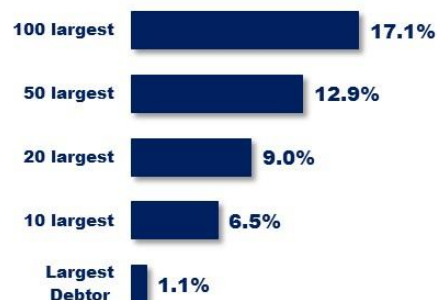
Credit to Companies Breakdown (R\$ million)	1Q21	4Q20	Δ	1Q20	Δ
Working Capital	6,710.8	7,043.1	-4.7%	6,454.9	4.0%
FGI PEAC	8,112.5	8,229.7	-1.4%	-	n.a
Receivables Purchase	4,904.7	5,524.4	-11.2%	3,920.4	25.1%
Guaranteed Account	1,588.8	1,416.5	12.2%	1,689.5	-6.0%
Leasing	1,420.5	1,421.1	0.0%	1,252.2	13.4%
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Avals and Sureties	3,772.2	3,397.2	11.0%	2,717.7	38.8%
<b>Total Companies</b>	<b>28,421.8</b>	<b>28,193.4</b>	<b>0.8%</b>	<b>17,778.5</b>	<b>59.9%</b>

This credit concentration has remained at the same level for the past five years.

### Breakdown by Product (%)



### Credit Concentration (%)



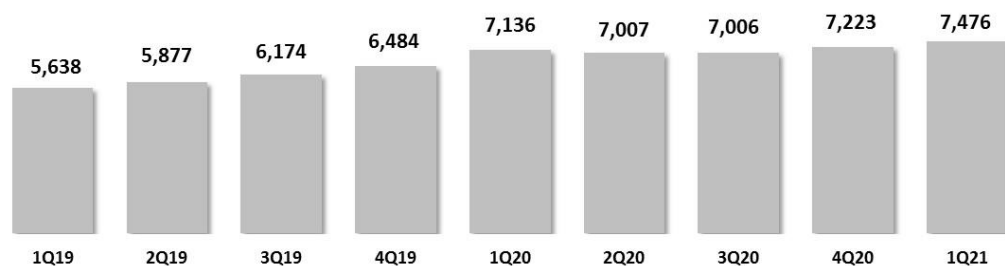
## Payroll Loans

**R\$ 7.5 billion in 1Q21**

**+ 3.5% in 3 months**

**+ 4.8% in 12 months**

R\$ million

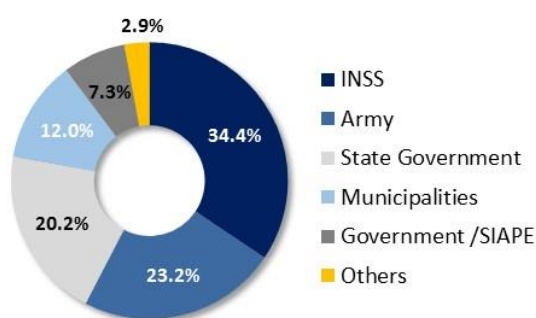


Payroll Loans ended 1Q21 with a balance of R\$ 7.5 billion, growth of 3.5% in the quarter and an increase of 4.8% versus March 2020. The payroll card portfolio totaled R\$ 546.8 million in 1Q21, up 1.0% compared to 4Q20.

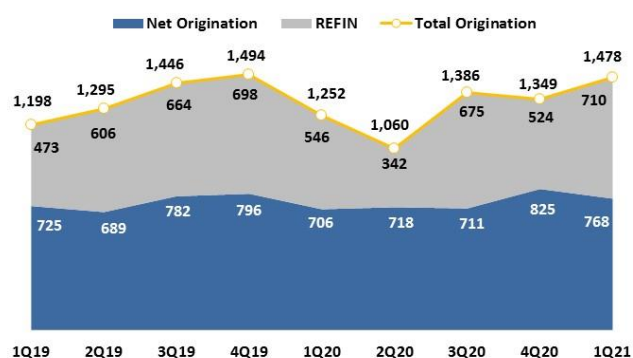
In this quarter, we originated R\$ 1.5 billion, 52% of which represented net origination and 48% from REFIN.

The Payroll Loan|APP makes it possible to simulate and contract loans and financing lines, conduct refinancing, monitor proposals and update client registration information. In 1Q21, R\$ 420.2 million originated through this channel.

### Payroll Breakdown (%)



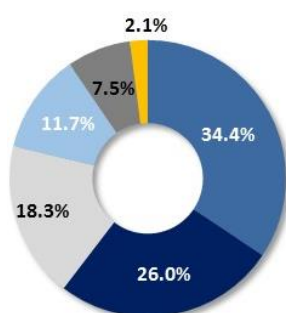
### Portfolio Origination



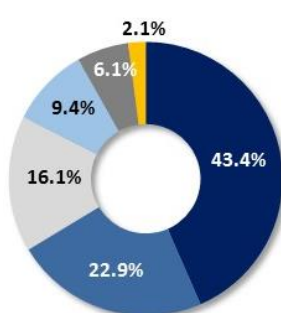
In the following charts, we present the Refinancing details, where the client (public servant/INSS retiree) settles the primary loan balance with the Bank and is given a new loan. The Bank adopted this strategy to focus more on the product's margin.

### Breakdown Payroll

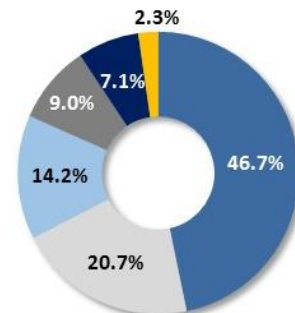
#### Total Origination



#### Net Origination

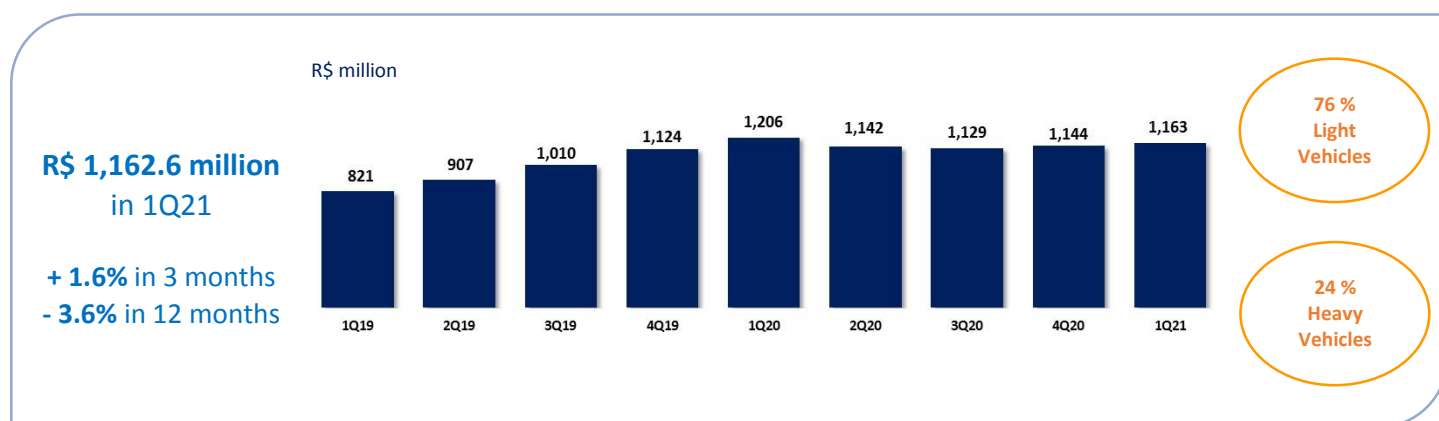


#### Refinancing Origination



■ INSS ■ Army ■ State Government ■ Municipalities ■ Government/SIAPE ■ Others

## Auto Loans



This segment ended 1Q21 with a balance of R\$ 1.2 billion, an increase of 1.6% compared to 4Q20 and a 3.6% reduction compared to 1T20. Light vehicles continue to represent the largest share in the portfolio in relation to heavy vehicles, at 76% of the portfolio in 1Q21. Our performance continues to be supported by the + companies platform, which delivers the best client journey experience.

We are gradually returning to origination. In 1Q21, R\$ 149.7 million was originated.

## Total Origination



## CGI – Home Equity

**R\$ 73.1 million**  
in 1Q21

+ 7.0 % in 3 months  
+ 28.0 % in 12 months

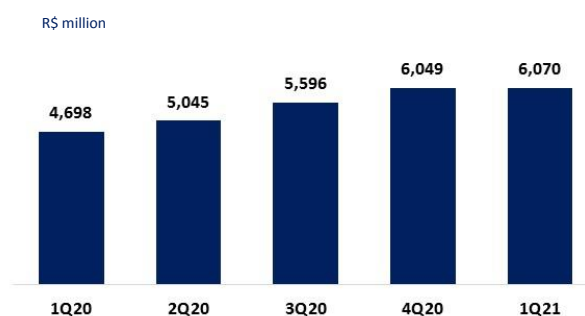
**Advantages**

- ✓ Credit limit from R\$ 50,000 to R\$ 1 million;
- ✓ Credit equivalent to up to 60% of the property;
- ✓ Up to 180 months to pay;

**Guarantees**

- ✓ Have own property built;
- ✓ Property in the name of the borrower;
- ✓ Property with value over R\$ 100,000;
- ✓ Income for credit approval comprised of up to 4 people;
- ✓ Legalized documentation.

- ✓ **R\$ 6.1 billion of Assets Under Management**
- ✓ **66 Funds**
- ✓ **More than 35 thousand investors**



Daycoval Asset Management serves clients seeking sophisticated solutions aligned with their investment profile. It accomplishes this through various types of investment funds and differentiated products and services, such as portfolio management. In 1Q21, it ended with total assets under management of R\$ 6,070.0 million.

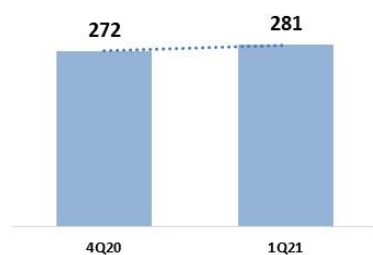
Currently, Daycoval Asset manages and administers 66 funds, including: 32 Multimarket Funds, 14 Fixed Income Funds, 6 Equity Funds, 6 Multi-strategy FIPs, 7 FIDCs, 1 Real Estate Fund and 1 Managed Portfolio.

Daycoval Asset Management is comprised of a specialized team of 18 employees, including traders, managers, back office and commercial area, with deep market knowledge.

## Custodial, Management and Administration Services

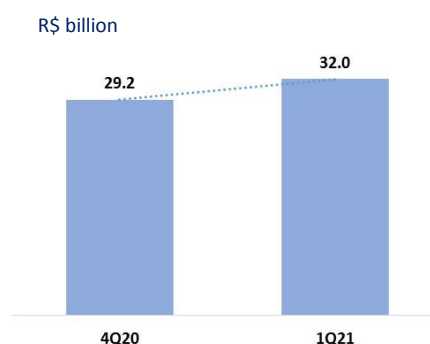
The focus on the Capital Market services segment was expanded, with a new team focused on the Custodial and Administration segments. In 1Q21, assets under management, administration, controllership and custody (including through Daycoval Asset) reached R\$ 32.0 billion.

### Number of Funds\*

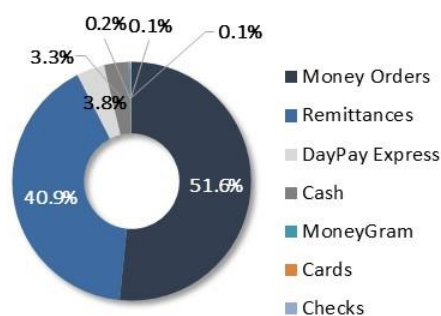


\*Includes Investment Clubs and Managed Portfolio.

### Amount of Custodial, Management and Administration Services



### Product Mix (%)

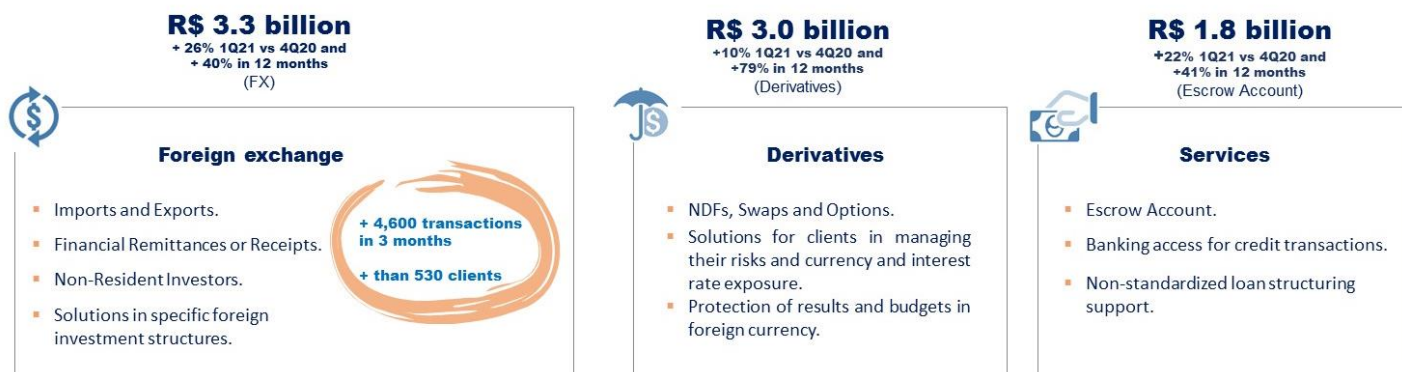


- ✓ + R\$ 3.0 billion traded in 1Q21 versus R\$ 3.1 billion traded in 4Q20;
- ✓ + 0.8 million operations in 1Q21 and in 4Q20;
- ✓ 172 Service Points;
- ✓ Remittance operations leveraged volumes traded and quantity of operations. The volume of other products was reduced due to the Pandemic Covid-19.
- ✓ New DayPay Express Product – Sending money with Daypay and receiving it at a Western Union location.

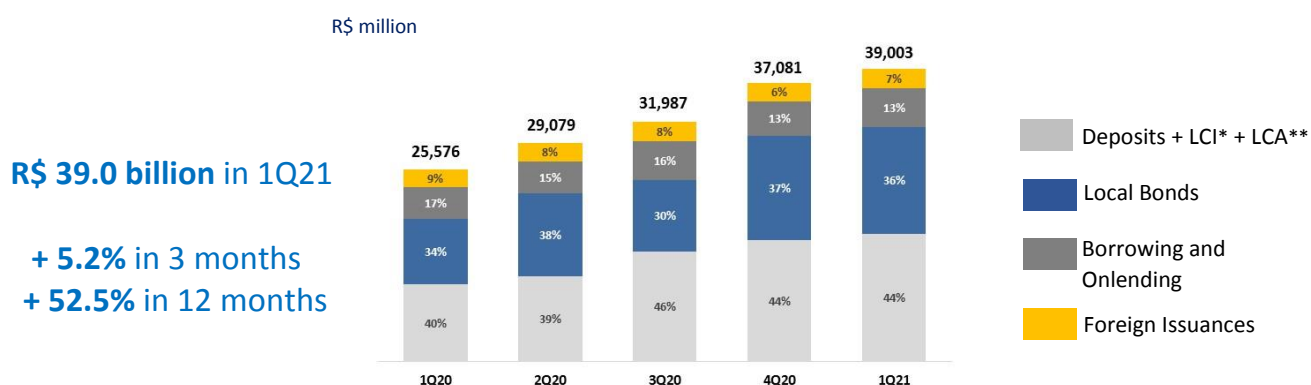
## Treasury Products and Services for Companies

As a result of the experience and knowledge acquired over more than 50 years of credit conservatism and innovation in products and businesses, we offer our clients Treasury solutions for the management of market exposures and risks inherent to their activities. In addition, regarding our services, clients can count on the solidity and security of a judicious and disciplined Bank for the formalization of contracts and control of guarantees.

### Volume traded in 1Q21 by modality



## Funding



\*LCI = Real Estate Letters of Credit, \*\* LCA = Agribusiness Letters of Credit

Total Funding (R\$ mn)	1Q21	4Q20	Δ	1Q20	Δ
<b>Total Deposits</b>	<b>17,046.4</b>	<b>16,217.3</b>	<b>5.1%</b>	<b>10,301.1</b>	<b>65.5%</b>
Deposits	14,473.2	14,027.6	3.2%	8,751.5	65.4%
Letters of Credit (LCI* + LCA**)	2,573.2	2,189.7	17.5%	1,549.6	66.1%
<b>Local Bonds (Letras Financeiras)</b>	<b>14,223.5</b>	<b>13,789.4</b>	<b>3.1%</b>	<b>8,751.1</b>	<b>62.5%</b>
Private Offerings	7,276.1	6,069.1	19.9%	6,051.3	20.2%
Public Offerings	1,797.9	2,329.2	-22.8%	2,489.5	-27.8%
Guaranteed Financial Bills	4,687.3	4,930.4	-4.9%	-	n.a.
Subordinated + Perpetual Local Bonds	462.2	460.7	0.3%	210.3	119.8%
<b>Foreign Borrowing and Onlending</b>	<b>5,100.0</b>	<b>4,668.7</b>	<b>9.2%</b>	<b>4,183.2</b>	<b>21.9%</b>
Foreign borrowings	4,946.4	4,503.9	9.8%	3,987.6	24.0%
Domestic onlendings	153.6	164.8	-6.8%	195.6	-21.5%
<b>Foreign Issuances</b>	<b>2,632.6</b>	<b>2,405.4</b>	<b>9.4%</b>	<b>2,340.9</b>	<b>12.5%</b>
<b>Total</b>	<b>39,002.5</b>	<b>37,080.8</b>	<b>5.2%</b>	<b>25,576.3</b>	<b>52.5%</b>

\*LCI = Real Estate Letters of Credit, \*\* LCA = Agribusiness Letters of Credit

Funding totaled R\$39.0 billion on March 31, 2021, an increase of 5.2% compared to last quarter and 52.5% compared to the previous year, with growth in practically all lines, reflecting the movement observed over the period of migration of investor resources to more stable instruments.

Funding for Financial Bills reached a balance of R\$ 14.2 billion in 1Q21, an increase of 3.1% over 4Q20 and growth of 62.5% in the last 12 months.

We ended the quarter with free cash of R\$ 9.4 billion.

The institution remained focused on the balance of funds raised, either through lengthening operations or the solid expansion of its customer base, comprised of both individuals and legal entities, in line with the expected evolution of the loan portfolio, always seeking to match assets and liabilities and achieve cost efficiencies.

In April 2021, Daycoval obtained a loan of US\$ 400.0 million, granted by IFC and syndicate of Banks, to offer working capital financing lines to small and medium-sized companies, including women-owned companies and to less favored regions of Brazil.

Below is more information about the operation.

## Issuances in 2021

**Banco Daycoval obtained US\$ 400 million in funding from the IFC and a syndicate of Banks**

**US\$ 400 million**

Funding from the **IFC**, a member of the World Bank, with maturity in up to 3.5 years.  
**US\$ 130 million** was financed using IFC funds and the remaining **US\$ 270 million** by the group of banks shown below:



Part of these funds will be used to stimulate the credit of women-owned companies and small- and medium-sized companies, mainly in less privileged regions of Brazil.

# Asset and Liability Management



**Positive Gap of 115 days**

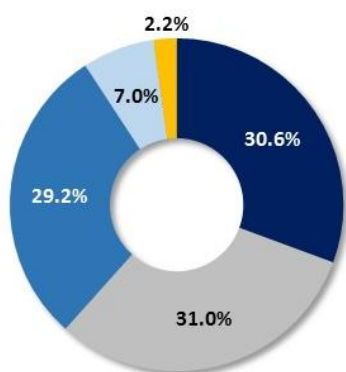
Loan Portfolio by Segment	Average term to Maturity <sup>(1)</sup> days	Funding	Average term to Maturity <sup>(1)</sup> days
Companies	195	Total Deposits	122
FGI PEAC	547	Interbank Deposits	238
Trade Finance	98	Local Bonds (letras financeiras)	521
Payroll Loans	562	LCA (Letter of Credit Agribusiness)	325
Auto Loans	464	LCM (Letter Home Mortgage)	227
Leasing	544	DPGE (Guaranteed Time-Deposit Asset)	455
BNDES	478	Bonds	1.238
		Borrowing and Onlending	340
		BNDES	488
<b>Total Loan Portfolio</b>	<b>395</b>	<b>Total Funding</b>	<b>510</b>

(1) From March, 2021

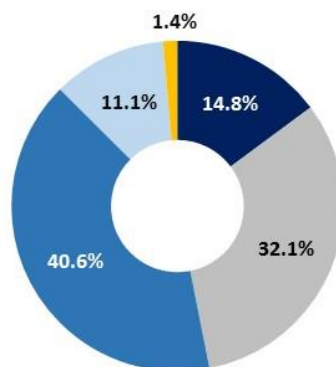
(1) From March, 2021

## Maturity Of Operations

**Loan Portfolio**



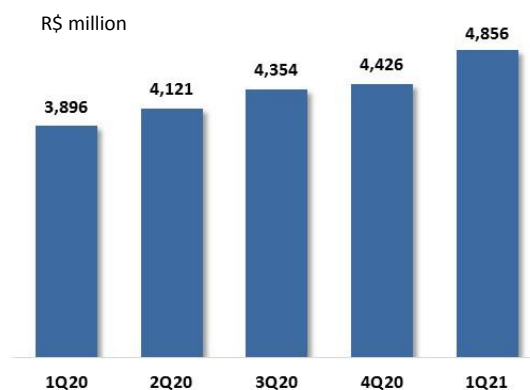
**Funding**



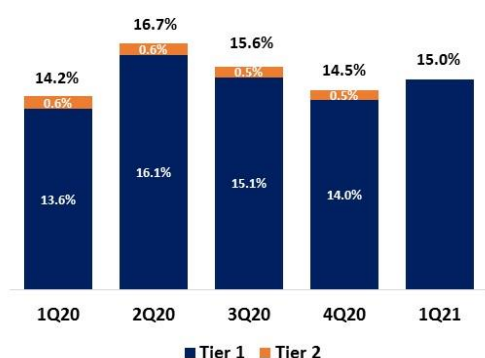
Up to 3 months
  3-12 months
  1-3 years
  3-5 years
  Over 5 years

## Shareholders' Equity

Shareholders' equity totaled R\$ 4.9 billion in 1Q21, an increase of 9.7% compared to 4Q20.



## Basel Index III

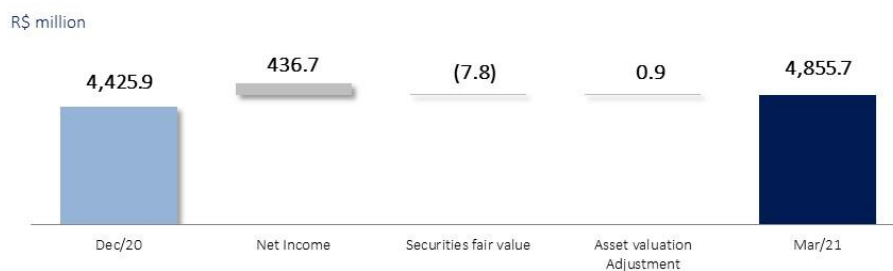


The Basel Accord requires banks to maintain a minimum percentage of equity weighted by the risk incurred in their operations. In Brazil, the Central Bank instructs banks operating in Brazil to comply with a minimum percentage of 8.0% of risk-weighted assets, plus 1.25% of Additional principal capital ("ACP"), calculated based on the rules of the Basel III Accord.

### Calculation of regulatory capital (R\$ mn)

	1Q21
Regulatory capital	5,306.6
Regulatory Capital – Tier I Capital	5,306.6
Equity	4,855.7
Prudential adjustment - Bacen Resolution 4.192/13	(11.3)
Complementary capital	462.2
Perpetual financial bills	462.2
Minimum required capital (RWA x 8%)	2,830.0
Basel ratio - Total	15.0%
Basel ratio - Tier I	15.0%

## Change in Shareholder's Equity – 1Q21



## Ratings

Daycoval is classified by international rating agencies and the grades assigned reflect several factors, including the quality of its management, its operational performance and financial soundness, as well as other factors related to the financial sector and the economic environment in which the company is inserted, with the long-term rating in foreign currency limited to the sovereign rating. The following table shows the ratings assigned by the Moody's, Fitch and Standard & Poor's agencies.

**Risk Rating Agencies**

	Global Scale		National Scale	Perspective
	Long Term	Sovereign	Long Term	
Moody's <sup>1</sup>	Ba2	Ba2	Aa2.br	Stable
Fitch Ratings <sup>2</sup>	BB-	BB-	AA(bra)*	Negative
Standard & Poors <sup>3</sup>	BB-	BB-	brAA+	Stable
RISKbank <sup>4</sup>	BRMP 3 Low Risk for Long Term (up to 5 years) - negative			

Date : 1 - Dec/20, 2 - Apr/21, 3 - Jan/21 and 4 - Feb/21.

\* Outlook stable for National Rating.

### Sovereign Rating

In April / 21, Fitch Ratings changed the outlook of the National Rating to AA(bra) | Stable.

## Credit Portfolio Quality

We operate in accordance with our risk culture and international best practices, aiming to protect our capital and ensure the profitability of our businesses. Our credit approval process, particularly the approval of new loans and risk monitoring, are structured according to our customer and product classification for our retail and wholesale segment.

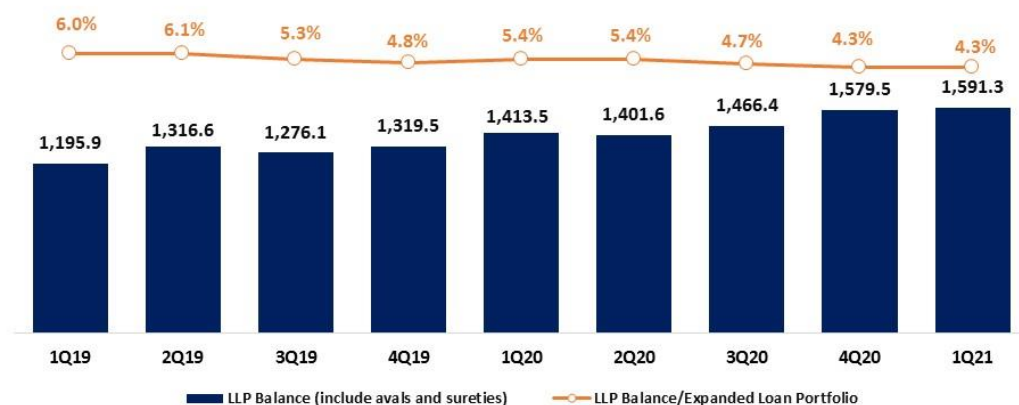
### Banco Daycoval - R\$ million

Rating	Required Provision	Loans	%	Provision*	
AA	0.0%	5,811.0	15.6%	20.4	95.8% between AA and C
A	0.5%	11,289.8	30.4%	100.0	
B	1.0%	16,500.6	44.4%	466.5	
C	3.0%	2,059.8	5.4%	171.6	
D	10.0%	530.2	1.4%	97.6	
E	30.0%	185.7	0.5%	86.6	
F	50.0%	138.3	0.4%	69.2	
G	70.0%	130.0	0.4%	90.9	
H	100.0%	488.5	1.3%	488.5	
Total Portfolio		37,133.9	100.0%	1,591.3	
Total Provision/ Portfolio				4.3%	

(\*) Includes Avals and Sureties in the amount of R\$ 3,772.2 in the portfolio and R\$ 44.3 million in provision in 1Q21.

An important indicator of the loan portfolio quality is total operations rated between AA and C, which are the best risk ratings under current regulations and totaled 95.8% of the overall loan portfolio in 1Q21. The balance of the allowance for doubtful accounts represented 4.3% of the loan portfolio, stable compared to 4Q20.

### LLP Balance (includes avals and sureties) /Expanded Loan Portfolio



## 1Q21

Companies			FGI -Peac		Payroll		Vehicles and Others		C.G.I	
Rating	Portfolio	Provision	Portfolio	Provision	Portfolio	Provision	Portfolio	Provision	Portfolio	Provision
AA - C	19,712.5	348.3	8,015.7	202.3	6,936.8	156.2	926.2	49.6	70.0	2.1
D	260.7	47.2	54.7	10.2	74.1	13.9	140.1	26.2	0.7	0.1
E	83.0	38.3	15.1	7.1	50.9	23.9	35.8	16.8	0.9	0.4
F	53.8	26.9	13.2	6.6	55.3	27.7	15.8	7.9	0.2	0.1
G	13.3	9.4	1.7	1.2	105.7	74.0	9.2	6.4	-	-
H	185.9	185.9	12.1	12.1	253.6	253.6	35.5	35.5	1.4	1.4
<b>Total</b>	<b>20,309.2</b>	<b>656.0</b>	<b>8,112.5</b>	<b>239.5</b>	<b>7,476.4</b>	<b>549.3</b>	<b>1,162.6</b>	<b>142.4</b>	<b>73.2</b>	<b>4.1</b>
LLP Balance/ Loans		3.2%			3.0%	7.3%			12.2%	5.6%

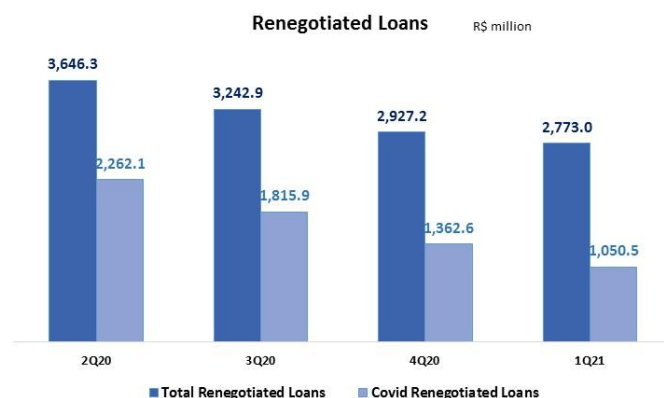
## 4Q20

Companies			FGI PEAC		Payroll		Vehicles and Others		C.G.I	
Rating	Portfolio	Provision	Portfolio	Provision	Portfolio	Provision	Portfolio	Provision	Portfolio	Provision
AA - C	19,368.7	357.9	8,165.8	206.4	6,655.2	153.4	905.6	49.3	65.4	2.0
D	261.8	47.1	53.8	10.1	89.6	16.7	145.8	27.3	0.8	0.2
E	82.5	38.2	-	-	136.1	64.0	31.5	14.8	0.2	0.1
F	52.6	26.3	2.4	1.2	49.7	24.9	13.5	6.7	-	-
G	13.2	9.3	-	-	27.8	19.4	8.7	6.1	0.8	0.5
H	184.9	184.9	7.7	7.6	264.8	264.8	39.2	39.2	1.2	1.2
<b>Total</b>	<b>19,963.7</b>	<b>663.6</b>	<b>8,229.7</b>	<b>225.3</b>	<b>7,223.2</b>	<b>543.2</b>	<b>1,144.3</b>	<b>143.4</b>	<b>68.4</b>	<b>4.0</b>
LLP Balance/ Loans		3.3%			2.7%	7.5%			12.5%	5.8%

## Renegotiated Portfolio

Renegotiated credit operations totaled R\$ 2.8 billion, which includes R\$ 1.1 billion referring to operations renegotiated due to the circumstances involving the Covid-19 pandemic.

For more information, see note 9.f of the balance sheet of 1Q21.



## 1Q21 – Renegotiated Loans

Covid Renegotiated– 1Q21

Rating	Companies	Retail	Total	%
AA	120.5	-	120.5	11.5%
A	111.6	5.5	117.1	11.1%
B	425.5	62.2	487.7	46.4%
C	54.6	130.9	185.5	17.7%
D	25.2	59.1	84.3	8.0%
E	10.0	7.1	17.1	1.6%
F	5.5	3.4	8.9	0.8%
G	2.4	2.2	4.6	0.4%
H	18.5	6.3	24.8	2.4%
<b>Total</b>	<b>773.8</b>	<b>276.7</b>	<b>1,050.5</b>	<b>100%</b>

In 1Q21, the balance of renegotiated operations was R\$ 2.8 billion, which includes R\$ 1.1 billion referring to operations renegotiated due to the circumstances involving the Covid-19 pandemic.

## 4Q20 – Renegotiated Loans

Covid Renegotiated – 4Q20

Rating	Companies	Retail	Total	%
AA	272.7	-	272.7	20.0%
A	123.0	7.3	130.3	9.6%
B	508.3	80.4	588.7	43.2%
C	66.0	156.3	222.3	16.3%
D	30.3	72.1	102.4	7.5%
E	12.0	6.0	18.0	1.3%
F	1.9	2.1	4.0	0.3%
G	0.5	1.6	2.1	0.2%
H	19.4	2.7	22.1	1.6%
<b>Total</b>	<b>1,034.1</b>	<b>328.5</b>	<b>1,362.6</b>	<b>100%</b>

In 4Q20, the balance of renegotiated operations was R\$ 2.9 billion, which includes R\$ 1.3 billion related to operations renegotiated due to the circumstances involving the Covid-19 Pandemic.

Overview of Quality of Expanded Loan Portfolio (R\$ million)	1Q21	4Q20	Δ	1Q20	Δ
Expanded Loan Portfolio	37,133.9	36,629.3	1.4%	26,177.7	41.9%
Establishment of Provision	101.6	200.1	-49.2%	158.5	-35.9%
LLP Balance	1,591.3	1,579.5	0.7%	1,413.5	12.6%
Final Balance Loan E-H	942.5	916.9	2.8%	841.9	11.9%
Overdue Loans more than 14 days past due	285.0	278.0	2.5%	305.8	-6.8%
Overdue Loans more than 60 days past due (*)	709.9	755.6	-6.0%	546.5	29.9%
Overdue Loans more than 90 days past due (*)	611.1	607.6	0.6%	421.4	45.0%
<b>Credit Ratios - (%)</b>					
Final Balance LLP/Loan Portfolio	4.3%	4.3%	0.0 p.p	5.4%	-1.1 p.p
Final Balance Loan E-H/Loan Portfolio	2.5%	2.5%	0.0 p.p	3.2%	-0.7 p.p
Overdue Loans more than 60 days past due / Loan Portfolio	1.9%	2.1%	-0.2 p.p	2.1%	-0.2 p.p
Final Balance LLP / Overdue Loans more than 90 days past due	1.6%	1.7%	-0.1 p.p	1.6%	-
<b>Coverage Ratios - (%)</b>					
Final Balance LLP / Overdue Loans more than 14 days past due	558.4%	568.2%	-9.8 p.p	462.2%	96.2 p.p
Final Balance LLP / Overdue Loans more than 60 days past due	224.2%	209.0%	15.2 p.p	258.6%	-34.5 p.p
Final Balance LLP / Overdue Loans more than 90 days past due	260.4%	260.0%	0.4 p.p	335.4%	-75.0 p.p
Final Balance LLP / Loan E-H	168.8%	172.3%	-3.5 p.p	167.9%	0.8 p.p
Write-offs R\$	(90.2)	(86.3)	4.5%	(78.6)	14.8%
Companies Recovered Loans	21.6	31.4	-31.2%	9.0	n.a.
Retail Recovered Loans	13.0	13.5	-3.7%	10.7	21.5%

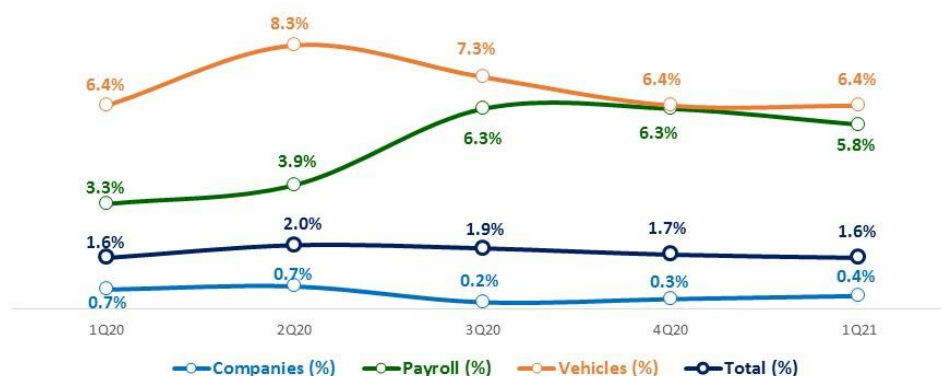
(\*) falling due installments

The balance of the provision for doubtful loans ended 1Q21 at R\$ 1,591.3 million, stable in relation to 4Q20.

### Loans overdue by 90 days

Loans overdue for more than 90 days reached 1.6% in 1Q21, a reduction of 0.1 p.p. compared to 4Q20. The reduction came from the payroll loan segment, which had been under pressure in the previous quarter. Our quality indicators remain at comfortable levels.

#### NPLs | 90 days



## Loans overdue by more than 14 and more than 60 days

Loans overdue for more than 14 days rose 2.5% during the quarter, but declined 6.8% compared to 1Q20. Part of this result stemming from the improvement of new entrants. Loans overdue for more than 60 days ended 1Q21 down 6.0% versus 4Q20, evidencing a possible improvement of indicators in the next quarter.

## Coverage Index

The over 90-day coverage index reached 260.4% in 1Q21, demonstrating the soundness of the balance sheet in view of the current macroeconomic situation.

The E-H portfolio balance ended 1Q21 at R\$ 942.5 million, 2.8% higher than 4Q20 and 11.9% higher compared to the same period of the previous year. The provision index for doubtful accounts divided by the E-H Portfolio reached 168.8%, a reduction of 3.5 p.p. compared to 4Q20. The increase in this index shows that the level of provisioning in relation to the loan portfolio reflects the improvement in the quality of our operations and the constant progress of the models used.

## LLP Changes

LLP (R\$ mn)	1Q21	4Q20	Δ	1Q20	Δ
Balance at the Beginning of the Period	1,579.5	1466.4	7.7%	1,319.5	19.7%
<b>Establishment of Provision</b>	<b>101.6</b>	<b>200.1</b>	<b>-49.2%</b>	<b>158.5</b>	<b>-35.9%</b>
Companies	7.8	10.4	-25.0%	20.0	-61.0%
FGI PEAC	14.2	96.3	-85.3%	0.0	n.a.
Avals and Sureties	(0.5)	14.7	n.a.	5.1	n.a.
Payroll	61.4	78.5	-21.8%	70.4	-12.8%
Auto/Other	18.9	0.3	n.a.	76.0	-75.1%
Property Guaranteed Credit	0.2	(0.8)	n.a.	1.1	-81.8%
Exchange Rate Variation	(0.4)	0.7	n.a.	(14.1)	-97.2%
<b>Write-offs</b>	<b>(90.2)</b>	<b>(86.3)</b>	<b>4.5%</b>	<b>(78.6)</b>	<b>14.8%</b>
Companies	(14.9)	(20.5)	-27.3%	(33.2)	-55.1%
Retail	(75.3)	(65.8)	14.4%	(45.4)	65.9%
<b>Final Balance LLP</b>	<b>1,591.3</b>	<b>1,579.5</b>	<b>0.7%</b>	<b>1,413.5</b>	<b>12.6%</b>

The amount written off for losses was R\$ 90.2 million during 1Q21 and R\$ 86.3 million in 4Q20. Credits recovered in the quarter totaled R\$ 34.6 million versus R\$ 19.7 million in 1Q20.

## NPLs by Segment

Companies Overdue Loans (R\$ million)	1Q21	4Q20	Δ	1Q20	Δ
Overdue Loans more than 14 days past due	79.1	76.3	3.7%	150.3	-47.4%
Overdue Loans more than 60 days past due (*)	120.8	92.5	30.6%	155.8	-22.5%
Overdue Loans more than 90 days past due (*)	100.8	75.0	34.5%	104.5	-3.5%
<b>Credit Ratios (%)</b>					
Final Balance LLP/Companies Portfolio (%)	3.2%	3.2%	0.0 p.p	4.6%	-1.4 p.p
Overdue Loans more than 14 days past due / Companies Portfolio	0.3%	0.3%	0.0 p.p	0.8%	-0.5 p.p
Overdue Loans more than 60 days past due / Companies Portfolio	0.4%	0.3%	0.1 p.p	0.9%	-0.5 p.p
Overdue Loans more than 90 days past due / Companies Portfolio	0.4%	0.3%	0.1 p.p	0.6%	-0.2 p.p
<b>Coverage Ratios (%)</b>					
LLP Balance /Overdue Loans more than 60 days past due	741.3%	961.1%	-219.8 p.p	526.6%	214.7 p.p
LLP Balance / Overdue Loans more than 90 days past due	888.1%	1185.3%	-297.2 p.p	785.1%	103.0 p.p

(\*) Installments falling due

Payroll Overdue Loans (R\$ million)	1Q21	4Q20	Δ	1Q20	Δ
Overdue Loans more than 14 days past due	169.4	166.6	1.7%	115.8	46.3%
Overdue Loans more than 60 days past due (*)	481.1	556.4	-13.5%	269.5	78.5%
Overdue Loans more than 90 days past due (*)	432.7	455.8	-5.1%	235.6	83.6%
<b>Credit Ratios (%)</b>					
Final Balance LLP/Payroll Portfolio (%)	7.3%	7.5%	-0.2 p.p	5.8%	1.5 p.p
Overdue Loans more than 14 days past due /Payroll Portfolio	2.3%	2.3%	0.0 p.p	1.6%	0.5 p.p
Overdue Loans more than 60 days past due /Payroll Portfolio	6.4%	7.7%	-1.3 p.p	3.8%	2.7 p.p
Overdue Loans more than 90 days past due /Payroll Portfolio	5.8%	6.3%	-0.5 p.p	3.3%	2.5 p.p
<b>Coverage Ratios (%)</b>					
LLP Balance /Overdue Loans more than 60 days past due	114.1%	97.6%	16.5 p.p	154.6%	-40.4 p.p
LLP Balance / Overdue Loans more than 90 days past due	126.9%	119.2%	7.7 p.p	176.8%	-49.8 p.p

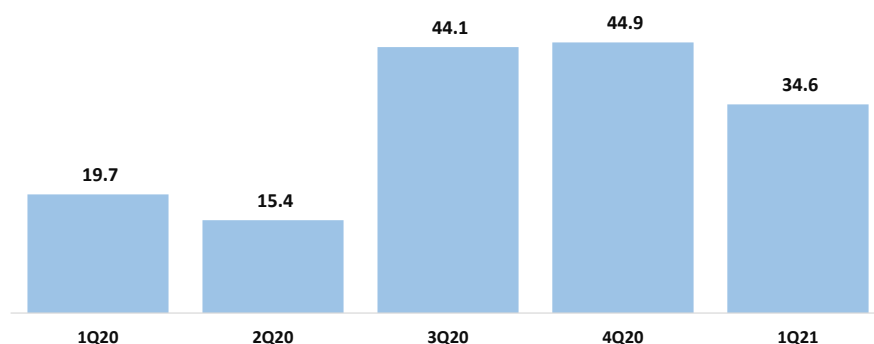
(\*) Installments falling due

Auto Overdue Loans + Others (R\$ million)	1Q21	4Q20	Δ	1Q20	Δ
Overdue Loans more than 14 days past due	36.1	34.7	4.0%	39.2	-7.9%
Overdue Loans more than 60 days past due (*)	104.1	102.9	1.2%	116.2	-10.4%
Overdue Loans more than 90 days past due (*)	74.2	73.4	1.1%	77.4	-4.1%
<b>Credit Ratios (%)</b>					
Final Balance LLP/Auto Loans Portfolio + Others (%)	12.3%	12.5%	-0.2 p.p	14.3%	-2.0 p.p
Overdue Loans more than 14 days past due / Auto Loans Portfolio + Others	3.1%	3.0%	0.1 p.p	3.2%	-0.1 p.p
Overdue Loans more than 60 days past due / Auto Loans Portfolio + Others	9.0%	9.0%	0.0 p.p	9.6%	-0.6 p.p
Overdue Loans more than 90 days past due / Auto Loans Portfolio + Others	6.4%	6.4%	0.0 p.p	6.4%	0.0 p.p
<b>Coverage Ratios (%)</b>					
LLP Balance /Overdue Loans more than 60 days past due	136.9%	139.4%	-2.5 p.p	148.5%	-11.6 p.p
LLP Balance / Overdue Loans more than 90 days past due	192.1%	195.4%	-3.3 p.p	222.9%	-30.8 p.p

(\*) Installments falling due

## Recovered Loans

R\$ million



## Financial Performance

Income from Financial Intermediation (R\$ mn)	1Q21	4Q20	Δ	1Q20	Δ
<b>Loans Operations</b>	<b>1,229.8</b>	<b>1,155.4</b>	<b>6.4%</b>	<b>1,149.7</b>	<b>7.0%</b>
Companies Portfolio	702.7	619.2	13.5%	602.1	16.7%
Payroll	400.1	402.4	-0.6%	423.4	-5.5%
Auto/Other	83.6	85.8	-2.6%	84.8	-1.4%
Home Equity	0.1	0.2	-50.0%	0.1	0.0%
Leasing Operation Result	43.3	47.8	-9.4%	39.3	10.2%
Securities Operations Result	37.5	26.8	39.9%	55.6	-32.6%
Derivatives Result <sup>(1)</sup>	754.2	(624.4)	n.a.	1,295.6	-41.8%
Operations linked to repurchase commitments and interbank deposits	16.3	9.9	64.6%	29.8	-45.3%
Foreign Exchange Operations	(46.1)	90.4	n.a.	45.1	n.a.
Sales or Transfer Financial Asset Operations	0.8	(0.1)	n.a.	1.0	-20.0%
<b>Income from Financial Intermediation (A)</b>	<b>1,992.5</b>	<b>658.0</b>	<b>202.8%</b>	<b>2,576.8</b>	<b>-22.7%</b>
Funding Operations <sup>(2)</sup>	(406.7)	(0.4)	n.a.	(705.2)	-42.3%
Borrowings and Onlendings Operations <sup>(3)</sup>	(412.2)	300.0	n.a.	(832.8)	-50.5%
Loan Loss Provision (LLP)	(101.6)	(200.1)	-49.2%	(158.4)	-35.9%
<b>Expenses on Financial Intermediation (B)</b>	<b>(920.5)</b>	<b>99.5</b>	<b>n.a.</b>	<b>(1,696.4)</b>	<b>-45.7%</b>
<b>Gross Income from Financial Intermediation (A-B)</b>	<b>1,072.0</b>	<b>757.5</b>	<b>41.5%</b>	<b>880.4</b>	<b>21.8%</b>
Hedge MTM - Foreign Issues and Credit Operations	148.2	(127.8)	n.a.	133.8	10.8%
<b>Adjusted Gross Income from financial intermediation</b>	<b>923.8</b>	<b>885.3</b>	<b>4.3%</b>	<b>746.6</b>	<b>23.7%</b>
<sup>(1)</sup> Result with derivatives (Hedge)	791.7	(559.0)		1,279.5	
<sup>(2)</sup> Foreign Exchange Variation without Borrowings abroad	(225.3)	216.6		504.0	
<sup>(3)</sup> Reclassified from other operating/expenses revenues.	(325.8)	301.9		860.1	

In 1Q21, revenues from credit operations reached R\$ 1,229.8 million, 6.4% higher in relation to 4Q20 and 7.0% higher in the last 12 months, due to the maintenance of margins and growth of the companies portfolio.

The line of credit operations for Companies ended 1Q21 with revenue of R\$ 702.7 million, an increase of 13.5% in the quarter and an increase of 16.7%, versus 1Q20. The Payroll line ended the quarter with revenue of R\$ 400.1 million, stable compared to last quarter. The auto loans line ended 1Q21 with a balance of R\$ 83.6 million, down 2.6% during the quarter.

The Leasing operations ended the quarter with a balance of R\$ 43.3 million, a reduction of 9.4% compared to 4Q20, and growth of 10.2% over the last 12 months.

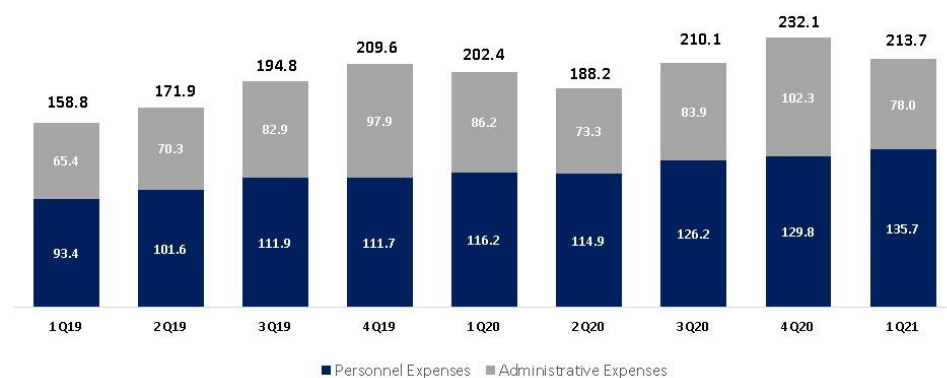
The cost of funding operations in the market and loans and transfers were R \$ 812.9 million in the quarter.

Gross Income from Financial Intermediation ended the quarter with a balance of R\$ 1,072.0 million. Excluding the effect of the MTM adjustment of the hedge of external issues and credit operations, the gross result of the adjusted financial intermediation was R\$ 923.8 million in 1Q21.

The result with derivatives was a positive R\$ 754.2 million in 1Q21, including a positive hedge of R\$ 791.7 million. Excluding this last effect, the result with derivatives was a negative R\$ 37.5 million in 1Q21 versus a negative R\$ 64.5 million in 4Q20.

## Administrative and Personnel Expenses

R\$ million



Personnel and Administrative Expenses (R\$ million)	1Q21	4Q20	Δ	1Q20	Δ
Personnel Expenses	(135.7)	(129.8)	4.5%	(116.2)	16.8%
Administrative Expenses	(78.0)	(102.3)	-23.8%	(86.2)	-9.5%
<b>Personnel and Administrative Expense</b>	<b>(213.7)</b>	<b>(232.1)</b>	<b>-7.9%</b>	<b>(202.4)</b>	<b>5.6%</b>
<b>Commission Expenses (Total)</b>	<b>(64.6)</b>	<b>(65.8)</b>	<b>-1.8%</b>	<b>(62.4)</b>	<b>3.5%</b>
Payroll	(54.4)	(55.0)	-1.1%	(49.0)	11.0%
Auto Loans	(10.0)	(10.6)	-5.7%	(13.3)	-24.8%
Direct Credit to Consumer (DCC) + Others	(0.2)	(0.2)	-	(0.1)	100.0%
<b>Total</b>	<b>(278.3)</b>	<b>(297.9)</b>	<b>-6.6%</b>	<b>(264.8)</b>	<b>5.1%</b>
Recurring Efficiency Ratio (%)	25.6%	25.8%	-0.2 p.p	27.3%	-1.7 p.p
Recurring Efficiency Ratio (considering Profit Sharing) (%)	29.1%	30.1%	-1.0 p.p	30.4%	-1.3 p.p

Administrative and personnel expenses totaled R\$ 278.3 million in the quarter, a reduction of 6.6% for the period. In 1Q21, administrative expenses decreased by 23.8%, due to payments of donations and sponsorships in the amount of R \$ 15.4 million in 4Q20.

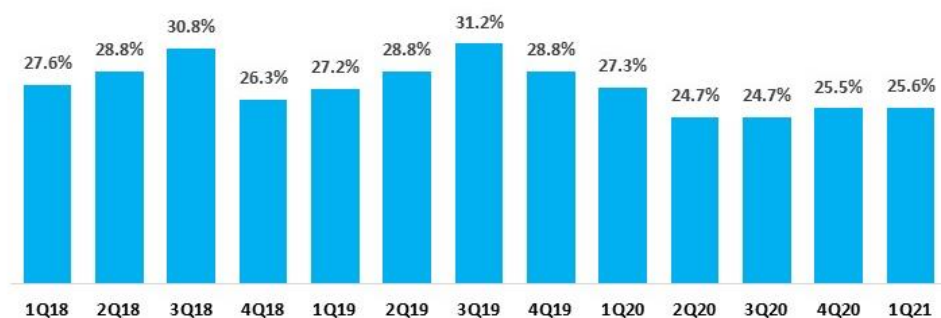
In 1Q21, Commission expenses closed virtually stable, in line with the loan portfolio.

## Recurring Efficiency Ratio

**25.6%** in 1Q21

**-0.2 p.p** in 3 months

**-1.7 p.p** in 12 months

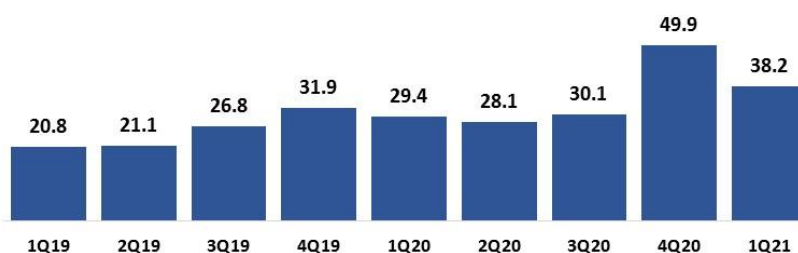


Recurring Efficiency Ratio (R\$ mn)	1Q21	4Q20	Δ	1Q20	Δ
(+) Personnel	(135.7)	(129.8)	4.5%	(116.2)	16.8%
(+) Administrative Expenses	(78.0)	(102.3)	-23.8%	(86.2)	-9.5%
(+) Commissions	(64.6)	(65.8)	-1.8%	(62.4)	3.5%
<b>Total Expenses (A)</b>	<b>(278.3)</b>	<b>(297.9)</b>	<b>-6.6%</b>	<b>(264.8)</b>	<b>5.1%</b>
(+) Income from Recurring Financial Intermediation - LLP	1,025.4	1,085.5	-5.5%	904.9	13.3%
(+) Income from Services Provided	60.8	68.6	-11.4%	63.4	-4.1%
<b>Total Income (B)</b>	<b>1,086.2</b>	<b>1,154.1</b>	<b>-5.9%</b>	<b>968.3</b>	<b>12.2%</b>
<b>Recurring Efficiency Ratio (A/B) (%)</b>	<b>25.6%</b>	<b>25.8%</b>	<b>-0.2 p.p</b>	<b>27.3%</b>	<b>-1.7 p.p</b>
Profit Sharing	(38.2)	(49.9)	-23.4%	(29.4)	29.9%
Recurring Efficiency Ratio (considering Profit Sharing) (%)	29.1%	30.1%	-1.0 p.p	30.4%	-1.3 p.p

## Profit Sharing Program

R\$ million

Expenses related to the provision for PPR and PLR payments totaled R\$ 38.2 million in 1Q21 and R\$ 29.4 million in 1Q20.



## CONSOLIDATED INTERIM FINANCIAL INFORMATION

Pursuant to the provisions set forth in CMN Resolution 4818/20, of the Central Bank of Brazil, the Bank has elected to prepare its Interim Financial Information in accordance with accounting practices adopted in Brazil, applicable to financial institutions authorized to operate by the Central Bank of Brazil, as described in note 2. Accordingly the tables related to the standard information of the consolidated financial statements are not being presented, as they are applicable only upon the preparation of Consolidated Financial Statements in conformity with all Pronouncements issued by the Accounting Pronouncements Committee (CPC), approved by the CVM and in line with international standards issued by the IASB.

Below is the consolidated interim financial information for the three-month period ended March 31, 2021, prepared in accordance with the accounting practices adopted in Brazil, applicable to financial institutions authorized to operate by the Central Bank of Brazil.

As prescribed by CMN Resolution 4818/20 and BCB Resolution 2/20 which revoked CMN Resolution 4720/19 and BACEN Circular Letter 3959/19, respectively, the financial institutions and other institutions authorized to operate by BACEN, must prepare their interim financial statements in accordance with the criteria and procedures set out in these regulations, which address the disclosure of semiannual and annual financial statements, as well as their content, which include the balance sheets and statements of income, of comprehensive income, of cash flows and of changes in equity, the notes to the interim financial statements.

Following are the balance sheet and the respective statements of income and of other comprehensive income, of changes in equity, of cash flows and of value added in accordance with the accounting practices adopted in Brazil, applicable to financial institutions authorized by the Central Bank of Brazil to operate:

**BALANCE SHEETS**  
**AS AT MARCH 31, 2021 AND AS AT DECEMBER 31, 2020**  
(In thousands of Brazilian reais - R\$)

ASSETS	Note	Bank		Consolidated	
		03/31/2021	12/31/2020	03/31/2021	12/31/2020
<b>Cash</b>	<b>4</b>	<b>249,596</b>	<b>342,892</b>	<b>249,701</b>	<b>343,040</b>
<b>Restricted deposits - Central Bank of Brazil</b>	<b>5</b>	<b>174,594</b>	<b>217,672</b>	<b>174,594</b>	<b>217,672</b>
<b>Interbank accounts</b>		<b>2,413</b>	<b>549</b>	<b>2,413</b>	<b>549</b>
<b>Financial instruments</b>		<b>48,496,726</b>	<b>45,613,574</b>	<b>49,370,576</b>	<b>46,419,815</b>
Interbank investments	6	6,296,324	5,565,372	5,526,087	4,772,208
Money market investments	7	6,447,202	5,298,623	6,807,344	5,592,275
Derivatives	8.a	1,519,300	1,188,710	1,519,300	1,188,710
Own portfolio					
Lending portfolio	9	26,120,614	25,522,495	26,319,200	25,713,559
Finance lease	9.i	-	-	1,082,620	1,063,294
Operating lease	9	-	-	157,200	133,090
(-) Unearned income from leasing operations	9	-	-	(156,983)	(132,864)
Other transactions with loan characteristics	9	5,062,956	5,689,756	5,065,478	5,740,925
Foreign exchange portfolio	10	3,050,330	2,348,618	3,050,330	2,348,618
<b>(Allowance for loan losses)</b>	<b>9.e</b>	<b>(1,527,091)</b>	<b>(1,515,720)</b>	<b>(1,547,032)</b>	<b>(1,534,740)</b>
Lending operations		(1,390,916)	(1,378,901)	(1,395,299)	(1,383,179)
Leasing operations		-	-	(15,558)	(14,594)
Other		(136,175)	(136,819)	(136,175)	(136,967)
<b>Current and deferred tax assets</b>	<b>19.b</b>	<b>1,571,241</b>	<b>1,628,398</b>	<b>1,595,326</b>	<b>1,668,254</b>
<b>Debtors for escrow deposits</b>		<b>1,518,557</b>	<b>1,438,626</b>	<b>1,521,498</b>	<b>1,441,954</b>
Tax	18.c	1,468,220	1,387,002	1,468,220	1,387,002
Civil	18.c	36,799	36,693	36,882	36,693
Labor	18.c	13,538	14,931	16,330	18,193
Other		-	-	66	66
<b>Other credits</b>		<b>234,486</b>	<b>231,903</b>	<b>239,395</b>	<b>239,044</b>
Income receivable		35,018	33,327	37,106	35,448
Trading account		93,025	76,423	93,025	76,423
Other	11	106,443	122,153	109,264	127,173
<b>Other assets</b>	<b>12</b>	<b>103,732</b>	<b>100,249</b>	<b>103,740</b>	<b>100,250</b>
Repossessed assets		83,452	84,852	83,452	84,852
(Allowance for repossessed assets losses)		(7,614)	(8,564)	(7,614)	(8,564)
Prepaid expenses		27,894	23,961	27,902	23,962
<b>Investments</b>		<b>1,457,587</b>	<b>1,432,901</b>	<b>59,027</b>	<b>63,223</b>
Equity in domestic subsidiaries	14	1,452,651	1,428,965	-	-
Other investments		4,936	3,936	59,027	63,223
<b>Property and equipment in use</b>	<b>15.a</b>	<b>60,358</b>	<b>61,816</b>	<b>68,262</b>	<b>69,689</b>
Other property and equipment in use		109,798	108,670	121,257	119,874
(Accumulated depreciation)		(49,440)	(46,854)	(52,995)	(50,185)
<b>Property and equipment for operating lease</b>	<b>15.b</b>	<b>-</b>	<b>-</b>	<b>157,805</b>	<b>130,650</b>
Leased assets		-	-	300,296	264,241
(Accumulated depreciation)		-	-	(142,491)	(133,591)
<b>Intangible assets</b>		<b>-</b>	<b>-</b>	<b>328</b>	<b>351</b>
<b>TOTAL ASSETS</b>		<b>52,342,199</b>	<b>49,552,860</b>	<b>51,995,633</b>	<b>49,159,751</b>

The accompanying notes are an integral part of this interim financial information.

**BALANCE SHEETS**  
**AS AT MARCH 31, 2021 AND AS AT DECEMBER 31, 2020**  
(In thousands of Brazilian reais - R\$)

LIABILITIES	Note	Bank		Consolidated	
		03/31/2021	12/31/2020	03/31/2021	12/31/2020
<b>Financial instruments</b>		<b>44,226,681</b>	<b>41,400,186</b>	<b>43,686,872</b>	<b>40,808,561</b>
Deposits	16.b	14,524,051	14,082,552	14,473,174	14,027,603
Repurchase commitments	16.a	2,241,135	1,951,672	2,241,135	1,951,672
<b>Issuance of securities</b>	<b>16.b</b>	<b>19,455,992</b>	<b>18,460,459</b>	<b>18,967,060</b>	<b>17,923,783</b>
In Brazil		16,823,386	16,055,053	16,334,454	15,518,377
Exterior		2,632,606	2,405,406	2,632,606	2,405,406
Foreign borrowings	16.b	4,946,419	4,503,902	4,946,419	4,503,902
Domestic onlendings	16.b	153,648	164,850	153,648	164,850
Subordinated debts	16.b	462,218	460,657	462,218	460,657
Derivatives	8.a	116,675	58,064	116,675	58,064
Foreign currency portfolio	10	2,326,543	1,718,030	2,326,543	1,718,030
<b>Interbank accounts</b>		<b>139,793</b>	<b>227,702</b>	<b>139,793</b>	<b>227,702</b>
<b>Provision for risks</b>	<b>18</b>	<b>1,928,283</b>	<b>1,886,117</b>	<b>1,942,498</b>	<b>1,900,524</b>
Tax		1,705,300	1,656,548	1,706,325	1,657,360
Civil		161,477	166,760	162,048	167,308
Labor		61,506	62,809	74,125	75,856
<b>Provision for financial guarantees provided</b>	<b>9.e</b>	<b>44,288</b>	<b>44,781</b>	<b>44,288</b>	<b>44,781</b>
<b>Current and deferred tax liabilities</b>	<b>19.b</b>	<b>733,017</b>	<b>933,409</b>	<b>813,197</b>	<b>1,040,842</b>
<b>Other payables</b>		<b>340,067</b>	<b>557,753</b>	<b>398,959</b>	<b>592,898</b>
Social and statutory	17.a	38,132	301,174	38,955	303,167
Collected taxes and others		14,942	5,327	15,377	5,327
Trading account		93,010	65,266	93,010	65,266
Other	17.b	193,983	185,986	251,617	219,138
<b>Deferred income</b>		<b>74,411</b>	<b>77,039</b>	<b>113,332</b>	<b>117,540</b>
<b>Noncontrolling interests</b>		<b>-</b>	<b>-</b>	<b>1,035</b>	<b>1,030</b>
<b>Equity</b>	<b>20</b>	<b>4,855,659</b>	<b>4,425,873</b>	<b>4,855,659</b>	<b>4,425,873</b>
Capital social		3,557,260	3,557,260	3,557,260	3,557,260
Capital reserves		1,125	279	1,125	279
Earnings reserves		875,713	875,713	875,713	875,713
Other comprehensive income		(15,132)	(7,379)	(15,132)	(7,379)
Retained earnings		436,693	-	436,693	-
<b>TOTAL LIABILITIES</b>		<b>52,342,199</b>	<b>49,552,860</b>	<b>51,995,633</b>	<b>49,159,751</b>

The accompanying notes are an integral part of this interim financial information.

**INCOME STATEMENTS**  
**FOR THE QUARTER ENDED MARCH 31, 2021 AND 2020**  
(In thousands of Brazilian reais - R\$)

	Note	Bank		Consolidated	
		03/31/2021	03/31/2020	03/31/2021	03/31/2020
<b>INCOME FROM FINANCIAL INTERMEDIATION</b>		<b>1,949,237</b>	<b>2,545,250</b>	<b>1,992,534</b>	<b>2,576,918</b>
Lending operations	21.a	1,186,184	1,105,676	1,229,812	1,149,722
Securities transactions and derivatives	21.b	790,019	1,360,021	791,725	1,351,241
Interbank accounts	21.c	20,391	37,515	16,330	29,786
Foreign exchange transactions	21.d	(48,173)	41,019	(46,149)	45,150
Sale transactions or transfer of financial assets		816	1,019	816	1,019
<b>EXPENSES ON FINANCIAL INTERMEDIATION</b>		<b>(822,259)</b>	<b>(1,545,105)</b>	<b>(818,911)</b>	<b>(1,538,079)</b>
Interbank and time deposits	21.e	(70,324)	(78,418)	(70,133)	(77,620)
Issuance of securities in Brazil and abroad	21.e	(339,784)	(633,876)	(336,627)	(627,648)
Domestic onlendings	21.f	(412,151)	(832,811)	(412,151)	(832,811)
<b>GROSS PROFIT FROM FINANCIAL INTERMEDIATION</b>		<b>1,126,978</b>	<b>1,000,145</b>	<b>1,173,623</b>	<b>1,038,839</b>
<b>EXPENSES ALLOWANCE FOR LOAN LOSSES</b>	<b>9.e</b>	<b>(100,091)</b>	<b>(157,871)</b>	<b>(101,570)</b>	<b>(158,436)</b>
Lending operations		(98,807)	(138,732)	(100,434)	(139,288)
Other credits		(1,777)	(14,045)	(1,629)	(14,054)
Guarantees and collaterals		493	(5,094)	493	(5,094)
<b>RESULTS FROM FINANCIAL INTERMEDIATION</b>		<b>1,026,887</b>	<b>842,274</b>	<b>1,072,053</b>	<b>880,403</b>
<b>OTHER OPERATING INCOME (EXPENSES)</b>		<b>(231,302)</b>	<b>(213,336)</b>	<b>(261,148)</b>	<b>(238,493)</b>
Income from services provided	21.g	56,787	58,954	60,816	63,392
Income from insurance operations		-	-	(11)	141
Personnel expenses	21.h	(118,581)	(101,366)	(135,668)	(116,222)
Other administrative expenses	21.i	(144,083)	(150,853)	(142,627)	(148,562)
Tax expenses	19.a.ii	(51,611)	(47,310)	(57,445)	(53,185)
Equity in subsidiaries	14.a	24,814	35,623	-	-
Other operating income and expenses	21.j	4,203	13,694	16,655	38,574
Depreciation and amortization expenses		(2,720)	(2,634)	(2,968)	(2,779)
Expenses with provision for risks					
Tax		(5,512)	(10,352)	(5,706)	(10,519)
Civil		5,282	(5,400)	5,259	(5,438)
Labor		119	(3,692)	547	(3,895)
<b>OPERATING INCOME</b>		<b>795,585</b>	<b>628,938</b>	<b>810,905</b>	<b>641,910</b>
<b>NONOPERATING INCOME</b>		<b>(353)</b>	<b>(2,440)</b>	<b>1,690</b>	<b>(1,401)</b>
<b>INCOME BEFORE INCOME TAXES</b>		<b>795,232</b>	<b>626,498</b>	<b>812,595</b>	<b>640,509</b>
<b>INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>19.a.i</b>	<b>(321,342)</b>	<b>(202,148)</b>	<b>(337,722)</b>	<b>(215,230)</b>
Provision for income tax		(173,893)	(94,349)	(180,293)	(96,440)
Provision for social contribution		(141,148)	(58,481)	(147,933)	(63,820)
Deferred tax assets / liabilities		(6,301)	(49,318)	(9,496)	(54,970)
<b>PROFIT SHARING</b>		<b>(37,197)</b>	<b>(28,470)</b>	<b>(38,173)</b>	<b>(29,393)</b>
<b>NONCONTROLLING INTERESTS</b>		<b>-</b>	<b>-</b>	<b>(7)</b>	<b>(6)</b>
<b>PROFIT</b>		<b>436,693</b>	<b>395,880</b>	<b>436,693</b>	<b>395,880</b>

The accompanying notes are an integral part of this interim financial information.

**STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED MARCH 31, 2021 AND 2020  
(In thousands of Brazilian reais - R\$)**

	Bank and Consolidated	
	03/31/2021	03/31/2020
<b>PROFIT FOR THE QUARTER</b>	<b>436,693</b>	<b>395,880</b>
<b>Other comprehensive income</b>	<b>(7,753)</b>	<b>(24,122)</b>
<b>Fair value adjustments -</b>		
<b>Available-for-sale marketable securities</b>		
Attributable to the parent	(8,491)	(19,857)
Attributable to subsidiaries	(3,083)	(13,201)
Deferred taxes on valuation adjustments to equity		
Assigned to the Parent	3,821	8,936
<b>COMPREHENSIVE INCOME TOTAL</b>	<b>428,940</b>	<b>371,758</b>

*The accompanying notes are an integral part of this interim financial information.*

**STATEMENTS OF CASH FLOWS**  
**FOR THE QUARTER ENDED MARCH 31, 2021 AND 2020**  
(In thousands of Brazilian reais - R\$)

	Bank		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
<b>OPERATING ACTIVITIES</b>				
<b>PROFIT</b>	<b>436,693</b>	<b>395,880</b>	<b>436,693</b>	<b>395,880</b>
<b>Adjustments to reconcile profit</b>				
<b>Net cash provided by operating activities</b>				
Depreciation and amortization	2,720	2,634	2,968	2,779
Deferred taxes	6,301	49,318	9,496	54,970
Current taxes	315,041	152,830	328,226	160,260
Provision for risks	42,166	40,039	41,974	40,447
Provision for guarantees and collaterals	(493)	5,093	(493)	5,093
Allowance for loan losses	101,229	157,260	101,891	162,268
Allowance for losses on leasing operations	-	-	964	(4,452)
Allowance for other loan losses	648	(4,482)	501	(4,473)
Allowance for other sundry loan losses	(1,293)	-	(1,293)	-
Allowance for losses on other assets	(950)	777	(950)	776
Exchange rate changes on cash and cash equivalents	26,636	(116,287)	26,636	(116,287)
Gains on disposal of permanent assets	3,680	3,504	2,303	3,459
Share of profit (loss) of subsidiaries and associates	(24,814)	(35,623)	-	-
<b>TOTAL RECONCILIATION ADJUSTMENTS</b>	<b>470,871</b>	<b>255,063</b>	<b>512,223</b>	<b>304,840</b>
<b>ADJUSTED NET INCOME</b>	<b>907,564</b>	<b>650,943</b>	<b>948,916</b>	<b>700,720</b>
<b>CHANGES IN ASSETS AND LIABILITIES</b>	<b>(177,438)</b>	<b>(714,964)</b>	<b>(218,578)</b>	<b>(768,354)</b>
(Increase) Decrease in Interbank accounts	23,017	(33,141)	90	3,177
(Increase) Decrease in securities and derivatives	(1,449,039)	(1,347,173)	(1,515,528)	(1,286,653)
(Increase) Decrease in interbank and interbranch accounts	(46,695)	(40,527)	(46,695)	(40,527)
(Increase) Decrease in lending operations	(687,334)	(690,088)	(706,341)	(736,838)
(Increase) Decrease in other receivables	(16,123)	902,258	51,398	917,351
(Increase) Decrease in other assets	(2,533)	(6,120)	(2,540)	(6,198)
Increase (Decrease) in deposits	441,500	423,989	445,572	431,604
Increase (Decrease) in repurchase commitments	(157,274)	66,138	(157,274)	66,138
Increase (Decrease) in funds from acceptance and issuance of securities	1,299,606	(594,944)	1,347,350	(601,056)
Increase (Decrease) in borrowings and onlendings	443,452	112,982	443,452	112,982
Increase (Decrease) in other payables	410,315	862,276	388,097	759,312
Income tax and social contribution paid	(433,702)	(366,682)	(461,951)	(382,037)
Increase (Decrease) in deferred income	(2,628)	(3,932)	(4,208)	(5,609)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>730,126</b>	<b>(64,021)</b>	<b>730,338</b>	<b>(67,634)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisition of property and equipment in use	(1,277)	(2,111)	(1,532)	(3,095)
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<b>(1,277)</b>	<b>(2,111)</b>	<b>(1,532)</b>	<b>(3,095)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase (Decrease) in funds from acceptance and issuance of securities	(304,073)	929,254	(304,073)	929,254
Increase (Decrease) in borrowings and onlendings	(12,136)	382,883	(12,136)	382,883
Increase (decrease) of subordinated debts	1,561	1,958	1,561	1,958
Dividends and interest on capital paid	(173,629)	(241,641)	(173,629)	(241,641)
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<b>(488,277)</b>	<b>1,072,454</b>	<b>(488,277)</b>	<b>1,072,454</b>
<b>EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<b>(26,636)</b>	<b>116,287</b>	<b>(26,636)</b>	<b>116,287</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>213,936</b>	<b>1,122,609</b>	<b>213,893</b>	<b>1,118,012</b>
Cash and cash equivalents at beginning of the quarter period	3,812,370	2,585,577	3,812,518	2,592,027
Cash and cash equivalents at end of the quarter period	4,026,306	3,708,186	4,026,411	3,710,039
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>213,936</b>	<b>1,122,609</b>	<b>213,893</b>	<b>1,118,012</b>

The accompanying notes are an integral part of this interim financial information.

**CONSOLIDATED STATEMENTS OF VALUE ADDED**  
**FOR THE QUARTER ENDED MARCH 31, 2021 AND 2020**  
(In thousands of Brazilian reais - R\$)

	Bank		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
<b>REVENUES</b>	<b>1,909,671</b>	<b>2,438,143</b>	<b>1,970,214</b>	<b>2,499,337</b>
Income from financial intermediation	1,949,237	2,545,250	1,992,534	2,576,918
Revenue from services	56,787	58,954	60,816	63,392
Allowance for loan losses	(100,091)	(157,871)	(101,570)	(158,436)
Other	3,738	(8,190)	18,434	17,463
	<b>(822,259)</b>	<b>(1,545,105)</b>	<b>(818,911)</b>	<b>(1,538,079)</b>
<b>EXPENSES</b>	<b>(822,259)</b>	<b>(1,545,105)</b>	<b>(818,911)</b>	<b>(1,538,079)</b>
Expenses on financial intermediation				
	<b>(139,718)</b>	<b>(146,852)</b>	<b>(138,006)</b>	<b>(144,337)</b>
<b>INPUTS PURCHASED FROM THIRD PARTIES</b>	<b>(19,720)</b>	<b>(25,910)</b>	<b>(21,214)</b>	<b>(27,416)</b>
Materials, electric power and other	(119,998)	(120,942)	(116,792)	(116,921)
<b>GROSS VALUE ADDED</b>	<b>947,694</b>	<b>746,186</b>	<b>1,013,297</b>	<b>816,921</b>
<b>DEPRECIATION AND AMORTIZATION</b>	<b>(2,720)</b>	<b>(2,634)</b>	<b>(2,968)</b>	<b>(2,779)</b>
<b>TOTAL WEALTH CREATED BY THE BANK AND CONSOLIDATED</b>	<b>944,974</b>	<b>743,552</b>	<b>1,010,329</b>	<b>814,142</b>
<b>WEALTH RECEIVED IN TRANSFER</b>	<b>24,814</b>	<b>35,623</b>	-	-
Equity in subsidiaries	24,814	35,623	-	-
<b>WEALTH FOR DISTRIBUTION</b>	<b>969,788</b>	<b>779,175</b>	<b>1,010,329</b>	<b>814,142</b>
<b>DISTRIBUTION OF WEALTH</b>	<b>969,788</b>	<b>779,175</b>	<b>1,010,329</b>	<b>814,142</b>
<b>EMPLOYEES</b>	<b>136,682</b>	<b>113,854</b>	<b>152,331</b>	<b>127,484</b>
Salaries and wages	114,362	66,942	126,339	76,352
Benefits	18,073	43,480	21,081	47,107
Severance pay fund (FGTS)	4,247	3,432	4,911	4,025
<b>TAXES</b>	<b>392,049</b>	<b>265,439</b>	<b>416,676</b>	<b>286,547</b>
Federal	387,632	261,267	409,266	279,563
State	578	450	623	493
Municipal	3,839	3,722	6,787	6,491
<b>LENDERS AND LESSORS</b>	<b>4,364</b>	<b>4,002</b>	<b>4,622</b>	<b>4,225</b>
Rentals	4,364	4,002	4,622	4,225
<b>SHAREHOLDERS</b>	<b>436,693</b>	<b>395,880</b>	<b>436,693</b>	<b>395,880</b>
Interest on capital	-	45,244	-	45,244
Retained earnings	436,693	350,636	436,686	350,630
Noncontrolling interests	-	-	7	6

The accompanying notes are an integral part of this interim financial information.

**NOTES TO THE INTERIM INFORMATION (ITR)  
FOR THE QUARTER ENDED MARCH 31, 2021  
(In thousands of Brazilian reais - R\$, unless otherwise stated)**

**1 - GENERAL INFORMATION**

Banco Daycoval S.A. ("Bank" or "Daycoval"), headquartered at Avenida Paulista, 1.793, in the City and State of São Paulo, is a publicly-held entity, organized as a full-service bank authorized to operate commercial, foreign exchange, investment, and lending and financing portfolios and, through its direct and indirect subsidiaries, also leasing portfolio, asset management, life insurance, pension plans and provision of services. The Bank is part of Daycoval Conglomerate and conducts its businesses on an integrated basis.

**2 - PRESENTATION OF THE INTERIM INFORMATION**

**a) Presentation**

The Bank's quarter consolidated financial statements, which include its foreign branch, direct and indirect subsidiaries and the investment funds in which there is retention of risks and rewards, have been prepared in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank of Brazil, and are in conformity with the accounting guidelines set out in the Brazilian Corporate Law (Law 6404/76), and the amendments introduced by Law 11638/07 and Law 11941/09, for the recognition of transactions including, when applicable, the rules and instructions from the National Monetary Council (CMN), the Central Bank of Brazil (BACEN) and the Standard Chart of Accounts for Financial Institutions (COSIF), the Brazilian and Securities Exchange Commission (CVM), the National Private Insurance Council (CNSP), the Private Insurance Superintendence (SUSEP) and the Accounting Pronouncements Committee (CPC).

As prescribed by CMN Resolution 4818/20 and BCB Resolution 2/20 which revoked CMN Resolution 4720/19 and BACEN Circular Letter 3959/19, respectively, the financial institutions and other institutions authorized to operate by BACEN, must prepare their financial statements in accordance with the criteria and procedures set out in these regulations, which address the disclosure of interim, semiannual and annual financial statements, as well as their content, which include the balance sheets and statements of income, of comprehensive income, of cash flows and of changes in equity, the notes to the financial statements and the disclosure of information on non-recurring results.

The Interim Financial Information was approved by Management on May 6, 2021.

Daycoval adopts presentation criteria in its financial statements so as to represent the economic substance of its transactions and in accordance with financial reporting criteria set out in BCB Resolution 2/20, and additional regulations, as follows:

**Balance sheet**

- i The presentation of balance sheet items in descending order of liquidity and liability, without segregating between current and noncurrent. The breakdowns by realization and payment term for the groups of significant assets and liabilities are presented in the notes to the Interim Financial Information, as prescribed in Article 23 of BCB Resolution 2/20.
- ii Presentation of "Total reserves at the Central Bank of Brazil".
- iii Presentation of the line item "Financial instruments", assets and liabilities.
- iv Loan portfolio:
  - Leasing operations under the financial method, which results in the presentation of these operations at present value, eliminating the line items "Lease property and equipment" and "Guaranteed residual value";
  - Purchase of credit rights, reclassified from "Assets - Sundry" to "Other sundry credits".
- v Presentation of line items "Current and deferred tax credits" and "Debtors for escrow deposits" separated from line item "Other receivables - sundry", as well as line items "Current and deferred tax liabilities" and "Provision for risks" separated from line items "Tax and social security" and "Other payables", respectively; and
- vi Daycoval started presenting the operations of Seguradora Líder of consortiums DPVAT in a single line of assets, included in "Insurance premiums" in Other receivables - other.

## Statements of income

- i Income from lending operations starts being comprised as follows: (i) income from leasing operations and income from purchase of credit rights, the latter one previously classified in "Other operating income"; and (ii) advances on foreign exchange contracts, reclassified from "Foreign exchange transactions", except for income and expenses from differences in rates charged on the amounts of foreign currencies, presented as "Foreign exchange transactions".
- ii Highlight of gross profit from financial intermediation before expenses on allowance for loan losses.
- iii Expenses with allowance for loan losses start encompassing allowances for other loan losses added to the Expanded Loan Portfolio and for operations of Financial Guarantees provided.
- iv Other operating income and expenses start being presented in a single line item.
- v Highlight of "Expenses on depreciation and amortization" and "Expenses on provision for risks", which were previously presented in "Operating expenses".
- vi Presentation of the statement of comprehensive income, following the statement of income.

For purposes of presentation of the Interim Financial Information, on comparable basis, the reclassifications of the carrying amounts of profit or loss, due to the new reporting framework, did not change profit for the quarter ended March 31, 2020.

## b) Process of convergence with International Financial Reporting Standards ("IFRS")

As part of the process of convergence with the International Financial Reporting Standards ("IFRS"), the Accounting Pronouncements Committee (CPC) has issued pronouncements related to the international accounting convergence process that have been approved by the CVM but not all of them have been ratified by the BACEN. Accordingly, in the preparation of the interim financial information, the Bank has adopted the following pronouncements that have been approved by the BACEN:

Pronouncements CPC	Resolution CMN
CPC 00 (R1) - Conceptual Framework to Prepare and Disclose the Financial Report	4144/12
CPC 01 (R1) - Impairment of Assets	3566/08
CPC 02 (R2) - Effects of Changes in Exchange Rates and Translation of Financial Statements	4524/16
CPC 03 (R2) - Statements of Cash Flows	4720/19
CPC 04 (R1) - Intangible Assets	4534/16
CPC 05 (R1) - Related-party Disclosures	4636/18
CPC 10 (R1) - Share-based Payment	3989/11
CPC 23 - Accounting Policies, Changes in Accounting Estimates and Errors	4007/11
CPC 24 - Events After the Reporting period	3973/11
CPC 25 - Provisions, Contingent Liabilities and Contingent Assets	3823/09
CPC 27 - Property, Plant and Equipment	4535/16
CPC 33 (R1) - Employee Benefits	4424/15
CPC 41 - Earnings per Share	4818/20
CPC 46 - Fair Value Measurement	4748/19

All relevant information in the Individual and Consolidated Financial Statements of the Bank, and only such information, is being disclosed and corresponds to the information used by the Bank's Management in managing the Bank.

### c) Consolidation

In the process of consolidation of the financial statements, the balances of assets, liabilities and results from the transactions among the Bank, its foreign branch, its direct and indirect subsidiaries and the investment funds acquired with substantial retention of risks and benefits, were eliminated, and the balances of net income and equity attributable to noncontrolling interests were recorded in separate line items.

The consolidated financial statements include the Bank and the following entities:

	Ownership interest - %	
	2021	2020
<b>Leasing operations</b>		
Daycoval Leasing – Banco Múltiplo S.A. ("Daycoval Leasing")	100.00	100.00
<b>Financial activity - Foreign branch</b>		
Banco Daycoval S.A. - Cayman Branch	100.00	100.00
<b>Insurance and pension plan activity</b>		
Dayprev Vida e Previdência S.A. ("Dayprev")	97.00	97.00
<b>Non-financial activity</b>		
ACS Participações Ltda. ("ACS")	99.99	99.99
Daycoval Asset Management Administração de Recursos Ltda. ("Daycoval Asset")	99.99	99.99
IFP Promotora de Serviços de Consultoria e Cadastro Ltda. ("IFP")	99.99	99.99
SCC Agência de Turismo Ltda. ("SCC")	99.99	99.99
Treetop Investments Ltd. ("Treetop")	99.99	99.99
<b>Investment funds</b>		
Multigestão Renda Comercial Fundo de Investimento Imobiliário - FII ("Fundo") <sup>(1)</sup>	67.97	68.10

*(1) Pursuant to Art. 4 of CMN Resolution 4280/13, the investment funds in which Daycoval substantially assumes or retains all risks and rewards, on any account, must be consolidated in the financial statements of the controlling institution.*

## 3 - SIGNIFICANT ACCOUNTING POLICIES

### a) Functional and reporting currency, foreign currency-denominated transactions and share of profit (loss) of foreign entities:

#### i Functional and reporting currency

Daycoval's financial statements are presented in Brazilian reais (R\$), which is the Bank's functional and reporting currency. As prescribed by CMN Resolution 4524/16, Daycoval has defined that the functional and reporting currency for each of its direct and indirect subsidiaries, including foreign entities, will also be the Brazilian real (R\$).

#### ii Translation of foreign-currency denominated transactions

If foreign investees conduct transactions in a currency different from their respective functional currencies, these transactions will be converted by applying the exchange rates of the respective trial balance or balance sheet for monetary items, assets and liabilities stated at fair value and for items not classified as monetary items. For other cases, the exchange rates on the transaction date are applied.

#### iii Share of profit (loss) of foreign entities

The share of profit (loss) of foreign entities, the functional currency of which is defined in item "i" above, is recognized directly in Daycoval's income statements, in "Share of profit (loss) of subsidiaries".

**b) Recording of income and expenses**

Income and expenses are recorded on the accrual basis. Fixed-rate transactions are stated at the final amount, and income and expenses for future period are recognized as a reduction of the related assets and liabilities. Finance income and costs are recorded on a pro rata basis and calculated based on the exponential method, except those related to discounted notes or foreign transactions, which are calculated under the straight-line method. Floating-rate transactions or those indexed to foreign currencies are adjusted through the balance sheet date.

**c) Cash and cash equivalents**

Cash and cash equivalents are represented by cash and bank deposits, recorded in line items "Cash", "Interbank accounts", and "Securities - own portfolio", with original investment term of 90 days or less; the risk of change in their fair value is considered immaterial.

The breakdown of cash and cash equivalents is presented in Note 4.

**d) Financial instruments**

**i Interbank accounts**

Repurchase commitments are stated at cost, plus income earned through the balance sheet date, less allowance for impairment, when applicable.

The breakdown of Interbank accounts is presented in Note 6.

**ii Securities**

Securities are stated at cost plus income earned, as follows: (i) fixed-income securities are adjusted at the applicable interest rate based on the respective maturities; (ii) shares are adjusted based on the average price informed by the Stock Exchange where the shares are more traded; and (iii) investments in investment funds are adjusted based on the share price informed by the fund managers.

Securities are classified in conformity with BACEN Circular Letter 3068/01 into one of the following categories:

- Trading securities - securities acquired for the purpose of being actively and frequently traded, adjusted to fair value as a contra-entry to profit or loss.
- Available-for-sale securities - securities not acquired for the purpose of being actively and frequently traded, which Management does not intend to hold to maturity. The adjustments to fair value (unrealized gains and losses) are recorded as a separate component of equity, net of taxes, and are recognized in profit or loss when realized.
- Held-to-maturity securities - securities that the Bank has the positive intent and ability to hold to maturity and stated at cost, plus income earned, as a contra-entry to profit or loss.
- Bonuses arising from investments in shares issued by publicly-traded companies are recorded in the securities portfolio only according to the respective quantities, without modifying the amount of investments, when the corresponding shares are considered "ex-rights" on the stock exchange.

Dividends and interest on capital arising from investments in shares issued by publicly-traded companies are recorded as income when the related shares are

The breakdown and classification of securities are presented in Notes 7.a and 7.b.

### iii Derivative financial instruments (assets and liabilities)

Derivatives consist of forward, futures and swap options and are recorded in conformity with BACEN Circular Letter 3082/02, which provides for the adoption of the following criteria:

- Option transactions - premiums received or paid are recorded at fair value in caption "Derivatives" in assets or liabilities, respectively, until the option is exercised, and recorded as a decrease or increase in the cost of the asset subject to the option, for the exercise of the option, or as income or expense in the event of non-exercise;
- Futures transactions - daily adjustments are recorded at fair value in line item "Trading account" in assets or liabilities and allocated daily to profit or loss as income
- Currency swap and forward transactions (NDF) - differential receivable or payable is recorded at fair value in caption "Derivatives" in assets or liabilities, respectively, and allocated to profit or loss as income (when relating to gains) or expense (when relating to losses); and
- Forward transactions - recorded at the final contractual amount, less the difference between such amount and the cash price of the asset, adjusted to fair value, income and expenses being recognized over the contractual terms.

Derivative transactions are stated at fair value, with gains and losses recorded as described below:

- Derivatives not qualified as hedge - in income or expense in profit or loss; and
- Derivatives qualified as hedge - classified as market risk hedge or cash flow hedge.

Market risk hedges are used to offset the risks arising from the exposure to changes in the fair value of the hedged item, with gains or losses recorded as a contra-entry to income or expense in profit or loss.

Cash flow hedges are used to offset the changes in estimated future cash flows, the effective portion used in such offset being recorded as a contra-entry to a separate item of equity, net of taxes, and any other change as a contra-entry to income or expense in profit or loss.

The breakdown of derivative financial instruments recorded in assets and liabilities accounts and in memorandum accounts is presented in Note 8.

### iv Fair value measurement

The methodology applied to measure the fair value of financial assets and derivative financial instruments measured at fair value is based on the economic scenario and on the pricing models designed by Management, which include capturing average prices charged in the market, applicable to the balance sheet date. Accordingly, upon the financial settlement of these items, the results may be different from estimates.

The model of fair value measurement of financial instruments assets and liabilities, including derivatives, designed by the Management, takes into consideration the economic scenario, the collection of indicators and prices charged in the market, applicable to these instruments at the balance sheet date. The value of settlement of these financial instruments may be different from estimates.

**e) Lending operations, other transactions with loan and lease characteristics and allowance for losses associated with the credit risks of these instruments**

Leasing operations were reclassified so as to reflect its financial position in conformity with the financial method.

Lending and leasing operations are classified based on Management's risk assessment, considering the past experience with prior borrowers, the risk rating of such borrowers and their guarantors, the economic environment, and specific and overall portfolio risks, pursuant to CMN Resolution 2682/99, which requires a periodic analysis of the portfolio and its classification into nine risk rating levels from AA (minimum risk) to H (maximum risk - loss).

Additionally to the minimum levels of provision mentioned in Resolution 2682/99, and subsequent amendments, Daycoval also established a provision for additional credit risk, calculated on the basis of a credit risk assessment and monitoring from time to time revalued and approved by Management.

The allowance for losses associated with the credit risk is established in an amount sufficient to cover probable losses and in accordance with standards and guidelines from CMN and Bacen.

Also according to CMN Resolution 2682/99, the income from lending operations past due for more than 60 days, regardless of the risk rating, is only recognized when received, and H-rated loans remain as such for 180 days, after which period they are written off against the existing allowance and are controlled in memorandum accounts, no longer being recorded in the balance sheet.

Renegotiated operations are held at least at the same level of risk in which they were classified on the date of renegotiation. In case of significant amortization of the operation or when new significant or observable facts justify the change of risk level, the operation can be reclassified into a lower risk category.

Lending operations, other transactions with loan and lease characteristics and leasing transactions are measured at amortized cost.

The breakdown of lending operations, other transactions with loan and lease characteristics and leasing operations and that of the allowance for losses associated with the credit risks of these instruments are presented in Note 9.

**f) Derecognition of financial assets**

A financial asset is derecognized, as prescribed by CMN Resolution 3533/08, when the contractual rights to the financial asset's cash flows expire or when the asset is sold or transferred, which should be classified into the following categories:

- Transactions with substantial transfer of the risks and rewards: the assignor substantially transfers all the risks and rewards of ownership of the financial asset as follows: (i) unconditional sale of the financial asset; (ii) sale of the financial asset with repurchase option at its fair value on the repurchase date; and (iii) sale of the financial asset with call or put options, whose exercise is unlikely to occur;
- Transactions with substantial retention of the risks and rewards: the assignor substantially retains all the risks and rewards of ownership of the financial asset as follows: (i) sale of the financial asset with repurchase commitment at a fixed price or at the sales price plus any yields; (ii) securities lending agreements; (iii) sale of the financial assets with total return rate swap agreement, which transfers the market risk exposure back to the assignor; (iv) sale of the financial asset with call or put options whose exercise is likely to occur; and (v) sale of receivables, when the losses incurred by the buyer or assignee, if any, are compensated by the seller or assignor, or whose sale is made together with the acquisition of subordinated units of the buyer Receivables Investment Fund (FIDC); and
- Transactions with no substantial transfer or retention of the risks and rewards: transactions in which the assignor neither transfers nor substantially retains all the risks and rewards of ownership of the financial asset.

The transfer or retention of the risks and rewards of ownership of the financial asset is analyzed by comparing Daycoval's exposure, before and after the sale or transfer, with the changes in the present value of the financial asset's expected cash flows, adjusted at the appropriate market interest rate.

**g) Foreign exchange transactions (gains and losses)**

Foreign exchange transactions are stated at realizable values, plus income and exchange rate changes calculated on a daily pro rata basis.

The breakdown of foreign exchange transactions (gains and losses) is presented in Note 10.

**h) Insurance operations**

The operations of Seguradora Líder are stated in one single line item in assets, in "Other sundry receivables", proportionally to the interest held in the entity, in conformity with the regulatory amendments set out in SUSEP Circular Letter 595/19, which revoked articles 153 and 154 of SUSEP Circular Letter 517/15, which provided for the line-by-line presentation of the Consortium's assets and liabilities proportionally to the consortium's interest.

Total "Unearned insurance premium" amounts to R\$31 (R\$31 as at December 31, 2020), as shown in note 11.

**i) Prepaid expenses**

Prepaid expenses related to commissions paid to bank correspondents are controlled by contract and accounted for in line item "Prepaid expenses in assets, in the

Other prepaid expenses regarding expenses with issuance of securities in Brazil or abroad and with those relating to funds from the Interamerican Development Bank (IDB) are recognized in profit or loss on a pro rata basis, over the respective contractual terms.

Prepaid expenses are presented in Note 12.

**j) Investments in subsidiaries**

Investments in subsidiaries are accounted for under the equity method of accounting and applied to all associates in which the Bank has a significant influence. A significant influence is deemed to be a 20% equity interest or more in the voting capital.

The breakdown of investments in subsidiaries is presented in Note 14.

**k) Other investments**

Other investments are stated at cost, less allowance for loss, when applicable.

**l) Property and equipment for use**

Stated at acquisition cost, monthly adjusted by their respective accumulated depreciation, calculated under the straight-line method in accordance with the estimated useful and economic life of the assets, namely: property and equipment for use - 4% p.a.; facilities, furniture, equipment for use, security systems and communications - 10% p.a.; transportation systems - 10% and 20% p.a.; and data processing systems - 20% p.a., and adjusted by impairment, as applicable.

The breakdown of property and equipment for use is presented in Note 15.a.

**m) Property and equipment for operating lease**

Leased assets are stated at acquisition cost, less accumulated depreciation. Depreciation is calculated on a straight-line basis, with a 30% reduction benefits in the normal useful lives of assets for leasing operations carried out with legal entities, provided for by prevailing legislation.

The breakdown of property and equipment for operating lease is shown in note 15.b.

**n) Held-for-sale non-financial assets**

Held-for-sale non-financial assets, pursuant to CMN Resolution 4747, must be classified as:

a) own – which expected realization is through sale, are available for immediate sale and which disposal is highly probable within no more than one year; or

b) received – which receipt by the institution for settlement of financial instrument is difficult or doubtful nor intended for own use.

Held-for-sale non-financial assets are show in note 12.

**o) Impairment of non-financial assets**

The impairment of non-financial assets is recognized as a loss when the carrying amount of an asset or a cash-generating unit is higher than its recoverable or realizable value. A cash-generating unit is the smallest identifiable group of assets that generates cash flows substantially independent from other assets or groups of assets. Impairment losses are recognized in profit or loss for the period in which they are identified, when applicable.

Non-financial assets, except those recorded in line items 'Other assets' and 'Current and deferred tax credits', are tested for impairment at least annually to determine if there is any indication that such assets might be impaired, pursuant to Note 12.

**p) Funding**

The deposits, issuance of securities in Brazil and abroad and borrowings and onlendings are recognized at initial value, plus interest and financial charges incurred up to the balance sheet date, calculated on a pro rata basis. Funds from acceptance of securities abroad and foreign onlendings are also increased by the exchange variation calculated at the foreign currency quote announced by BACEN at the balance sheet date.

Funds from issuance of securities and foreign onlendings, subject to hedge accounting, are measured at fair value at the balance sheet date, and the effects of this measurement are recognized in the statement of income.

The breakdown of funding is presented in Note 16.

**q) Provisions, contingent assets and liabilities and legal obligations (tax and labor)**

The recognition, measurement and disclosure of the provisions for contingent assets and liabilities and legal obligations are carried out in accordance with the criteria established by Technical Pronouncement CPC 25 – Provisions, Contingent Liabilities and Contingent Assets approved by CMN Resolution 3823/2009 and BACEN Circular Letter 3429/2010, as follows:

**i Provisions**

Are recognized when there is a present obligation as a result of past events, where it is likely that an outflow of funds will be required to settle an obligation and which can be reliably estimated. Daycoval, for the constitution of the provisions, considers the opinion of its legal advisors and the Management for its recognition.

**ii Contingent assets**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The contingent asset is only recognized in the financial assets when there is sufficient evidence that its realization is certain, otherwise, it is only disclosed in the financial statements.

**iii Contingent liabilities**

Contingent liabilities are not recorded as their existence will be confirmed only upon the occurrence or not of one or more uncertain future events that are beyond Daycoval's control. Contingent liabilities do not satisfy the criteria for their recognition as they are considered as possible losses and disclosed in the notes to the interim financial information. Contingent liabilities assessed as remote loss are not recognized and disclosed.

**iv Legal obligations (tax and social security)**

Legal obligations (tax and social security) - refer to lawsuits challenging the legality and constitutionality of certain taxes and contributions. The amount under litigation is determined, accrued and adjusted on a monthly basis, regardless of its likelihood of loss.

The breakdown of contingent assets and liabilities and legal obligations is presented in Note 18.

**r) Taxes**

Tax credits from income tax and social contribution on net profit, calculated on temporary additions, are recorded in line item "Tax credits", and the provision for deferred tax liabilities on excess depreciation, adjustments to fair value of marketable securities, inflation adjustment of escrow deposits, among others, are recorded in "Deferred taxes". Only the income tax rate is applied to surplus depreciation.

Tax credit arising from temporary differences on the fair value measurement of certain financial assets and financial liabilities, including derivative agreement, provisions for tax, civil and labor contingencies and allowances for loan losses, are recognized only when all requirements for its recognition, established by CMN Resolution 4842/20, are met.

Taxes are recognized in the statement of income, except when they refer to items recognized directly in equity. Deferred taxes, comprising tax credits and deferred tax liabilities, are calculated on the temporary differences between the tax base of assets and liabilities and their carrying amounts.

The calculation of income tax and social contribution and the breakdown of tax credits and deferred tax liabilities are respectively presented in Notes 19.a.i and 19.d.

The realization of tax credits is presented in Note 19.e.

**s) Earnings per share**

Earnings per share are calculated based on criteria and procedures set out in Technical Pronouncement CPC 41 – Earnings per Share, considering the provisions applicable to financial institutions, as prescribed by CMN Resolution 4818/20.

Earnings per share are shown in note 20.f.

**t) Interest on capital**

CMN Resolution 4706/18, which came into effect beginning January 1, 2019, establishes procedures for the recognition of interest on capital, which must be recognized after declared or proposed and if representing a present obligation at the balance sheet date.

Dividends and interest on capital declared are recognized in current liabilities in line item "Social and statutory" and dividends proposed and not yet approved are recognized in equity in line item "Special earnings reserves".

Interest on capital is presented in Note 20.d.

**u) Use of accounting estimates**

The preparation of the financial statements requires Management to make estimates and adopt assumptions that, in its best judgment, affect the reported amounts of certain assets and liabilities (financial or not), revenues, expenses and other transactions, such as:

- i depreciation rates of property and equipment items and lease property and equipment;
- ii Amortization of deferred assets;
- iii Allowance for loan and lease losses;
- iv Measurement of financial instruments; and
- v Provisions for contingencies.

The actual settlement amounts of these financial or non-financial assets and liabilities could differ from those estimates.

**v) Non-recurring result**

Non-recurring result is that:

- i Arising from operations/transactions carried out by the Bank that are not directly related to its core activities;
- ii Indirectly related to the Bank's core activities; and
- iii Arising from operations/transactions not expected to be frequently carried out in future years.

The breakdown of non-recurring result is shown in note 21.k.

#### 4 - CASH AND CASH EQUIVALENTS

	Bank		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Cash	249,596	342,892	249,701	343,040
Money market investments <sup>(1)</sup>	3,480,576	3,286,298	3,480,576	3,286,298
Foreign currency investments <sup>(2)</sup>	296,134	183,180	296,134	183,180
<b>Total</b>	<b>4,026,306</b>	<b>3,812,370</b>	<b>4,026,411</b>	<b>3,812,518</b>

(1) Money market investments comprising cash and cash equivalents, do not contain the amount of money market investments – third-party (note 6), for the Bank and the Consolidated.

(2) Refers to foreign currency investments (note 6) maturing within up to 90 days from the investment date.

#### 5 - RESERVES AT THE CENTRAL BANK

	Bank and Consolidated	
	03/31/2021	12/31/2020
Reserves in instant payment account	2,126	4,755
Compulsory reserves in cash on		
Time deposits	155,575	197,067
Mandatory collections		
Other mandatory collections	16,893	15,850
<b>Total</b>	<b>174,594</b>	<b>217,672</b>

## 6 - INTERBANK ACCOUNTS

	Bank				12/31/2020
	03/31/2021				
	Up to 3 months	3 to 12 months	1 to 3 Years	Total	Total
Investments in repurchase transactions	5,006,007	-	-	5,006,007	4,364,992
Own portfolio	3,480,576	-	-	3,480,576	3,286,298
Financial Treasury Bills (LFT)	400,008	-	-	400,008	1,175,000
National Treasury Bills (LTN)	1,687,224	-	-	1,687,224	750,000
National Treasury Notes (NTN)	1,393,344	-	-	1,393,344	1,361,298
Financed portfolio	1,525,431	-	-	1,525,431	1,078,694
Financial Treasury Bills (LFT)	450,001	-	-	450,001	-
National Treasury Bills (LTN)	1,068,775	-	-	1,068,775	-
National Treasury Notes (NTN)	6,655	-	-	6,655	1,078,694
Interbank deposits	104,473	887,627	2,083	994,183	1,017,200
Investments in foreign currencies <sup>(1)</sup>	296,134	-	-	296,134	183,180
Total	5,406,614	887,627	2,083	6,296,324	5,565,372

	Consolidated				12/31/2020
	03/31/2021				
	Up to 3 months	3 to 12 months	1 to 3 Years	Total	Total
Investments in repurchase transactions	5,006,007	-	-	5,006,007	4,364,992
Own portfolio	3,480,576	-	-	3,480,576	3,286,298
Financial Treasury Bills (LFT)	400,008	-	-	400,008	1,175,000
National Treasury Bills (LTN)	1,687,224	-	-	1,687,224	750,000
National Treasury Notes (NTN)	1,393,344	-	-	1,393,344	1,361,298
Financed portfolio	1,525,431	-	-	1,525,431	1,078,694
Financial Treasury Bills (LFT)	450,001	-	-	450,001	-
National Treasury Bills (LTN)	1,068,775	-	-	1,068,775	-
National Treasury Notes (NTN)	6,655	-	-	6,655	1,078,694
Interbank deposits	104,473	117,390	2,083	223,946	224,036
Investments in foreign currencies <sup>(1)</sup>	296,134	-	-	296,134	183,180
Total	5,406,614	117,390	2,083	5,526,087	4,772,208

(1) Refer to investments in foreign currencies maturing within up to 90 days from the investment date.

## 7 - Money market investments

### a) Breakdown by category and type

	Bank					
	03/31/2021			12/31/2020		
	Adjusted cost	Fair value adjustment at:		Fair value <sup>(1)</sup>	Adjusted cost	Fair value <sup>(1)</sup>
		Result	Shareholders Equity			
Trading securities	126,274	(1,760)	-	124,514	140,768	136,907
Own portfolio	26,454	(242)	-	26,212	39,398	38,441
Debentures	14,738	(240)	-	14,498	17,388	16,440
Financial Bills	11,716	(2)	-	11,714	22,010	22,001
Linked to repurchase commitments	99,820	(1,518)	-	98,302	101,370	98,466
Debentures	99,820	(1,518)	-	98,302	101,370	98,466
Securities available for sale	6,337,581	-	(32,247)	6,305,334	5,170,079	5,146,031
Own portfolio	5,220,071	-	(25,915)	5,194,156	3,799,361	3,781,060
Financial Treasury Bills (LFT)	5,073,262	-	(16,046)	5,057,216	3,697,175	3,678,455
National Treasury Bills (LTN)	87,428	-	(5,066)	82,362	40,145	40,260
National Treasury Notes (NTN)	4	-	-	4	4	4
Investment fund units	50,021	-	(5,111)	44,910	50,717	50,614
Foreign securities	8,669	-	314	8,983	8,057	8,450
Debentures	602	-	(4)	598	624	645
Certificates of Real Estate Receivables - CRA	85	-	(2)	83	2,639	2,632
Linked to repurchase commitments	621,683	-	(4,513)	617,170	780,135	776,232
Financial Treasury Bills (LFT)	621,683	-	(4,513)	617,170	734,013	730,008
National Treasury Bills (LTN)	-	-	-	-	46,122	46,224
Linked to guarantees <sup>(2)</sup>	495,827	-	(1,819)	494,008	590,583	588,739
Financial Treasury Bills (LFT)	495,827	-	(1,819)	494,008	590,583	588,739
Held-to-maturity securities <sup>(3)</sup>	17,354	-	-	17,354	15,685	15,685
Own portfolio	17,354	-	-	17,354	15,685	15,685
Other government bonds	17,354	-	-	17,354	15,685	15,685
Total	6,481,209	(1,760)	(32,247)	6,447,202	5,326,532	5,298,623

	Consolidated					
	03/31/2021			12/31/2020		
	Adjusted cost	Fair value adjustment at:		Fair value <sup>(1)</sup>	Adjusted cost	Fair value <sup>(1)</sup>
Result		Shareholders Equity				
Trading securities	126,274	(1,760)	-	124,514	140,768	136,907
Own portfolio	26,454	(242)	-	26,212	39,398	38,441
Debentures	14,738	(240)	-	14,498	17,388	16,440
Financial Bills - LF	11,716	(2)	-	11,714	22,010	22,001
Linked to repurchase commitments	99,820	(1,518)	-	98,302	101,370	98,466
Debentures	99,820	(1,518)	-	98,302	101,370	98,466
Securities available for sale	6,690,783	-	(25,307)	6,665,476	5,459,132	5,439,683
Own portfolio	5,573,273	-	(18,975)	5,554,298	4,088,414	4,074,712
Financial Treasury Bills (LFT)	5,107,232	-	(16,149)	5,091,083	3,731,211	3,712,399
National Treasury Bills (LTN)	87,428	-	(5,066)	82,362	40,145	40,260
National Treasury Notes (NTN)	4	-	-	4	4	4
Investment fund units	271,462	-	-	271,462	218,322	218,132
Foreign securities	106,297	-	2,246	108,543	95,327	100,498
Debentures	602	-	(4)	598	624	645
Certificates of Agribusiness Receivables - CRA	85	-	(2)	83	2,639	2,632
Certificates of Bank Deposit - CDB	134	-	-	134	131	131
Bills of exchange - LC	29	-	-	29	11	11
Linked to repurchase commitments	621,683	-	(4,513)	617,170	780,135	776,232
Financial Treasury Bills (LFT)	621,683	-	(4,513)	617,170	734,013	730,008
National Treasury Bills (LTN)	-	-	-	-	46,122	46,224
Linked to guarantees <sup>(2)</sup>	495,827	-	(1,819)	494,008	590,583	588,739
National Treasury Bills (LTN)	495,827	-	(1,819)	494,008	590,583	588,739
Held-to-maturity securities <sup>(3)</sup>	17,354	-	-	17,354	15,685	15,685
Own portfolio	17,354	-	-	17,354	15,685	15,685
Other government bonds	17,354	-	-	17,354	15,685	15,685
Total	6,834,411	(1,760)	(25,307)	6,807,344	5,615,585	5,592,275

(1) ) The securities' fair value was calculated based on the prices and rates prevailing as at March 31, 2021 and December 31, 2020, as disclosed by the Brazilian Financial and Capital Markets Association (ANBIMA) - by the managers of the investment fund in which the Bank invests, the B3 S.A. - Brasil, Bolsa, Balcão, and other market makers in the case of securities acquired abroad.

(2) Securities linked to guarantees refer to securities conducted on B3 S.A.- Brasil, Bolsa, Balcão.

(3) For securities classified as held to maturity, the fair value relates to the initial value adjusted by interest recognized as at March 31, 2021 and December 31, 2020.

## b) Breakdown by maturity:

	Bank						12/31/2020
	03/31/2021						
	Up to 3 months	3 to 12 months	1 to 3 Years	3 to 5 Years	Over 5 years	Fair Value	
Federal government securities	38	266,662	822,455	2,038,967	3,122,638	6,250,760	5,083,690
Treasury Bills	-	266,662	740,131	2,038,967	3,122,634	6,168,394	4,997,202
National Treasury Letters	38	-	82,324	-	-	82,362	86,484
National Treasury Notes	-	-	-	-	4	4	4
Foreign securities	263	8,983	-	-	17,091	26,337	24,135
Eurobonds and similar instruments	-	8,983	-	-	-	8,983	8,450
Other government bonds	263	-	-	-	17,091	17,354	15,685
Private-sector securities	-	124,514	83	-	598	125,195	140,184
Debentures <sup>(1)</sup>	-	112,800	-	-	598	113,398	115,551
Certificates of Agribusiness Receivables	-	-	83	-	-	83	2,632
Financial Bills <sup>(1)</sup>	-	11,714	-	-	-	11,714	22,001
Investment fund units	44,910	-	-	-	-	44,910	50,614
Real estate investment fund	42,582	-	-	-	-	42,582	48,342
Other investment funds	2,328	-	-	-	-	2,328	2,272
Total	45,211	400,159	822,538	2,038,967	3,140,327	6,447,202	5,298,623

	Consolidated						12/31/2020
	03/31/2021						
	Up to 3 months	3 to 12 months	1 to 3 Years	3 to 5 Years	Over 5 years	Fair Value	
Federal government securities	38	279,159	843,323	2,039,471	3,122,636	6,284,627	5,117,634
Treasury Bills	-	279,159	760,999	2,039,471	3,122,632	6,202,261	5,031,146
National Treasury Letters	38	-	82,324	-	-	82,362	86,484
National Treasury Notes	-	-	-	-	4	4	4
Foreign securities	1,191	26,949	18,154	23,464	56,139	125,897	116,183
Eurobonds and similar instruments	928	26,949	18,154	23,464	39,048	108,543	100,498
Other government bonds	263	-	-	-	17,091	17,354	15,685
Private-sector securities	-	124,525	145	90	598	125,358	140,326
Debentures <sup>(1)</sup>	-	112,800	-	-	598	113,398	115,551
Certificates of Agribusiness Receivables	-	-	83	-	-	83	2,632
Certificates of long-term deposits	-	11	51	72	-	134	131
Exchange bills	-	-	11	18	-	29	11
Financial bills <sup>(1)</sup>	-	11,714	-	-	-	11,714	22,001
Investment fund units	271,462	-	-	-	-	271,462	218,132
Fixed income investment funds	156,016	-	-	-	-	156,016	151,982
Real estate investment fund	8,304	-	-	-	-	8,304	8,784
Multimarket investment funds	40,926	-	-	-	-	40,926	40,875
Equity funds	13,807	-	-	-	-	13,807	14,219
Credit rights funds	50,081	-	-	-	-	50,081	-
Other investment funds	2,328	-	-	-	-	2,328	2,272
Total	272,691	430,633	861,622	2,063,025	3,179,373	6,807,344	5,592,275

(1) As set forth in the sole paragraph of Article 7 of BACEN Circular Letter No. 3068/01, securities classified as "Trading securities" are recognized in current assets, regardless of their respective maturities.

## 8 - DERIVATIVES

The Bank conducts derivative transactions so as to meet own or its clients' needs, which are recognized in balance sheet, profit or loss, and memorandum accounts.

Derivatives used are properly approved based on the product use policy. Pursuant to this policy, prior to the implementation of each product, all aspects should be analyzed, such as: objectives, methods of use, underlying risks and appropriate supporting operational infrastructure.

The credit and market risk components of derivatives are monitored on a daily basis, and specific limits are set for derivative transactions for clients and also for registration and settlement chambers. Such limits are managed through a system that consolidates exposures by counterparty. Any discrepancies are promptly identified and addressed for immediate solution.

The market risk of derivatives is managed based on a prevailing risk policy, pursuant to which potential risks of price fluctuations in the financial markets are centralized in the Treasury department, which provides hedge for the other areas.

The main derivative financial instruments contracted by Daycoval as at March 31, 2021 are as follows:

- Future market contracts - commitments to purchase or sell, interest rates and foreign currencies on a future date at a given price or yield and can be settled in cash or by physical delivery of the underlying asset of the contract. The notional value represents the notional value of the contract. The adjustments regarding the changes in the price of underlying assets of the contract are daily settled.
- Forward contracts - forward exchange contracts represent contracts for currency exchange at a price contracted on an agreed-upon future settlement date. There may be only the physical delivery or only the financial settlement of the difference between the prices of currencies underlying the contract ("*Non deliverable forwards - NDF*").
- Index swap contracts ("*Swaps*") - these are commitments to settle in cash on a date or future dates (in case there is more than one payment flow) the difference between both financial indicators stipulated and different ones (interest rates, foreign currency, inflation indexes, among others) on a notional value of principal.
- Options - options contracts subject the purchaser, by paying a premium, and the seller (writer) to the obligation, by receiving a premium, to purchase or sell a financial asset (interest rates, shares, currencies, among others) in a term limited to a price of contract.

No operations were carried out with derivative financial instruments among companies comprising the Consolidated.

### i Hedge

The hedging strategy is determined based on the Bank's operating risk exposure limits. Whenever its transactions have risk exposures above the preset limits, which might result in significant fluctuations in the Bank's profit or loss, the Bank uses derivatives, contracted in the organized or over-the-counter market, to hedge against such risks, according to the hedging rules set forth in BACEN Circular Letter 3082/02.

The hedge instruments seek to mitigate market, currency fluctuation and interest rate risks. According to the market liquidity, the maturity dates of hedge instruments are the closest possible to the dates of the financial flows of the hedged transactions so as to ensure an efficient hedge.

The Bank has a market risk hedge structure designed to offset the risks arising from the exposure to changes in the fair value relating to the fluctuation of foreign currency (US dollar and euro fluctuation) and of the Libor interest rate on foreign borrowings - (hedged items) recorded in "Payables for securities issued abroad" (Note 16.b) and "Payables for foreign borrowings" (Note 16.b).

The table below summarizes the market risk hedge structure:

03/31/2021				Changes in fair value		Effectiveness
Hedge Item	Maturity	principal Value	Hedge Instrument	Hedge Item	Hedge Instrument	
Foreign issuance	12/13/2024	USD 350,000	Swap	(690,451)	707,135	102.42%
Foreign issuance	12/13/2024	USD 100,000	Swap	(56,038)	50,865	90.77%
Funding IFC	03/15/2022	USD 110,000	Swap	(320,820)	319,548	99.60%
Funding IFC	06/15/2022	USD 100,000	Swap	(43,440)	38,038	87.56%
Funding IDB - A/B Loan	12/15/2023	USD 150,000	Swap	(259,363)	257,399	99.24%
Funding IDB - A/B Loan	12/15/2021	USD 253,000	Swap	(434,912)	433,376	99.65%
Funding IDB - A/B Loan	12/15/2021	€ 25,000	Swap	(54,723)	53,517	97.80%
				<b>(1,859,747)</b>	<b>1,859,878</b>	

12/31/2020				Changes in fair value		Effectiveness
Hedge item	Maturity	principal Value	Hedge Instrument	Hedge Item	Hedge Instrument	
Foreign issuance	12/13/2024	USD 350,000	Swap	(519,766)	547,074	105.25%
Foreign issuance <sup>(1)</sup>	12/13/2024	USD 100,000	Swap	(7,270)	5,193	71.43%
Funding IFC	03/15/2022	USD 110,000	Swap	(285,883)	285,180	99.75%
Funding IFC <sup>(1)</sup>	06/15/2022	USD 100,000	Swap	5,612	(8,447)	150.52%
Funding IDB - A/B Loan	12/15/2023	USD 150,000	Swap	(183,561)	186,879	101.81%
Funding IDB - A/B Loan	12/15/2021	USD 253,000	Swap	(309,827)	313,083	101.05%
Funding IDB - A/B Loan	12/15/2021	€ 25,000	Swap	(47,975)	47,112	98.20%
				<b>(1,348,670)</b>	<b>1,376,074</b>	

(1) In measuring the effectiveness for the last quarter of 2020, considering the marked-to-market adjustments to the hedge accounting structures of Issuance and Funding, each one in the amount of US\$100 million, the effectiveness percentage rates were 117.8% and 99.2%, respectively, showing the compliance of these structures with the requirements set out in BACEN Circular Letter 3082/02. As at December 31, 2020, these structures were 71.4% and 150.5%, respectively, due to atypical and timely behavior of the domestic and foreign interest curves, used for the marked-to-market of these structures. On the date of disclosure of these financial statements, these structured presented again an effectiveness percentage of 92.1% and 84.2%, respectively. We stress that Daycoval's Management timely monitors its hedge accounting structures.

The accounting hedge structure for these transactions was established by linking a cash flow swap contract to each borrowing maturity, either interest or principal plus interest, and the Bank's long position is identical to the yield of borrowings agreements.

## a) Breakdown of amounts of differentials receivable and payable recorded in assets and liabilities as “Derivatives” (Bank and Consolidated):

	03/31/2021								12/31/2020		
	Amortized cost	Fair value adjustment	Fair value	Up to 3 months	3 to 12 months	1 to 3 Years	3 to 5 Years	Over 5 years	Amortized cost	Fair value adjustment	Fair value
<b>Assets</b>											
<b>Derivatives</b>	<b>1,501,952</b>	<b>17,348</b>	<b>1,519,300</b>	<b>41,093</b>	<b>594,971</b>	<b>307,756</b>	<b>575,479</b>	<b>1</b>	<b>1,078,757</b>	<b>109,953</b>	<b>1,188,710</b>
Swaps - differential receivable	1,383,446	18,665	1,402,111	745	537,728	288,712	574,925	1	985,440	109,867	1,095,307
Currency forward receivable	104,739	(2,793)	101,946	26,851	56,140	18,401	554	-	81,027	95	81,122
Premiums paid for purchase of stock options	270	1,476	1,746	-	1,103	643	-	-	9,013	(9)	9,004
Foreign exchange coupon (DDI)	4,081	-	4,081	4,081	-	-	-	-	942	-	942
Dollar futures (DOL)	9,347	-	9,347	9,347	-	-	-	-	1,764	-	1,764
Interest rate (DI)	35	-	35	35	-	-	-	-	571	-	571
Coupon future IPC-A (DAP)	34	-	34	34	-	-	-	-	-	-	-
<b>Liabilities</b>											
<b>Derivatives</b>	<b>119,001</b>	<b>(2,326)</b>	<b>116,675</b>	<b>72,355</b>	<b>43,649</b>	<b>671</b>	<b>-</b>	<b>-</b>	<b>62,383</b>	<b>(4,319)</b>	<b>58,064</b>
Swaps - differential receivable	7,922	(273)	7,649	6,218	1,403	28	-	-	24,061	(1,648)	22,413
Currency forward receivable	65,149	(3,066)	62,083	20,940	41,143	-	-	-	23,708	(3,564)	20,144
Premiums paid for purchase of stock options	733	1,013	1,746	-	1,103	643	-	-	366	893	1,259
Foreign exchange coupon (DDI)	39,031	-	39,031	39,031	-	-	-	-	5,351	-	5,351
Dollar futures (DOL)	715	-	715	715	-	-	-	-	1,681	-	1,681
Interest rate (DI)	5,415	-	5,415	5,415	-	-	-	-	7,207	-	7,207
Coupon future IPC-A (DAP)	36	-	36	36	-	-	-	-	9	-	-

b) Breakdown by type of contract and counterparty (Bank and consolidated):

	03/31/2021		12/31/2020	
	Assets	Liabilities	Assets	Liabilities
<b>Futures</b>	<b>13,497</b>	<b>45,197</b>	<b>3,277</b>	<b>14,248</b>
B3 S.A. - Bolsa, Brasil, Balcão	13,497	45,197	3,277	14,248
<b>Swap</b>	<b>1,402,111</b>	<b>7,649</b>	<b>1,095,307</b>	<b>22,413</b>
Financial institutions	1,375,899	6,142	1,079,353	17,450
Companies	26,185	1,507	15,954	4,963
Individuals	27	-	-	-
<b>Forward</b>	<b>101,946</b>	<b>62,083</b>	<b>81,122</b>	<b>20,144</b>
Companies	101,706	61,871	81,122	20,144
Individuals	240	212	-	-
<b>Options</b>	<b>1,746</b>	<b>1,746</b>	<b>9,004</b>	<b>1,259</b>
Financial institutions	-	1,746	-	1,259
Companies	485	-	8,107	-
Individuals	1,261	-	897	-

c) Breakdown of notional values recorded in memorandum accounts by type of strategy of contract and notional index (Bank and Consolidated):

	03/31/2021						12/31/2020
	Up to 3 months	3 to 12 months	1 to 3 Years	3 to 5 Years	Over 5 years	Total	Total
<b>Swap</b>							
<b>Assets</b>							
<b>Hedge accounting</b>	-	<b>1,258,969</b>	<b>1,143,100</b>	<b>1,761,445</b>	-	<b>4,163,514</b>	<b>3,222,174</b>
Dollar x CDI	-	116,580	610,450	1,761,445	-	2,488,475	2,079,785
Dollar X PRE	-	1,028,951	532,650	-	-	1,561,601	1,028,951
Euro x PRE	-	113,438	-	-	-	113,438	113,438
<b>Trading objective</b>	<b>1,668</b>	<b>13,044</b>	<b>59,386</b>	<b>14,810</b>	<b>43</b>	<b>88,951</b>	<b>38,457</b>
Dollar x CDI	1,538	4,515	10,934	9,211	-	26,198	27,744
CDI x PRE	-	2,904	46,502	5,599	43	55,048	10,008
PRE x Dollar	130	625	1,950	-	-	2,705	705
CDI x Dollar	-	5,000	-	-	-	5,000	-
<b>Liabilities</b>							
<b>Hedge accounting</b>	-	-	-	<b>205,880</b>	-	<b>205,880</b>	<b>1,263,800</b>
Dollar x CDI	-	-	-	205,880	-	205,880	731,150
Dollar X PRE	-	-	-	-	-	-	532,650
Euro x PRE	-	-	-	-	-	-	-
Libor x CDI	-	-	-	-	-	-	-
<b>Trading objective</b>	<b>3,623</b>	<b>22,350</b>	<b>203</b>	-	-	<b>26,176</b>	<b>45,960</b>
CDI X PRE	3,623	8,600	127	-	-	12,350	30,607
PRE x Dollar	-	13,750	76	-	-	13,826	15,353
<b>Forward</b>	<b>942,836</b>	<b>1,086,915</b>	<b>87,182</b>	<b>3,231</b>	-	<b>2,120,164</b>	<b>2,554,630</b>
Purchase of call options	634,948	628,023	87,182	3,231	-	1,353,384	1,095,793
Sale of options	307,888	458,892	-	-	-	766,780	1,458,837
<b>Future</b>	<b>18,504</b>	-	<b>12,823,128</b>	<b>2,318,597</b>	<b>499,590</b>	<b>15,659,819</b>	<b>17,464,511</b>
<b>Purchase of options</b>	<b>18,504</b>	-	<b>2,082,899</b>	<b>16,567</b>	<b>482,807</b>	<b>2,600,777</b>	<b>2,550,175</b>
Foreign exchange coupon (DDI)	-	-	2,007,410	-	-	2,007,410	1,695,591
Dollar futures (DOL)	-	-	75,489	-	-	75,489	606,192
Interest rate (DI)	-	-	-	8,335	468,246	476,581	248,392
Coupon future IPC-A (DAP)	18,504	-	-	8,232	14,561	41,297	-
<b>Sale of options</b>	-	-	<b>10,740,229</b>	<b>2,302,030</b>	<b>16,783</b>	<b>13,059,042</b>	<b>14,914,336</b>
Foreign exchange coupon (DDI)	-	-	150,006	43,504	16,783	210,293	610,803
Dollar futures (DOL)	-	-	499,422	-	-	499,422	-
Interest rate (DI)	-	-	10,083,783	2,258,526	-	12,342,309	14,293,895
Coupon future IPC-A (DAP)	-	-	7,018	-	-	7,018	9,638
<b>Options</b>	-	<b>14,843</b>	<b>2,485</b>	-	-	<b>17,328</b>	<b>41,429</b>
<b>Purchase of options</b>	-	<b>3,025</b>	<b>1,048</b>	-	-	<b>4,073</b>	<b>35,878</b>
Foreign currency	-	3,025	1,048	-	-	4,073	35,878
<b>Sale of options</b>	-	<b>11,818</b>	<b>1,437</b>	-	-	<b>13,255</b>	<b>5,551</b>
Foreign currency	-	11,818	1,437	-	-	13,255	5,551

# 9 - LENDING OPERATIONS

## a) Summary of credit portfolio and extended credit portfolio

	Bank		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Loans	26,120,614	25,522,495	26,319,200	25,713,559
Leasing <sup>(1)</sup>	-	-	1,219,370	1,178,864
Other transactions with loan characteristics	5,062,956	5,689,756	5,065,478	5,740,925
Income receivable from advances granted (Note 10 - Exchange Gains)	10,850	8,374	10,850	8,374
Financed imports (Nota 10 - Exchange Losses)	13,223	33,257	13,223	33,257
Advances on foreign exchange contracts (Nota 10 - Exchange Losses)	734,524	558,245	734,524	558,245
Income to be allocated to advances granted (Note 10 - Exchange Losses)	(947)	(1,113)	(947)	(1,113)
<b>Total lending operations</b>	<b>31,941,220</b>	<b>31,811,014</b>	<b>33,361,698</b>	<b>33,232,111</b>
Financial guarantees provided	3,772,167	3,397,207	3,772,167	3,397,207
<b>Total da carteira de crédito ampliada</b>	<b>35,713,387</b>	<b>35,208,221</b>	<b>37,133,865</b>	<b>36,629,318</b>

(1) The leasing portfolio is comprised of finance and operating lease transactions at present value.

## b) Breakdown of portfolio with loan characteristics

### i By segment, type of operation and risk level

Bank										
03/31/2021	AA	A	B	C	D	E	F	G	H	Total
<b>Corporate Segment</b>	<b>3,077,377</b>	<b>5,833,552</b>	<b>12,981,713</b>	<b>681,721</b>	<b>289,784</b>	<b>93,578</b>	<b>63,648</b>	<b>15,040</b>	<b>192,592</b>	<b>23,229,005</b>
Loans	93,518	1,400,465	3,995,775	393,784	178,061	73,526	47,303	13,242	170,184	6,365,858
FGI PEAC <sup>(3)</sup>	40,144	1,722,203	6,158,400	94,972	54,680	15,094	13,196	1,669	12,102	8,112,460
Discounted trade notes	-	465,665	419,278	15,075	6,729	13	786	59	1,313	908,918
Financing	77,868	334,355	842,275	20,576	20,503	3,604	731	-	7,080	1,306,992
Rural and agro-industrial financing	-	150,814	145,912	-	-	-	-	-	-	296,726
Payables for purchase of assets	-	9,927	-	200	-	1,288	-	-	-	11,415
Purchase of credit rights without right of recourse	2,422,466	1,481,481	844,772	133,588	18,766	53	1,596	70	1,901	4,904,693
Credits linked to transactions acquired under assignment	-	13,455	-	-	-	-	-	-	-	13,455
Advances on foreign exchange contracts	-	137,080	572,728	23,526	11,045	-	36	-	12	744,427
Financed imports	443,381	118,107	2,573	-	-	-	-	-	-	564,061
<b>Retail segment</b>	<b>-</b>	<b>4,581,000</b>	<b>2,112,256</b>	<b>1,239,756</b>	<b>214,874</b>	<b>87,587</b>	<b>71,331</b>	<b>114,869</b>	<b>290,542</b>	<b>8,712,215</b>
Payroll-deduction loans	-	4,565,142	1,535,150	829,004	74,082	50,877	55,334	105,665	253,583	7,468,837
Loans backed by real estate	-	-	66,050	642	688	237	189	-	1,423	69,229
Loans assigned with substantial retention of risks and benefits	-	6,853	569	124	17	-	-	-	3	7,566
Discounted trade notes	-	113	3	2	9	22	7	8	73	237
Vehicle financing	-	-	507,218	409,984	140,078	35,824	15,801	9,196	35,460	1,153,561
Real estate financing	-	-	3,266	-	-	627	-	-	-	3,893
Credits linked to transactions acquired under assignment	-	8,892	-	-	-	-	-	-	-	8,892
<b>Total portfolio of transactions with loan characteristics</b>	<b>3,077,377</b>	<b>10,414,552</b>	<b>15,093,969</b>	<b>1,921,477</b>	<b>504,658</b>	<b>181,165</b>	<b>134,979</b>	<b>129,909</b>	<b>483,134</b>	<b>31,941,220</b>
<b>Corporate segment</b>										
Financial guarantees provided	2,445,818	468,051	774,861	75,152	7,455	416	-	-	414	3,772,167
<b>Total financial guarantees provided</b>	<b>2,445,818</b>	<b>468,051</b>	<b>774,861</b>	<b>75,152</b>	<b>7,455</b>	<b>416</b>	<b>-</b>	<b>-</b>	<b>414</b>	<b>3,772,167</b>
<b>Total extended credit portfolio</b>	<b>5,523,195</b>	<b>10,882,603</b>	<b>15,868,830</b>	<b>1,996,629</b>	<b>512,113</b>	<b>181,581</b>	<b>134,979</b>	<b>129,909</b>	<b>483,548</b>	<b>35,713,387</b>
<b>Segregation of the portfolio of transactions with loan characteristics in normal course and in abnormal course</b>										
In normal course <sup>(1)</sup>	3,077,377	10,098,831	14,468,936	1,557,539	337,912	86,297	46,248	3,851	156,409	29,833,400
In abnormal course <sup>(2)</sup>	-	315,721	625,033	363,938	166,746	94,868	88,731	126,058	326,725	2,107,820
<b>Total portfolio of transactions with loan characteristics</b>	<b>3,077,377</b>	<b>10,414,552</b>	<b>15,093,969</b>	<b>1,921,477</b>	<b>504,658</b>	<b>181,165</b>	<b>134,979</b>	<b>129,909</b>	<b>483,134</b>	<b>31,941,220</b>

# 9 - LENDING OPERATIONS

12/31/2020	AA	A	B	C	D	E	F	G	H	Total
<b>Corporate Segment</b>	<b>3,734,331</b>	<b>4,716,778</b>	<b>13,568,335</b>	<b>742,129</b>	<b>283,970</b>	<b>76,089</b>	<b>52,891</b>	<b>13,140</b>	<b>187,413</b>	<b>23,375,076</b>
Loans	87,841	1,000,361	4,089,075	471,435	179,286	70,604	48,915	12,999	163,538	6,124,054
FGI PEAC <sup>(3)</sup>	40,337	1,682,058	6,367,769	75,630	53,783	-	2,442	-	7,648	8,229,667
Discounted trade notes	-	167,560	710,944	15,671	17,404	1,180	597	134	2,106	915,596
Financing	75,441	406,334	799,469	25,888	17,488	4,243	920	-	6,711	1,336,494
Rural and agro-industrial financing	-	127,042	145,347	-	-	-	-	-	-	272,389
Payables for purchase of assets	-	5,071	6,630	601	-	-	-	-	-	12,302
Purchase of credit rights without right of recourse	3,228,107	1,164,270	978,380	135,973	12,457	62	17	7	5,104	5,524,377
Credits linked to transactions acquired under assignment	-	16,294	-	-	-	-	-	-	-	16,294
Advances on foreign exchange contracts	-	107,724	434,994	16,931	3,552	-	-	-	2,306	565,507
Financed imports	302,605	40,064	35,727	-	-	-	-	-	-	378,396
<b>Retail segment</b>	<b>-</b>	<b>4,339,950</b>	<b>2,031,553</b>	<b>1,254,706</b>	<b>236,210</b>	<b>167,879</b>	<b>63,210</b>	<b>37,244</b>	<b>305,186</b>	<b>8,435,938</b>
Payroll-deduction loans	-	4,316,847	1,489,784	837,663	89,625	136,114	49,725	27,782	264,760	7,212,300
Loans backed by real estate	-	-	61,626	958	150	189	-	775	1,237	64,935
Loans assigned with substantial retention of risks and benefits	-	10,006	778	158	20	2	-	-	16	10,980
Discounted trade notes	-	150	14	6	9	5	17	4	159	364
Vehicle financing	-	-	476,577	415,921	145,779	31,569	13,468	8,683	39,014	1,131,011
Real estate financing	-	-	2,774	-	627	-	-	-	-	3,401
Credits linked to transactions acquired under assignment	-	12,947	-	-	-	-	-	-	-	12,947
<b>Total portfolio of transactions with loan characteristics</b>	<b>3,734,331</b>	<b>9,056,728</b>	<b>15,599,888</b>	<b>1,996,835</b>	<b>520,180</b>	<b>243,968</b>	<b>116,101</b>	<b>50,384</b>	<b>492,599</b>	<b>31,811,014</b>
<b>Corporate segment</b>										
Financial guarantees provided	2,213,910	333,747	746,994	89,296	9,778	3,069	-	-	413	3,397,207
<b>Total financial guarantees provided</b>	<b>2,213,910</b>	<b>333,747</b>	<b>746,994</b>	<b>89,296</b>	<b>9,778</b>	<b>3,069</b>	<b>-</b>	<b>-</b>	<b>413</b>	<b>3,397,207</b>
<b>Total extended credit portfolio</b>	<b>5,948,241</b>	<b>9,390,475</b>	<b>16,346,882</b>	<b>2,086,131</b>	<b>529,958</b>	<b>247,037</b>	<b>116,101</b>	<b>50,384</b>	<b>493,012</b>	<b>35,208,221</b>
<b>Segregation of the portfolio of transactions with loan characteristics in normal course and in abnormal course</b>										
In normal course <sup>(1)</sup>	3,734,331	8,762,914	14,967,733	1,599,632	362,669	86,661	51,826	13,286	155,620	29,734,672
In abnormal course <sup>(2)</sup>	-	293,814	632,155	397,203	157,511	157,307	64,275	37,098	336,979	2,076,342
<b>Total portfolio of transactions with loan characteristics</b>	<b>3,734,331</b>	<b>9,056,728</b>	<b>15,599,888</b>	<b>1,996,835</b>	<b>520,180</b>	<b>243,968</b>	<b>116,101</b>	<b>50,384</b>	<b>492,599</b>	<b>31,811,014</b>

**9 - LENDING OPERATIONS**

Consolidated										
03/31/2021	AA	A	B	C	D	E	F	G	H	Total
<b>Corporate segment</b>	<b>3,365,204</b>	<b>6,240,745</b>	<b>13,613,432</b>	<b>744,915</b>	<b>307,896</b>	<b>97,676</b>	<b>67,014</b>	<b>15,040</b>	<b>197,561</b>	<b>24,649,483</b>
Loans	100,739	1,400,465	3,995,775	393,784	178,641	73,526	47,303	13,242	170,184	6,373,659
FGI PEAC <sup>(3)</sup>	40,144	1,722,203	6,158,400	94,972	54,680	15,094	13,196	1,669	12,102	8,112,460
Discounted trade notes	-	465,665	419,278	15,075	6,729	13	786	59	1,313	908,918
Financing	87,975	375,874	973,636	24,509	21,496	3,604	1,302	-	9,382	1,497,778
Rural and agro-industrial financing	-	150,814	145,912	-	-	-	-	-	-	296,726
Debtors for purchase of assets	-	9,927	-	200	-	1,288	-	-	-	11,415
Purchase of credit rights without right of recourse	2,424,987	1,481,481	844,772	133,588	18,766	53	1,596	70	1,901	4,907,214
Credits linked to transactions acquired under assignment	-	13,455	-	-	-	-	-	-	-	13,455
Advances on foreign exchange contracts	-	137,080	572,728	23,526	11,045	-	36	-	12	744,427
Leasing	267,978	365,674	500,358	59,261	16,539	4,098	2,795	-	2,667	1,219,370
Financed imports	443,381	118,107	2,573	-	-	-	-	-	-	564,061
<b>Retail segment</b>	<b>-</b>	<b>4,581,000</b>	<b>2,112,256</b>	<b>1,239,756</b>	<b>214,874</b>	<b>87,587</b>	<b>71,331</b>	<b>114,869</b>	<b>290,542</b>	<b>8,712,215</b>
Payroll-deduction loans	-	4,565,142	1,535,150	829,004	74,082	50,877	55,334	105,665	253,583	7,468,837
Loans backed by real estate	-	-	66,050	642	688	237	189	-	1,423	69,229
Loans granted with substantial retention of risks and benefits	-	6,853	569	124	17	-	-	-	3	7,566
Discounted trade notes	-	113	3	2	9	22	7	8	73	237
Vehicle financing	-	-	507,218	409,984	140,078	35,824	15,801	9,196	35,460	1,153,561
Real estate financing	-	-	3,266	-	-	627	-	-	-	3,893
Credits linked to operations acquired under assignment	-	8,892	-	-	-	-	-	-	-	8,892
<b>Total portfolio of transactions with loan characteristics</b>	<b>3,365,204</b>	<b>10,821,745</b>	<b>15,725,688</b>	<b>1,984,671</b>	<b>522,770</b>	<b>185,263</b>	<b>138,345</b>	<b>129,909</b>	<b>488,103</b>	<b>33,361,698</b>
<b>Corporate segment</b>										
Financial guarantees provided	2,445,818	468,051	774,861	75,152	7,455	416	-	-	414	3,772,167
<b>Total financial guarantees provided</b>	<b>2,445,818</b>	<b>468,051</b>	<b>774,861</b>	<b>75,152</b>	<b>7,455</b>	<b>416</b>	<b>-</b>	<b>-</b>	<b>414</b>	<b>3,772,167</b>
<b>Total extended credit portfolio</b>	<b>5,811,022</b>	<b>11,289,796</b>	<b>16,500,549</b>	<b>2,059,823</b>	<b>530,225</b>	<b>185,679</b>	<b>138,345</b>	<b>129,909</b>	<b>488,517</b>	<b>37,133,865</b>
<b>Segregation of the portfolio of transactions with loan characteristics in normal course and in abnormal course</b>										
In normal course <sup>(1)</sup>	3,365,204	10,504,678	15,086,198	1,619,401	355,690	90,291	48,724	3,851	159,476	31,233,513
In abnormal course <sup>(2)</sup>	-	317,067	639,490	365,270	167,080	94,972	89,621	126,058	328,627	2,128,185
<b>Total portfolio of transactions with loan characteristics</b>	<b>3,365,204</b>	<b>10,821,745</b>	<b>15,725,688</b>	<b>1,984,671</b>	<b>522,770</b>	<b>185,263</b>	<b>138,345</b>	<b>129,909</b>	<b>488,103</b>	<b>33,361,698</b>

# 9 - LENDING OPERATIONS

12/31/2020	AA	A	B	C	D	E	F	G	H	Total
<b>Corporate segment</b>	<b>4,032,750</b>	<b>5,144,836</b>	<b>14,172,539</b>	<b>800,386</b>	<b>305,763</b>	<b>79,417</b>	<b>55,089</b>	<b>13,231</b>	<b>192,162</b>	<b>24,796,173</b>
Loans	100,517	1,000,361	4,089,075	471,435	179,965	70,604	48,915	12,999	163,538	6,137,409
FGI PEAC <sup>(3)</sup>	40,337	1,682,058	6,367,769	75,630	53,783	-	2,442	-	7,648	8,229,667
Discounted trade notes	-	167,560	710,944	15,671	17,404	1,180	597	134	2,106	915,596
Financing	86,555	447,620	915,069	31,566	18,992	4,243	920	-	9,238	1,514,203
Rural and agro-industrial financing	-	127,042	145,347	-	-	-	-	-	-	272,389
Debtors for purchase of assets	-	5,071	6,630	601	-	-	-	-	-	12,302
Purchase of credit rights without right of recourse	3,257,464	1,178,380	986,082	135,973	12,457	62	17	7	5,104	5,575,546
Credits linked to transactions acquired under assignment	-	16,294	-	-	-	-	-	-	-	16,294
Advances on foreign exchange contracts	-	107,724	434,994	16,931	3,552	-	-	-	2,306	565,507
Leasing	245,272	372,662	480,902	52,579	19,610	3,328	2,198	91	2,222	1,178,864
Financed imports	302,605	40,064	35,727	-	-	-	-	-	-	378,396
<b>Retail segment</b>	<b>-</b>	<b>4,339,950</b>	<b>2,031,553</b>	<b>1,254,706</b>	<b>236,210</b>	<b>167,879</b>	<b>63,210</b>	<b>37,244</b>	<b>305,186</b>	<b>8,435,938</b>
Payroll-deduction loans	-	4,316,847	1,489,784	837,663	89,625	136,114	49,725	27,782	264,760	7,212,300
Loans backed by real estate	-	-	61,626	958	150	189	-	775	1,237	64,935
Loans granted with substantial retention of risks and benefits	-	10,006	778	158	20	2	-	-	16	10,980
Discounted trade notes	-	150	14	6	9	5	17	4	159	364
Vehicle financing	-	-	476,577	415,921	145,779	31,569	13,468	8,683	39,014	1,131,011
Real estate financing	-	-	2,774	-	627	-	-	-	-	3,401
Credits linked to operations acquired under assignment	-	12,947	-	-	-	-	-	-	-	12,947
<b>Total portfolio of transactions with loan characteristics</b>	<b>4,032,750</b>	<b>9,484,786</b>	<b>16,204,092</b>	<b>2,055,092</b>	<b>541,973</b>	<b>247,296</b>	<b>118,299</b>	<b>50,475</b>	<b>497,348</b>	<b>33,232,111</b>
<b>Corporate segment</b>										
Financial guarantees provided	2,213,910	333,747	746,994	89,296	9,778	3,069	-	-	413	3,397,207
<b>Total financial guarantees provided</b>	<b>2,213,910</b>	<b>333,747</b>	<b>746,994</b>	<b>89,296</b>	<b>9,778</b>	<b>3,069</b>	<b>-</b>	<b>-</b>	<b>413</b>	<b>3,397,207</b>
<b>Total extended credit portfolio</b>	<b>6,246,660</b>	<b>9,818,533</b>	<b>16,951,086</b>	<b>2,144,388</b>	<b>551,751</b>	<b>250,365</b>	<b>118,299</b>	<b>50,475</b>	<b>497,761</b>	<b>36,629,318</b>
<b>Segregation of the portfolio of transactions with loan characteristics in normal course and in abnormal course</b>										
In normal course <sup>(1)</sup>	4,032,750	9,189,193	15,571,515	1,656,820	383,180	89,402	54,004	13,285	158,812	31,148,961
In abnormal course <sup>(2)</sup>	-	295,593	632,577	398,272	158,793	157,894	64,295	37,190	338,536	2,083,150
<b>Total portfolio of transactions with loan characteristics</b>	<b>4,032,750</b>	<b>9,484,786</b>	<b>16,204,092</b>	<b>2,055,092</b>	<b>541,973</b>	<b>247,296</b>	<b>118,299</b>	<b>50,475</b>	<b>497,348</b>	<b>33,232,111</b>

(1) Operations without past-due installments and/or with installments past due up to 14 days.

(2) Operations with at least one installment past due for more than 14 days.

(3) Loans made, beginning July 2020, within the scope of the Emergency Credit Access Program (PEAC), established through Provisional Act (MP) 975/20, passed into Law 14042/20, collateralized by the Investment Guarantee Fund (FGI).

## ii Breakdown of the loan, other loan and leasing portfolio by maturity:

Bank										
03/31/2021	AA	A	B	C	D	E	F	G	H	Total
<b>In normal course <sup>(1)</sup></b>	<b>3,077,377</b>	<b>10,098,831</b>	<b>14,468,936</b>	<b>1,557,539</b>	<b>337,912</b>	<b>86,297</b>	<b>46,248</b>	<b>3,851</b>	<b>156,409</b>	<b>29,833,400</b>
<b>Installments falling due</b>	<b>3,077,377</b>	<b>10,080,963</b>	<b>14,450,721</b>	<b>1,552,374</b>	<b>336,595</b>	<b>86,099</b>	<b>46,179</b>	<b>3,839</b>	<b>155,947</b>	<b>29,790,094</b>
Up to 3 months	2,460,624	3,074,561	3,351,309	291,492	74,121	14,300	7,248	377	15,876	9,289,908
3 to 12 months	511,337	2,649,693	4,741,869	470,955	164,040	26,684	16,211	1,977	49,809	8,632,575
1 to 3 years	95,351	2,875,481	5,212,159	545,190	88,964	32,021	18,267	1,082	70,285	8,938,800
3 to 5 years	7,441	1,056,777	916,587	160,180	8,874	11,947	4,031	305	18,132	2,184,274
Over 5 years	2,624	424,451	228,797	84,557	596	1,147	422	98	1,845	744,537
<b>Past due up to 14 days</b>	<b>-</b>	<b>17,868</b>	<b>18,215</b>	<b>5,165</b>	<b>1,317</b>	<b>198</b>	<b>69</b>	<b>12</b>	<b>462</b>	<b>43,306</b>
<b>In abnormal course <sup>(2)</sup></b>	<b>-</b>	<b>315,721</b>	<b>625,033</b>	<b>363,938</b>	<b>166,746</b>	<b>94,868</b>	<b>88,731</b>	<b>126,058</b>	<b>326,725</b>	<b>2,107,820</b>
<b>Installments falling due</b>	<b>-</b>	<b>311,520</b>	<b>599,408</b>	<b>338,766</b>	<b>147,946</b>	<b>74,693</b>	<b>71,191</b>	<b>97,564</b>	<b>165,551</b>	<b>1,806,639</b>
Up to 3 months	-	64,997	93,173	51,234	18,153	10,710	6,626	8,141	19,688	272,722
3 to 12 months	-	82,422	170,906	95,208	42,711	23,983	18,153	21,533	45,098	500,014
1 to 3 years	-	107,928	231,655	138,320	73,049	29,793	31,729	41,196	68,824	722,494
3 to 5 years	-	42,468	71,100	39,201	11,809	8,311	12,816	19,633	24,955	230,293
Over 5 years	-	13,705	32,574	14,803	2,224	1,896	1,867	7,061	6,986	81,116
<b>Installments paid due</b>	<b>-</b>	<b>4,201</b>	<b>25,625</b>	<b>25,172</b>	<b>18,800</b>	<b>20,175</b>	<b>17,540</b>	<b>28,494</b>	<b>161,174</b>	<b>301,181</b>
Up to 60 days	-	4,201	25,625	22,867	10,613	10,311	4,830	5,045	15,970	99,462
61 to 90 days	-	-	-	1,704	5,811	2,981	2,007	2,513	7,939	22,955
91 to 180 days	-	-	-	601	2,376	5,736	6,774	9,274	26,766	51,527
181 to 360 days	-	-	-	-	-	1,147	3,929	11,662	110,499	127,237
<b>Total portfolio of transactions with loan characteristics</b>	<b>3,077,377</b>	<b>10,414,552</b>	<b>15,093,969</b>	<b>1,921,477</b>	<b>504,658</b>	<b>181,165</b>	<b>134,979</b>	<b>129,909</b>	<b>483,134</b>	<b>31,941,220</b>
Financial guarantees provided	2,445,818	468,051	774,861	75,152	7,455	416	-	-	414	3,772,167
<b>Total financial guarantees provided</b>	<b>2,445,818</b>	<b>468,051</b>	<b>774,861</b>	<b>75,152</b>	<b>7,455</b>	<b>416</b>	<b>-</b>	<b>-</b>	<b>414</b>	<b>3,772,167</b>
<b>Total extended credit portfolio</b>	<b>5,523,195</b>	<b>10,882,603</b>	<b>15,868,830</b>	<b>1,996,629</b>	<b>512,113</b>	<b>181,581</b>	<b>134,979</b>	<b>129,909</b>	<b>483,548</b>	<b>35,713,387</b>
<b>Provision associated with credit risk</b>										
Minimum required <sup>(3)</sup>	-	52,073	150,940	57,644	50,466	54,350	67,490	90,936	483,134	1,007,033
Additional <sup>(4)</sup>	11,230	41,658	286,785	105,681	43,905	30,799	-	-	-	520,058
<b>Total provision associated with credit risk on the portfolio of transactions with loan characteristics</b>	<b>11,230</b>	<b>93,731</b>	<b>437,725</b>	<b>163,325</b>	<b>94,371</b>	<b>85,149</b>	<b>67,490</b>	<b>90,936</b>	<b>483,134</b>	<b>1,527,091</b>
Minimum required <sup>(3)</sup>	-	2,340	7,749	2,255	746	125	-	-	414	13,629
Additional <sup>(4)</sup>	9,212	1,872	14,722	4,133	649	71	-	-	-	30,659
<b>Total provision associated with credit risk on financial guarantees provided</b>	<b>9,212</b>	<b>4,212</b>	<b>22,471</b>	<b>6,388</b>	<b>1,395</b>	<b>196</b>	<b>-</b>	<b>-</b>	<b>414</b>	<b>44,288</b>
<b>Total provision associated with credit risk on extended credit portfolio</b>	<b>20,442</b>	<b>97,943</b>	<b>460,196</b>	<b>169,713</b>	<b>95,766</b>	<b>85,345</b>	<b>67,490</b>	<b>90,936</b>	<b>483,548</b>	<b>1,571,379</b>

12/31/2020	AA	A	B	C	D	E	F	G	H	Total
<b>In normal course <sup>(1)</sup></b>	<b>3,734,331</b>	<b>8,762,916</b>	<b>14,967,733</b>	<b>1,599,631</b>	<b>362,669</b>	<b>86,661</b>	<b>51,826</b>	<b>13,286</b>	<b>155,621</b>	<b>29,734,674</b>
<b>Installments falling due</b>	<b>3,734,331</b>	<b>8,699,030</b>	<b>14,939,472</b>	<b>1,593,389</b>	<b>360,552</b>	<b>86,509</b>	<b>51,603</b>	<b>13,259</b>	<b>154,361</b>	<b>29,632,506</b>
Up to 3 months	3,059,723	2,161,152	3,163,768	316,040	74,498	12,713	8,830	1,345	22,199	8,820,268
3 to 12 months	560,607	2,194,656	4,762,479	438,953	158,659	34,744	15,083	4,553	43,632	8,213,366
1 to 3 years	101,363	2,806,255	5,544,640	574,098	114,144	29,791	21,057	6,894	67,590	9,265,832
3 to 5 years	9,474	1,116,305	1,219,363	171,899	12,364	9,020	6,461	389	19,555	2,564,830
Over 5 years	3,164	420,662	249,222	92,399	887	241	172	78	1,385	768,210
<b>Past due up to 14 days</b>	<b>-</b>	<b>63,886</b>	<b>28,261</b>	<b>6,242</b>	<b>2,117</b>	<b>152</b>	<b>223</b>	<b>27</b>	<b>1,260</b>	<b>102,168</b>
<b>In abnormal course <sup>(2)</sup></b>	<b>-</b>	<b>293,812</b>	<b>632,155</b>	<b>397,204</b>	<b>157,511</b>	<b>157,307</b>	<b>64,275</b>	<b>37,098</b>	<b>336,978</b>	<b>2,076,340</b>
<b>Installments falling due</b>	<b>-</b>	<b>293,454</b>	<b>609,808</b>	<b>370,022</b>	<b>137,618</b>	<b>129,804</b>	<b>47,621</b>	<b>25,713</b>	<b>166,697</b>	<b>1,780,737</b>
Up to 3 months	-	47,705	105,836	39,998	27,439	11,156	4,691	2,845	17,574	257,244
3 to 12 months	-	65,661	162,460	108,057	38,426	27,971	11,892	6,893	44,628	465,988
1 to 3 years	-	111,063	234,043	148,790	54,503	50,537	19,909	10,295	72,877	702,017
3 to 5 years	-	51,059	78,054	50,247	13,219	28,215	9,553	4,523	23,932	258,802
Over 5 years	-	17,966	29,415	22,930	4,031	11,925	1,576	1,157	7,686	96,686
<b>Installments paid due</b>	<b>-</b>	<b>358</b>	<b>22,347</b>	<b>27,182</b>	<b>19,893</b>	<b>27,503</b>	<b>16,654</b>	<b>11,385</b>	<b>170,281</b>	<b>295,603</b>
Up to 60 days	-	358	22,347	23,995	9,557	8,213	3,740	2,141	15,784	86,135
61 to 90 days	-	-	-	2,646	7,159	3,855	1,565	1,111	11,946	28,282
91 to 180 days	-	-	-	541	3,177	10,774	8,188	5,602	49,074	77,356
181 to 360 days	-	-	-	-	-	4,661	3,161	2,531	93,477	103,830
<b>Total portfolio of transactions with loan characteristics</b>	<b>3,734,331</b>	<b>9,056,728</b>	<b>15,599,888</b>	<b>1,996,835</b>	<b>520,180</b>	<b>243,968</b>	<b>116,101</b>	<b>50,384</b>	<b>492,599</b>	<b>31,811,014</b>
Financial guarantees provided	2,213,910	333,747	746,994	89,296	9,778	3,069	-	-	413	3,397,207
<b>Total financial guarantees provided</b>	<b>2,213,910</b>	<b>333,747</b>	<b>746,994</b>	<b>89,296</b>	<b>9,778</b>	<b>3,069</b>	<b>-</b>	<b>-</b>	<b>413</b>	<b>3,397,207</b>
<b>Total extended credit portfolio</b>	<b>5,948,241</b>	<b>9,390,475</b>	<b>16,346,882</b>	<b>2,086,131</b>	<b>529,958</b>	<b>247,037</b>	<b>116,101</b>	<b>50,384</b>	<b>493,012</b>	<b>35,208,221</b>
<b>Provision associated with credit risk</b>										
Minimum required <sup>(3)</sup>	-	45,284	155,999	59,905	52,018	73,190	58,051	35,269	492,599	972,315
Additional <sup>(4)</sup>	14,225	36,227	296,397	109,826	45,256	41,474	-	-	-	543,405
<b>Total provision associated with credit risk on the portfolio of transactions with loan characteristics</b>	<b>14,225</b>	<b>81,511</b>	<b>452,396</b>	<b>169,731</b>	<b>97,274</b>	<b>114,664</b>	<b>58,051</b>	<b>35,269</b>	<b>492,599</b>	<b>1,515,720</b>
Minimum required <sup>(3)</sup>	-	1,669	7,470	2,679	978	921	-	-	413	14,130
Additional <sup>(4)</sup>	8,839	1,335	14,193	4,911	851	522	-	-	-	30,651
<b>Total provision associated with credit risk on financial guarantees provided</b>	<b>8,839</b>	<b>3,004</b>	<b>21,663</b>	<b>7,590</b>	<b>1,829</b>	<b>1,443</b>	<b>-</b>	<b>-</b>	<b>413</b>	<b>44,781</b>
<b>Total provision associated with credit risk on extended credit portfolio</b>	<b>23,064</b>	<b>84,515</b>	<b>474,059</b>	<b>177,321</b>	<b>99,103</b>	<b>116,107</b>	<b>58,051</b>	<b>35,269</b>	<b>493,012</b>	<b>1,560,501</b>

Consolidated										
03/31/2021	AA	A	B	C	D	E	F	G	H	Total
<b>In normal course <sup>(1)</sup></b>	<b>3,365,204</b>	<b>10,504,678</b>	<b>15,086,198</b>	<b>1,619,401</b>	<b>355,690</b>	<b>90,291</b>	<b>48,724</b>	<b>3,851</b>	<b>159,476</b>	<b>31,233,513</b>
<b>Installments falling due</b>	<b>3,365,204</b>	<b>10,486,410</b>	<b>15,067,668</b>	<b>1,614,195</b>	<b>353,878</b>	<b>90,093</b>	<b>48,655</b>	<b>3,839</b>	<b>159,014</b>	<b>31,188,956</b>
Up to 3 months	2,489,055	3,124,634	3,439,548	308,226	77,306	15,190	7,688	377	16,202	9,478,226
3 to 12 months	592,657	2,767,514	4,922,814	492,579	171,945	27,903	17,285	1,977	50,673	9,045,347
1 to 3 years	223,131	3,056,020	5,492,878	566,396	94,955	33,777	19,183	1,082	71,904	9,559,326
3 to 5 years	57,611	1,113,769	982,650	162,437	9,076	12,075	4,077	305	18,390	2,360,390
Over 5 years	2,750	424,473	229,778	84,557	596	1,148	422	98	1,845	745,667
<b>Past due up to 14 days</b>	<b>-</b>	<b>18,268</b>	<b>18,530</b>	<b>5,206</b>	<b>1,812</b>	<b>198</b>	<b>69</b>	<b>12</b>	<b>462</b>	<b>44,557</b>
<b>In abnormal course <sup>(2)</sup></b>	<b>-</b>	<b>317,067</b>	<b>639,490</b>	<b>365,270</b>	<b>167,080</b>	<b>94,972</b>	<b>89,621</b>	<b>126,058</b>	<b>328,627</b>	<b>2,128,185</b>
<b>Installments falling due</b>	<b>-</b>	<b>312,839</b>	<b>613,521</b>	<b>339,985</b>	<b>148,213</b>	<b>74,784</b>	<b>71,929</b>	<b>97,564</b>	<b>166,852</b>	<b>1,825,687</b>
Up to 3 months	-	65,517	95,397	51,516	18,246	10,728	6,851	8,141	19,886	276,282
3 to 12 months	-	82,831	176,336	95,655	42,828	24,032	18,590	21,533	45,494	507,299
1 to 3 years	-	108,317	236,658	138,730	73,106	29,817	31,805	41,196	69,444	729,073
3 to 5 years	-	42,468	72,556	39,281	11,809	8,311	12,816	19,633	25,042	231,916
Over 5 years	-	13,706	32,574	14,803	2,224	1,896	1,867	7,061	6,986	81,117
<b>Installments paid due</b>	<b>-</b>	<b>4,228</b>	<b>25,969</b>	<b>25,285</b>	<b>18,867</b>	<b>20,188</b>	<b>17,692</b>	<b>28,494</b>	<b>161,775</b>	<b>302,498</b>
Up to 60 days	-	4,228	25,969	22,980	10,666	10,324	4,981	5,045	16,118	100,311
61 to 90 days	-	-	-	1,704	5,825	2,981	2,007	2,513	7,996	23,026
91 to 180 days	-	-	-	601	2,376	5,736	6,775	9,274	26,940	51,702
181 to 360 days	-	-	-	-	-	1,147	3,929	11,662	110,721	127,459
<b>Total portfolio of transactions with loan characteristics</b>	<b>3,365,204</b>	<b>10,821,745</b>	<b>15,725,688</b>	<b>1,984,671</b>	<b>522,770</b>	<b>185,263</b>	<b>138,345</b>	<b>129,909</b>	<b>488,103</b>	<b>33,361,698</b>
Financial guarantees provided	2,445,818	468,051	774,861	75,152	7,455	416	-	-	414	3,772,167
<b>Total financial guarantees provided</b>	<b>2,445,818</b>	<b>468,051</b>	<b>774,861</b>	<b>75,152</b>	<b>7,455</b>	<b>416</b>	<b>-</b>	<b>-</b>	<b>414</b>	<b>3,772,167</b>
<b>Total extended credit portfolio</b>	<b>5,811,022</b>	<b>11,289,796</b>	<b>16,500,549</b>	<b>2,059,823</b>	<b>530,225</b>	<b>185,679</b>	<b>138,345</b>	<b>129,909</b>	<b>488,517</b>	<b>37,133,865</b>
<b>Provision associated with credit risk</b>										
Minimum required <sup>(3)</sup>	-	54,109	157,257	59,540	52,277	55,579	69,173	90,936	488,103	1,026,974
Additional <sup>(4)</sup>	11,230	41,658	286,785	105,681	43,905	30,799	-	-	-	520,058
<b>Total provision associated with credit risk on the portfolio of transactions with loan characteristics</b>	<b>11,230</b>	<b>95,767</b>	<b>444,042</b>	<b>165,221</b>	<b>96,182</b>	<b>86,378</b>	<b>69,173</b>	<b>90,936</b>	<b>488,103</b>	<b>1,547,032</b>
Minimum required <sup>(3)</sup>	-	2,340	7,749	2,255	746	125	-	-	414	13,629
Additional <sup>(4)</sup>	9,212	1,872	14,722	4,133	649	71	-	-	-	30,659
<b>Total provision associated with credit risk on financial guarantees provided</b>	<b>9,212</b>	<b>4,212</b>	<b>22,471</b>	<b>6,388</b>	<b>1,395</b>	<b>196</b>	<b>-</b>	<b>-</b>	<b>414</b>	<b>44,288</b>
<b>Total provision associated with credit risk on extended credit portfolio</b>	<b>20,442</b>	<b>99,979</b>	<b>466,513</b>	<b>171,609</b>	<b>97,577</b>	<b>86,574</b>	<b>69,173</b>	<b>90,936</b>	<b>488,517</b>	<b>1,591,320</b>

12/31/2020	AA	A	B	C	D	E	F	G	H	Total
<b>In normal course <sup>(1)</sup></b>	<b>4,032,750</b>	<b>9,189,193</b>	<b>15,571,514</b>	<b>1,656,822</b>	<b>383,179</b>	<b>89,403</b>	<b>54,004</b>	<b>13,286</b>	<b>158,810</b>	<b>31,148,961</b>
<b>Installments falling due</b>	<b>4,032,750</b>	<b>9,125,121</b>	<b>15,542,989</b>	<b>1,650,535</b>	<b>380,592</b>	<b>89,251</b>	<b>53,781</b>	<b>13,259</b>	<b>157,546</b>	<b>31,045,824</b>
Up to 3 months	3,118,113	2,240,923	3,257,773	327,089	77,788	13,276	9,242	1,345	22,573	9,068,122
3 to 12 months	627,695	2,316,494	4,940,503	460,751	166,935	35,615	16,049	4,553	44,535	8,613,130
1 to 3 years	221,217	2,976,743	5,814,135	595,006	122,283	30,971	21,835	6,894	69,226	9,858,310
3 to 5 years	61,857	1,170,274	1,280,588	175,290	12,699	9,148	6,483	389	19,827	2,736,555
Over 5 years	3,868	420,687	249,990	92,399	887	241	172	78	1,385	769,707
<b>Past due up to 14 days</b>	<b>-</b>	<b>64,072</b>	<b>28,525</b>	<b>6,287</b>	<b>2,587</b>	<b>152</b>	<b>223</b>	<b>27</b>	<b>1,264</b>	<b>103,137</b>
<b>In abnormal course <sup>(2)</sup></b>	<b>-</b>	<b>295,593</b>	<b>632,578</b>	<b>398,270</b>	<b>158,794</b>	<b>157,893</b>	<b>64,295</b>	<b>37,189</b>	<b>338,538</b>	<b>2,083,150</b>
<b>Installments falling due</b>	<b>-</b>	<b>295,224</b>	<b>610,206</b>	<b>370,933</b>	<b>138,653</b>	<b>130,317</b>	<b>47,643</b>	<b>25,783</b>	<b>167,311</b>	<b>1,786,070</b>
Up to 3 months	-	47,890	105,906	40,263	27,687	11,206	4,697	2,856	17,819	258,324
3 to 12 months	-	66,157	162,635	108,546	38,917	28,103	11,908	6,920	44,967	468,153
1 to 3 years	-	112,134	234,196	148,947	54,785	50,847	19,909	10,327	72,906	704,051
3 to 5 years	-	51,074	78,054	50,247	13,233	28,236	9,553	4,523	23,933	258,853
Over 5 years	-	17,969	29,415	22,930	4,031	11,925	1,576	1,157	7,686	96,689
<b>Installments paid due</b>	<b>-</b>	<b>369</b>	<b>22,372</b>	<b>27,337</b>	<b>20,141</b>	<b>27,576</b>	<b>16,652</b>	<b>11,406</b>	<b>171,227</b>	<b>297,080</b>
Up to 60 days	-	369	22,372	24,153	9,738	8,248	3,740	2,148	16,000	86,768
61 to 90 days	-	-	-	2,646	7,225	3,874	1,565	1,115	12,058	28,483
91 to 180 days	-	-	-	538	3,178	10,795	8,188	5,613	49,383	77,695
181 to 360 days	-	-	-	-	-	4,659	3,159	2,530	93,786	104,134
<b>Total portfolio of transactions with loan characteristics</b>	<b>4,032,750</b>	<b>9,484,786</b>	<b>16,204,092</b>	<b>2,055,092</b>	<b>541,973</b>	<b>247,296</b>	<b>118,299</b>	<b>50,475</b>	<b>497,348</b>	<b>33,232,111</b>
Financial guarantees provided	2,213,910	333,747	746,994	89,296	9,778	3,069	-	-	413	3,397,207
<b>Total financial guarantees provided</b>	<b>2,213,910</b>	<b>333,747</b>	<b>746,994</b>	<b>89,296</b>	<b>9,778</b>	<b>3,069</b>	<b>-</b>	<b>-</b>	<b>413</b>	<b>3,397,207</b>
<b>Total extended credit portfolio</b>	<b>6,246,660</b>	<b>9,818,533</b>	<b>16,951,086</b>	<b>2,144,388</b>	<b>551,751</b>	<b>250,365</b>	<b>118,299</b>	<b>50,475</b>	<b>497,761</b>	<b>36,629,318</b>
<b>Provision associated with credit risk</b>										
Minimum required <sup>(3)</sup>	-	47,424	162,041	61,653	54,197	74,189	59,150	35,333	497,348	991,335
Additional <sup>(4)</sup>	14,225	36,227	296,397	109,826	45,256	41,474	-	-	-	543,405
<b>Total provision associated with credit risk on the portfolio of transactions with loan characteristics</b>	<b>14,225</b>	<b>83,651</b>	<b>458,438</b>	<b>171,479</b>	<b>99,453</b>	<b>115,663</b>	<b>59,150</b>	<b>35,333</b>	<b>497,348</b>	<b>1,534,740</b>
Minimum required <sup>(3)</sup>	-	1,669	7,470	2,679	978	921	-	-	413	14,130
Additional <sup>(4)</sup>	8,839	1,335	14,193	4,911	851	522	-	-	-	30,651
<b>Total provision associated with credit risk on financial guarantees provided</b>	<b>8,839</b>	<b>3,004</b>	<b>21,663</b>	<b>7,590</b>	<b>1,829</b>	<b>1,443</b>	<b>-</b>	<b>-</b>	<b>413</b>	<b>44,781</b>
<b>Total provision associated with credit risk on extended credit portfolio</b>	<b>23,064</b>	<b>86,655</b>	<b>480,101</b>	<b>179,069</b>	<b>101,282</b>	<b>117,106</b>	<b>59,150</b>	<b>35,333</b>	<b>497,761</b>	<b>1,579,521</b>

(1) Operations without past-due installments and/or with installments past due up to 14 days.

(2) Operations with at least one installment past due for more than 14 days.s.

(3) Allowance for loan losses associated with credit risk, considering the minimum percentages required by CMN Resolution 2682/99, and subsequent amendments.

(4) Additional allowance established in relation to the minium percentage required by the regulation in force, based on an own methodology of credit risk evaluation and also in connection with the factors described in Note 26.e.

(5) As established by CMN Resolution 4512/16 concerning accounting procedures applicable to the evaluation and recording of the liability provision for financial guarantees provided, the Bank recorded the provision for bank guarantees based on the parameters set by CMN Resolution 2682/99, and subsequent amendments, which requires periodic portfolio analysis and its classification into nine levels, namely "AA" (minimum risk) and "H" (maximum risk - loss).

## iii By line of business

	Bank			
	03/31/2021		12/31/2020	
	Value	% exposure	Value	% exposure
<b>Total extended credit portfolio</b>	<b>35,713,387</b>	<b>100.00%</b>	<b>35,208,221</b>	<b>100.00%</b>
<b>Public Sector</b>	<b>257,006</b>	<b>0.72%</b>	<b>186,339</b>	<b>0.53%</b>
Federal government	135,486	0.38%	53,657	0.15%
State government	60,538	0.17%	82,463	0.23%
Municipal government	60,982	0.17%	50,219	0.14%
<b>Private Sector</b>	<b>35,456,381</b>	<b>99.28%</b>	<b>35,021,882</b>	<b>99.47%</b>
<b>Corporate entity</b>	<b>26,261,573</b>	<b>73.53%</b>	<b>26,198,772</b>	<b>74.41%</b>
Industrial	11,999,054	33.60%	11,168,913	31.72%
Commercial	6,596,964	18.47%	6,782,938	19.27%
Financial	71,537	0.20%	66,275	0.19%
Other services	7,594,018	21.26%	8,176,571	23.22%
Rural	-	-	4,075	0.01%
<b>Individual</b>	<b>9,194,808</b>	<b>25.75%</b>	<b>8,823,110</b>	<b>25.06%</b>

	Consolidated			
	03/31/2021		12/31/2020	
	Value	% exposure	Value	% exposure
<b>Total extended credit portfolio</b>	<b>37,133,865</b>	<b>100.00%</b>	<b>36,629,318</b>	<b>100.00%</b>
<b>Public Sector</b>	<b>257,006</b>	<b>0.69%</b>	<b>186,339</b>	<b>0.51%</b>
Federal government	135,486	0.36%	53,657	0.15%
State government	60,538	0.16%	82,463	0.23%
Municipal government	60,982	0.16%	50,219	0.14%
<b>Private Sector</b>	<b>36,876,859</b>	<b>99.31%</b>	<b>36,442,979</b>	<b>99.49%</b>
<b>Corporate entity</b>	<b>27,676,261</b>	<b>74.53%</b>	<b>27,615,010</b>	<b>75.39%</b>
Industrial	12,439,403	33.50%	11,422,323	31.18%
Commercial	6,852,351	18.45%	6,943,729	18.96%
Financial	210,069	0.57%	69,205	0.19%
Other services	8,174,438	22.01%	9,175,437	25.05%
Rural	-	-	4,316	0.01%
<b>Individual</b>	<b>9,200,598</b>	<b>24.78%</b>	<b>8,827,969</b>	<b>24.10%</b>

c) Financial guarantees provided (Bank and Consolidated)

	03/31/2021	12/31/2020
	Value	Value
Open credits for import	142,540	109,189
Beneficiaries of guarantees provided	3,629,627	3,288,018
<b>Total</b>	<b>3,772,167</b>	<b>3,397,207</b>

d) Concentration of the portfolio with loan characteristics

Bank				
03/31/2021		12/31/2020		
Value <sup>(1)</sup>	% of portfolio	Value <sup>(1)</sup>	% of portfolio	
Largest debtor	406,162	1.27%	297,800	0.94%
10 largest debtors	2,159,288	6.76%	1,982,491	6.23%
50 next largest debtors	2,960,697	9.27%	2,944,842	9.26%
100 next largest debtors	2,534,906	7.94%	2,643,229	8.31%
Other debtors	23,880,167	74.76%	23,942,652	75.27%
<b>Total</b>	<b>31,941,220</b>	<b>100.00%</b>	<b>31,811,014</b>	<b>100.00%</b>

Consolidated				
03/31/2021		12/31/2020		
Value <sup>(1)</sup>	% of portfolio	Value <sup>(1)</sup>	% of portfolio	
Largest debtor	406,162	1.22%	297,800	0.90%
10 largest debtors	2,162,174	6.48%	1,982,491	5.97%
50 next largest debtors	3,067,971	9.20%	3,103,787	9.34%
100 next largest debtors	2,698,574	8.09%	2,809,662	8.45%
Other debtors	25,026,817	75.02%	25,038,371	75.34%
<b>Total</b>	<b>33,361,698</b>	<b>100.00%</b>	<b>33,232,111</b>	<b>100.00%</b>

## e) Movement and breakdown of the allowance for loan losses

## e.1) Movement of the allowance for loan losses

	Bank	
	03/31/2021	03/31/2021
<b>Opening balance of the allowance for loan losses</b>	<b>1,560,501</b>	<b>1,298,080</b>
Operations written off as loss	(89,693)	(73,877)
<b>Establishment (reversal) net for the period</b>	<b>100,091</b>	<b>157,871</b>
Minimum required by CMN Resolution 2682/99 <sup>(2)</sup>	124,412	50,020
Sureties and pledges provided <sup>(2)</sup>	(502)	2,329
Additional to the minimum required <sup>(1)</sup>	(23,339)	119,697
<b>Exchange variation</b>	<b>(480)</b>	<b>(14,175)</b>
<b>Closing balance of the allowance for loan losses</b>	<b>1,571,379</b>	<b>1,396,249</b>

	Consolidated	
	03/31/2021	03/31/2021
<b>Opening balance of the allowance for loan losses</b>	<b>1,579,521</b>	<b>1,319,538</b>
Operations written off as loss	(90,251)	(78,601)
<b>Recognition (reversal) of the expenses on the allowance for loan losses in the year</b>	<b>101,570</b>	<b>158,436</b>
Minimum required by CMN Resolution 2682/99 <sup>(2)</sup>	125,891	50,586
Sureties and pledges provided <sup>(2)</sup>	(502)	2,329
Additional to the minimum required <sup>(1)</sup>	(23,339)	119,696
<b>Exchange variation</b>	<b>(480)</b>	<b>(14,175)</b>
<b>Closing balance of the allowance for loan losses</b>	<b>1,591,320</b>	<b>1,413,548</b>

## e.2) Breakdown of the allowance for loan losses

	Bank		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
<b>Portfolio of transactions with loan characteristics</b>	<b>1,527,091</b>	<b>1,515,720</b>	<b>1,547,032</b>	<b>1,534,740</b>
Minimum required by CMN Resolution 2682/99 <sup>(2)</sup>	1,007,033	972,315	1,026,974	991,335
Additional to the minimum required <sup>(1)</sup>	520,058	543,405	520,058	543,405
<b>Financial guarantees provided</b>	<b>44,288</b>	<b>44,781</b>	<b>44,288</b>	<b>44,781</b>
Minimum required by CMN Resolution 2682/99 <sup>(2)</sup>	13,629	14,130	13,629	14,130
Additional to the minimum required <sup>(1)</sup>	30,659	30,651	30,659	30,651
<b>Total allowance for loan losses</b>	<b>1,571,379</b>	<b>1,560,501</b>	<b>1,591,320</b>	<b>1,579,521</b>

(1) Additional provision established in relation to the minimum percentage required by the regulation in force, based on a proprietary credit risk evaluation methodology and also in connection with the factors described in Note 26.e.

(2) Pursuant to CMN Resolution 4512/16 on the accounting procedures applicable for the evaluation and recording of a liability provision for financial guarantees provided, the Bank recorded the provision for bank guarantees based on the parameters set by CMN Resolution 2682/99, and subsequent amendments, which requires the periodic portfolio analysis and its classification into nine levels, namely "AA" (minimum risk) and "H" (maximum risk - loss).

**f) Renegotiation and recovery of transactions with loan characteristics**

	Bank		Consolidated	
	03/31/2021	03/31/2021	03/31/2021	03/31/2021
<b>Movement of renegotiated operations for the period</b>				
<b>Opening balance</b>	<b>2,822,908</b>	<b>1,535,565</b>	<b>2,927,159</b>	<b>1,590,097</b>
Write-off of renegotiated operations to loss for the period	(13,386)	(21,384)	(13,386)	(21,384)
Payments / repayments for the period of renegotiated operations	(716,839)	(422,327)	(761,782)	(427,264)
Renegotiated operations for the period	604,233	450,477	620,995	456,802
<b>Final balance</b>	<b>2,696,916</b>	<b>1,542,331</b>	<b>2,772,986</b>	<b>1,598,251</b>
<b>Breakdown of the balance of renegotiated operations</b>				
<b>Operations in normal course <sup>(1)</sup></b>	<b>2,292,647</b>	<b>1,264,475</b>	<b>2,366,384</b>	<b>1,317,772</b>
<b>Installments falling due</b>	<b>2,272,743</b>	<b>1,249,643</b>	<b>2,345,770</b>	<b>1,302,662</b>
Up to 3 months	414,146	368,792	427,576	375,310
3 to 12 months	920,939	466,108	948,926	484,416
1 to 3 years	809,317	347,261	835,168	372,620
3 to 5 years	120,841	55,723	126,571	58,557
Over 5 years	7,500	11,759	7,529	11,759
<b>Installments past due for up to 14 days</b>	<b>19,904</b>	<b>14,832</b>	<b>20,614</b>	<b>15,110</b>
<b>Operations in abnormal course <sup>(2)</sup></b>	<b>404,269</b>	<b>277,856</b>	<b>406,602</b>	<b>280,479</b>
<b>Installments falling due</b>	<b>346,058</b>	<b>239,747</b>	<b>347,921</b>	<b>241,723</b>
Up to 3 months	53,770	42,407	54,362	43,055
3 to 12 months	95,455	72,998	96,157	74,018
1 to 3 years	172,616	108,846	173,154	109,154
3 to 5 years	22,786	14,615	22,817	14,615
Over 5 years	1,431	881	1,431	881
<b>Installments past due</b>	<b>58,211</b>	<b>38,109</b>	<b>58,681</b>	<b>38,756</b>
Up to 60 days	33,561	25,777	33,823	25,973
61 to 90 days	6,198	3,082	6,237	3,175
91 to 180 days	13,219	5,876	13,296	6,043
181 to 360 days	5,233	3,374	5,325	3,565
<b>Total</b>	<b>2,696,916</b>	<b>1,542,331</b>	<b>2,772,986</b>	<b>1,598,251</b>

(1) Operations without late payment and/or installments up to 14 days past due.

(2) Operations with at least installment over 14 days past due.

As at March 31, 2021, the balance of renegotiated transactions includes R\$1,050,495 relating to the renegotiated transactions as a result of the circumstances involving the COVID-19 pandemic.

As at March 31, 2021, the Bank recovered loans previously written off as loss, in the amounts of R\$34,608 (R\$19,312 as at December 31, 2020) and Daycoval Leasing recovered the amount of R\$10 (R\$430 as at March 31, 2020), recognized in the statements of income in line item "Loan portfolio".

**g) Linked lending transactions (Bank and Consolidated)**

	03/31/2021	12/31/2020
<b>Restricted lending transactions</b>		
Loans	62,754	62,223
<b>Payables for restricted lending transactions</b>		
Bank certificates of deposit - CDBs	62,472	62,164

**h) Assignment of Loans (Bank and Consolidated)**

The loan assignments carried out by the Bank comply with the accounting criteria described in CMN Resolution 3533/08, with respect to the classification of such assignments as "Operations with substantial retention of risks and rewards".

As at March 31, 2021 and December 31, 2020, no loans were assigned.

As at March 31, 2021, the carrying amount of credit assignments, shown in note 9.b.i - "Loans assignment with substantial retention of risks and benefits", amounts to R\$7,566 (R\$10,980 as at December 31, 2020), including the respective obligation assumed by assignment, disclosed in Note 17.b - "Other payables – Sundry – Payables for sale and transfer of financial assets", in the amount of R\$8,030 (R\$11,771 as at December 31, 2020).

Such loan assignments did not generate advanced profit or loss for the Bank.

i) Reconciliation of the breakdown of the finance lease portfolio, at present value, with the account balances:

Under the accounting system adopted by the COSIF chart of accounts, finance lease transactions are recorded according to their nature, which are summarized below:

	03/31/2021	12/31/2020
<b>Assets</b>		
<b>Finance lease transactions</b>		
Finance lease receivable	1,043,006	1,001,763
(-) Unearned income from finance lease receivable	(1,009,645)	(979,326)
<b>Total</b>	<b>33,361</b>	<b>22,437</b>
<b>Residual values</b>		
Unrealized residual values	471,552	474,140
Offsetting residual values	(471,552)	(474,140)
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Sundry</b>		
Commitment fee	435	267
<b>Total</b>	<b>435</b>	<b>267</b>
<b>Property and equipment for finance lease</b>		
Leased assets	1,661,744	1,624,577
Excess depreciation	293,268	277,906
(-) Insufficient depreciation	(45,649)	(41,058)
(-) Accumulated depreciation on finance lease assets	(653,602)	(631,816)
Unamortized lease losses	32,210	34,378
<b>Total</b>	<b>1,287,971</b>	<b>1,263,987</b>
<b>Liabilities</b>		
<b>Other payables</b>		
(-) Prepaid guaranteed residual value (VRGA)	(239,147)	(223,397)
<b>Total</b>	<b>(239,147)</b>	<b>(223,397)</b>
<b>Total finance lease at present value</b>	<b>1,082,620</b>	<b>1,063,294</b>

10 - FOREIGN EXCHANGE PORTFOLIO (BANK AND CONSOLIDATED)

	03/31/2021			12/31/2020
	Up to 3 months	3 to 12 Months	Value	Value
<b>Assets</b>				
Foreign exchange purchased pending settlement	630,036	432,081	1,062,117	718,100
Right on foreign exchange sold	1,048,485	956,133	2,004,618	1,656,019
(-) Advances received in local currency	(27,255)	-	(27,255)	(33,875)
Income receivable from advances granted (Note 9.a)	6,604	4,246	10,850	8,374
<b>Total</b>	<b>1,657,870</b>	<b>1,392,460</b>	<b>3,050,330</b>	<b>2,348,618</b>
<b>Liabilities</b>				
Foreign exchange sold pending settlement	1,089,621	981,817	2,071,438	1,594,525
(-) Financed imports (Note 9.a)	(13,223)	-	(13,223)	(33,257)
Payable for foreign exchange purchased	595,628	406,044	1,001,672	713,795
(-) Advances on foreign exchange contracts (Note 9.a)	(405,376)	(329,148)	(734,524)	(558,245)
Foreign currencies payable	233	-	233	99
Unearned income on advances granted (Note 9.a)	375	572	947	1,113
<b>Total</b>	<b>1,267,258</b>	<b>1,059,285</b>	<b>2,326,543</b>	<b>1,718,030</b>

11 - OTHER CREDITS

	Bank			
	03/31/2021		12/31/2020	
	Current	Noncurrent	Current	Noncurrent
Salary advances	1,221	-	1,302	-
Advances for payment of our account	23,631	-	17,129	-
Reimbursable payments	903	-	889	-
Prepaid profit sharing	-	-	36,227	-
Discount on the acquisition of lending operations <sup>(1)</sup>	5,505	8,430	6,279	11,089
Sundry debtors	66,753	-	49,238	-
<b>Total</b>	<b>98,013</b>	<b>8,430</b>	<b>111,064</b>	<b>11,089</b>

	Consolidado			
	03/31/2021		12/31/2020	
	Circulante	Não circulante	Circulante	Não circulante
Salary advances	1,353	-	1,425	-
Advances for payment of our account	24,320	-	17,775	-
Reimbursable payments	903	-	889	-
Prepaid profit sharing	-	-	36,382	-
Discount on the acquisition of lending operations <sup>(1)</sup>	5,505	8,430	6,279	11,089
Insurance premiums receivable	31	-	31	-
Sundry debtors	68,722	-	53,303	-
<b>Total</b>	<b>100,834</b>	<b>8,430</b>	<b>116,084</b>	<b>11,089</b>

(1) As at March 31, 2021 and December 31, 2020, refers to premiums paid on the acquisition of loan operations from other institutions comprising the National Financial System, to be recognized in the Bank's income statements, in line item "Lending operations", due to the lapse of the transaction term.

## 12 - OTHER ASSETS

	Bank						12/31/2020
	03/31/2021						
	Up to 3 months	3 to 12 Months	1 to 3 years	3 to 5 years	Over 5 years	Value	
Prepaid expenses	3,886	7,048	14,542	2,346	72	27,894	23,961
Total prepaid expenses	3,886	7,048	14,542	2,346	72	27,894	23,961

	Consolidated						12/31/2020
	03/31/2021						
	Up to 3 months	3 to 12 Months	1 to 3 years	3 to 5 years	Over 5 years	Value	
Prepaid expenses	3,894	7,048	14,542	2,346	72	27,902	23,962
Total prepaid expenses	3,894	7,048	14,542	2,346	72	27,902	23,962

As at March 31, 2021, held-for-sale non-financial assets total R\$83,452 (R\$84,852 as at December 31, 2020), for the Bank and Consolidated. In the quarter, the impairment adjustment is de R\$7,614 (R\$8,564 as at December 31, 2020), for the Bank and Consolidated. As at March 31, 2021 and December 31, 2020, the Bank and Consolidated do not have own assets classified as "held-for-sale non-financial assets".

## 13 - FOREIGN BRANCH

The balances of the transactions of Bank Daycoval S.A. - Cayman Branch (foreign branch) conducted with third parties and included in the Bank's financial statement information are as follows:

	03/31/2021		12/31/2020	
	US\$ thousand	R\$ thousand (1)	US\$ thousand	R\$ thousand (1)
<b>Assets</b>				
Cash and cash equivalents	476	2,711	350	1,819
Interbank accounts	33,300	189,720	28,950	150,444
Securities	3,128	17,821	3,196	16,609
Lending operations	234,075	1,333,594	100,228	520,855
Other credits	4,290	24,442	5,783	30,053
Other assets	88	500	-	-
<b>Total de ativos</b>	<b>275,357</b>	<b>1,568,788</b>	<b>138,507</b>	<b>719,780</b>
<b>Liabilities</b>				
Demand deposit	1,946	11,089	2,271	11,802
Time deposits	152,746	870,237	15,170	78,834
Issuance of securities	1,502	8,560	-	-
Other miscellaneous borrowing	88,894	506,453	90,040	467,911
Deferred income	121	691	40	208
<b>Total Liabilities</b>	<b>245,209</b>	<b>1,397,030</b>	<b>107,521</b>	<b>558,755</b>

(1) The amounts in US dollars have been translated into Brazilian reais (R\$) at the exchange rates of R\$/US\$5.6973 and R\$/US\$5.1967, disclosed by the BACEN, for March 31, 2021 and December 31, 2020, respectively.

As at March 31, 2021, income from exchange rate changes in the amount of R\$15,402 (income of R\$22,673 as at March 31, 2020) on the investment in Banco Daycoval S.A. - Cayman Branch was recognized in the Bank's profit or loss.

## 14 - INVESTMENTS

## a) Direct subsidiaries

	Daycoval Leasing <sup>(1)</sup>			Dayprev		
	03/31/2021	12/31/2020	03/31/2020	03/31/2021	12/31/2020	03/31/2020
Total Assets	1,681,920	1,670,698	1,460,558	34,545	34,494	34,071
Total Liabilities	1,125,774	1,132,506	976,645	79	196	158
Equity	556,146	538,192	483,913	34,466	34,298	33,913
Negative goodwill on acquisition <sup>(2)</sup>	(32,210)	(33,936)	(39,112)	-	-	-
Capital	343,781	343,781	206,805	25,000	25,000	25,000
Number of shares	5,780,078,463	5,780,078,463	5,780,078,463	19,591,614	19,591,614	19,591,614
Ownership interest - %	100.0%	100.0%	100.0%	97.0%	97.0%	97.0%
Adjusted investment	523,936	504,256	444,801	33,432	33,210	32,896
Net income for the quarter	17,954	-	17,847	236	-	210
Net income for the year	-	72,125	-	-	642	-
<b>Equity in earnings of the quarter</b>	<b>17,954</b>	-	<b>17,847</b>	<b>229</b>	-	<b>204</b>
<b>Share of profit (loss) of subsidiaries of the period</b>	-	<b>72,125</b>	-	-	<b>623</b>	-

	ACS			Daycoval Asset		
	03/31/2021	12/31/2020	03/31/2020	03/31/2021	12/31/2020	03/31/2020
Total Assets	841,847	844,232	832,265	56,611	56,368	48,699
Total Liabilities	1,036	6,102	19,556	2,137	2,998	2,072
Equity	840,811	838,130	812,709	54,474	53,370	46,627
Capital	623,597	623,597	623,597	1,554	1,554	1,554
Number of shares	54,225,800	54,225,800	54,225,800	36,875	36,875	36,875
Ownership interest - %	99.99%	99.99%	99.99%	99.99%	99.99%	99.99%
Adjusted investment	840,809	838,129	812,708	54,474	53,370	46,627
Net income for the quarter	5,527	-	17,102	1,104	-	470
Net income for the year	-	30,397	-	-	7,213	-
<b>Equity in earnings of the quarter</b>	<b>5,527</b>	-	<b>17,102</b>	<b>1,104</b>	-	<b>470</b>
<b>Share of profit (loss) of subsidiaries of the period</b>	-	<b>30,397</b>	-	-	<b>7,213</b>	-

## b) Controladas indiretamente

	IFP			SCC		
	03/31/2021	12/31/2020	03/31/2020	03/31/2021	12/31/2020	03/31/2020
Total Assets	251,575	258,330	259,251	13,940	13,914	13,544
Total Liabilities	18,797	19,308	19,404	84	179	56
Equity	232,778	239,022	239,847	13,856	13,735	13,488
Capital	260,020	260,020	260,020	10,020	10,020	10,020
Number of shares	260,020,000	260,020,000	260,020,000	10,020,000	10,020,000	10,020,000
Ownership interest - %	99.99%	99.99%	99.99%	99.99%	99.99%	99.99%
Adjusted investment	232,778	239,022	239,847	13,856	13,735	13,488
Net income for the quarter	(6,245)	-	(2,642)	122	-	73
Net income for the year	-	(3,466)	-	-	320	-
<b>Equity in earnings of the quarter <sup>(4)</sup></b>	<b>(6,245)</b>	-	<b>(2,642)</b>	<b>122</b>	-	<b>73</b>
<b>Share of profit (loss) of subsidiaries of the period <sup>(4)</sup></b>	-	<b>(3,466)</b>	-	-	<b>320</b>	-

	Treetop		
	03/31/2021	12/31/2020	03/31/2020
Total Assets	116,269	106,646	90,044
Total Liabilities	2,009	121	-
Equity	114,260	106,525	90,044
Capital	15,204	13,868	13,873
Number of shares	2,668,585	2,668,585	2,668,585
Ownership interest - %	99.99%	99.99%	99.99%
Adjusted investment	114,260	106,525	90,044
Net income for the quarter	780	-	(378)
Net income for the year	-	4,015	-
<b>Equity in earnings of the quarter <sup>(3)(4)</sup></b>	<b>10,581</b>	-	<b>21,588</b>
<b>Share of profit (loss) of subsidiaries of the period <sup>(3)(4)</sup></b>	-	<b>25,943</b>	-

(1) On June 15, 2020 Daycoval Leasing increased capital by R\$137 million by incorporating the Legal Reserve and a portion of the Special Earnings Reserve.

(2) Refers to negative goodwill on the acquisition of another financial institution, in 2015, which is being fully amortized for a period equal to ten years, as well as the recognition of the deferred tax obligation at the rates effective at the amortization date.

(3) EAs at March 31, 2021, income from exchange rate changes in the amount of R\$9,801 (income of R\$21,966 as at March 31, 2020) on the investment in Treetop was recognized in profit or loss of ACS Participações (direct parent company), mentioned in table 14.a) above.

(4) As at March 31, 2021, revenues from share of profit of investees amounts to R\$4,458 (revenue of R\$19,019 as at March 31, 2020) which were recognized in profit or loss of ACS Participações (direct parent company), as mentioned in table 14.a).

# 15 - PROPERTY AND EQUIPMENT IN USE AND FOR OPERATING LEASE

## a) Property and equipment in use

Bank					
03/31/2021					12/31/2020
Annual depreciation	Cost	Accumulated depreciation	Net amount		Net amount
Airplane	10%	75,865	(26,553)	49,312	51,209
Computers and peripherals	20%	20,363	(14,313)	6,050	5,868
Communications equipment	20%	717	(587)	130	139
Security equipment	10%	1,457	(1,048)	409	438
Facilities	10%	939	(666)	273	281
Furniture and equipment	10%	7,475	(4,909)	2,566	2,376
Vehicles	20%	2,983	(1,365)	1,618	1,505
<b>Total</b>		<b>109,799</b>	<b>(49,441)</b>	<b>60,358</b>	<b>61,816</b>

Consolidated					
03/31/2021					12/31/2020
Annual depreciation	Cost	Accumulated depreciation	Net amount		Net amount
Airplane	10%	75,865	(26,553)	49,312	51,209
Computers and peripherals	20%	21,567	(15,406)	6,161	5,982
Communications equipment	20%	997	(644)	353	365
Security equipment	10%	1,457	(1,048)	409	438
Properties	4%	2,642	(50)	2,592	2,617
Facilities	10%	4,882	(1,246)	3,636	3,523
Furniture and equipment	10%	9,327	(5,750)	3,577	3,379
Vehicles	20%	4,521	(2,299)	2,222	2,176
<b>Total</b>		<b>121,258</b>	<b>(52,996)</b>	<b>68,262</b>	<b>69,689</b>

## b) Property and equipment for operating lease (Consolidated)

03/31/2021					
Annual depreciation	Acquisition cost	Accumulated depreciation	Allowance for impairment	Net value	12/31/2020
					Net value
Machinery and equipment	10%	299,538	(140,293)	(1,564)	157,681
Furniture	10%	2	-	-	2
Vehicles	20%	756	(634)	-	122
<b>Total</b>		<b>300,296</b>	<b>(140,927)</b>	<b>(1,564)</b>	<b>157,805</b>

## 16 - REPURCHASE TRANSACTIONS AND FUNDING INSTRUMENTS

### a) Breakdown of repurchase transaction by maturity (Bank and Consolidated)

	03/31/2021 Up to 3 months	12/31/2020 Up to 3 months
<b>Repurchase transactions</b>		
<b>Own portfolio</b>	<b>715,704</b>	<b>872,979</b>
Financial Treasury Bills (LFT)	614,666	725,978
National Treasury Bills (LTN)	-	45,637
Debentures	101,038	101,364
<b>Third-party portfolio</b>	<b>1,525,431</b>	<b>1,078,693</b>
Financial Treasury Bills (LFT)	450,001	-
National Treasury Bills (LTN)	1,068,768	-
National Treasury Notes (NTN)	6,662	1,078,693
<b>Total</b>	<b>2,241,135</b>	<b>1,951,672</b>

### b) Summary of fundraising instruments

Below is the summary of fundraising instruments used by Daycoval:

	Bank		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
<b>Deposits</b>	<b>14,524,051</b>	<b>14,082,552</b>	<b>14,473,174</b>	<b>14,027,603</b>
Demand deposits	1,216,911	1,673,989	1,213,865	1,672,424
Interbank deposits	694,907	524,880	694,907	524,880
Time deposits	12,605,293	11,874,297	12,557,462	11,820,913
Other deposits	6,940	9,386	6,940	9,386
<b>Issuance of securities</b>	<b>19,455,992</b>	<b>18,460,459</b>	<b>18,967,060</b>	<b>17,923,783</b>
Mortgage loan notes	1,302,683	825,215	1,302,683	825,215
Agribusiness letter of credit	1,270,533	1,364,527	1,270,533	1,364,527
Financial bills	14,250,170	13,865,311	13,761,238	13,328,635
Foreign issuance	2,632,606	2,405,406	2,632,606	2,405,406
<b>Borrowings</b>	<b>5,100,067</b>	<b>4,668,752</b>	<b>5,100,067</b>	<b>4,668,752</b>
Foreign borrowings	4,946,419	4,503,902	4,946,419	4,503,902
Foreign-currency payables	153,648	164,850	153,648	164,850
<b>Subordinated debts (Note 16.d)</b>	<b>462,218</b>	<b>460,657</b>	<b>462,218</b>	<b>460,657</b>
Financial bills	462,218	460,657	462,218	460,657
<b>Total</b>	<b>39,542,328</b>	<b>37,672,420</b>	<b>39,002,519</b>	<b>37,080,795</b>

### c) Segregation of money market funding by term

	Bank						12/31/2020
	03/31/2021						
	Up to 3 months	3 to 12 Months	1 to 3 years	3 to 5 years	Over 5 years	Total	Total
<b>Deposits</b>	<b>2,848,179</b>	<b>2,626,431</b>	<b>8,072,326</b>	<b>942,719</b>	<b>34,396</b>	<b>14,524,051</b>	<b>14,082,552</b>
Demand deposits	1,216,911	-	-	-	-	1,216,911	1,673,989
Interbank deposits	24,642	204,816	74,519	389,182	1,748	694,907	524,880
Time deposits	1,599,686	2,421,615	7,997,807	553,537	32,648	12,605,293	11,874,297
Other deposits	6,940	-	-	-	-	6,940	9,386
<b>Issuance of securities</b>	<b>1,675,881</b>	<b>6,900,088</b>	<b>6,991,405</b>	<b>3,846,835</b>	<b>41,783</b>	<b>19,455,992</b>	<b>18,460,459</b>
Mortgage loan notes	442,780	349,242	491,215	7,881	11,565	1,302,683	825,215
Agribusiness letter of credit	331,981	337,618	589,236	11,698	-	1,270,533	1,364,527
Financial bills <sup>(1)(7)</sup>	864,215	6,204,668	5,910,954	1,240,115	30,218	14,250,170	13,865,311
Foreign issuance <sup>(2)</sup>	36,905	8,560	-	2,587,141	-	2,632,606	2,405,406
<b>Money market funding</b>	<b>1,245,843</b>	<b>3,023,037</b>	<b>811,766</b>	<b>16,172</b>	<b>3,249</b>	<b>5,100,067</b>	<b>4,668,752</b>
<b>Issuance of securities</b>	<b>1,225,021</b>	<b>2,973,945</b>	<b>747,453</b>	<b>-</b>	<b>-</b>	<b>4,946,419</b>	<b>4,503,902</b>
Foreign-currency payables <sup>(3)</sup>	646,597	777,899	8,280	-	-	1,432,776	978,124
Foreign borrowings <sup>(4)(5)(6)</sup>	578,424	2,196,046	739,173	-	-	3,513,643	3,525,778
<b>Domestic onlendings - official institutions</b>	<b>20,822</b>	<b>49,092</b>	<b>64,313</b>	<b>16,172</b>	<b>3,249</b>	<b>153,648</b>	<b>164,850</b>
BNDES	9,155	19,247	13,443	92	-	41,937	53,057
FINAME	11,667	29,845	50,870	16,080	3,249	111,711	111,793
<b>Subordinated debts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>462,218</b>	<b>462,218</b>	<b>460,657</b>
Financial bills	-	-	-	-	462,218	462,218	460,657
<b>Total</b>	<b>5,769,903</b>	<b>12,549,556</b>	<b>15,875,497</b>	<b>4,805,726</b>	<b>541,646</b>	<b>39,542,328</b>	<b>37,672,420</b>

	Consolidated						12/31/2020
	03/31/2021						
	Up to 3 months	3 to 12 Months	1 to 3 years	3 to 5 years	Over 5 years	Total	Total
Deposits	2,845,133	2,626,393	8,068,361	898,891	34,396	14,473,174	14,027,603
Demand deposits	1,213,865	-	-	-	-	1,213,865	1,672,424
Interbank deposits	24,642	204,816	74,519	389,182	1,748	694,907	524,880
Time deposits	1,599,686	2,421,577	7,993,842	509,709	32,648	12,557,462	11,820,913
Other deposits	6,940	-	-	-	-	6,940	9,386
Issuance of securities	1,675,881	6,900,088	6,937,607	3,411,701	41,783	18,967,060	17,923,783
Mortgage loan notes	442,780	349,242	491,215	7,881	11,565	1,302,683	825,215
Agribusiness letter of credit	331,981	337,618	589,236	11,698	-	1,270,533	1,364,527
Financial bills <sup>(1) (7)</sup>	864,215	6,204,668	5,857,156	804,981	30,218	13,761,238	13,328,635
Foreign issuance <sup>(2)</sup>	36,905	8,560	-	2,587,141	-	2,632,606	2,405,406
Money market funding	1,245,843	3,023,037	811,766	16,172	3,249	5,100,067	4,668,752
Issuance of securities	1,225,021	2,973,945	747,453	-	-	4,946,419	4,503,902
Foreign-currency payables <sup>(3)</sup>	646,597	777,899	8,280	-	-	1,432,776	978,124
Foreign borrowings <sup>(4) (5) (6)</sup>	578,424	2,196,046	739,173	-	-	3,513,643	3,525,778
Domestic onlendings - official institutions	20,822	49,092	64,313	16,172	3,249	153,648	164,850
BNDES	9,155	19,247	13,443	92	-	41,937	53,057
FINAME	11,667	29,845	50,870	16,080	3,249	111,711	111,793
Subordinated debts	-	-	-	-	462,218	462,218	460,657
Financial bills	-	-	-	-	462,218	462,218	460,657
Total	5,766,857	12,549,518	15,817,734	4,326,764	541,646	39,002,519	37,080,795

(1) Pursuant to the Notice to the Market, published on March 12, 2019, the Bank has completed the seventh issuance of Financial Bills in the amount of R\$2 billion, 4 series in the amount of R\$500 million maturing as at March 15, 2021, as at March 15, 2022, as at March 15, 2023 and as at March 15, 2024, respectively.

(2) At December 13, 2019 Daycoval issued US\$350 million in bonuses in the foreign market. On February 4, 2020 there was a new issuance additional thereto for US\$100 million in bonuses in the foreign market, both falling due on December 13, 2024. These instruments are remunerated at 4.25% p.a.

(3) The balance of "Foreign-currency payables" refers to funding for foreign exchange operations related to export and import financing.

(4) As at March 31, 2021, includes foreign loan transactions, in the amount of US\$613 million (US\$613 million as at December 31, 2020) and €25 million (€25 million as at December 31, 2020), subject to hedge accounting of market risk (note 8), which carrying amount and fair value amount to R\$3,249,235 and R\$3,221,891, respectively (R\$3,161,498 and R\$3,151,462 as at December 31, 2020).

(5) In December 2019, Bank Daycoval S.A. concluded the funding in the amount of US\$425 million with BID Invest, a member of the Inter-American Development Bank targeted at the private sector. The loan mature between two and four years. Funds will be transferred to the corporate loan portfolio in accordance with the terms and conditions agreed upon among the parties such as, for example, the focus on small- and mid-sized entities, distribution to economic and social development areas, investment in energy efficiency and gender equality. These transactions are recognized in line item "Foreign borrowings".

(6) On July 8, 2020, Daycoval raised from International Finance Corporation – IFC the amount of US\$100 million, subject to hedge accounting.

(7) Includes the funding through Guaranteed Financial Bills, pursuant to CMN Resolution 4795/20, in the amount of R\$4,930,395.

#### Financial covenants

There was no breach of covenants linked to borrowing agreements with the International Finance Corporation - IFC and the Inter-American Development Bank – IDB, recognized in line item "Borrowings", that could result in the accelerated maturity of the agreements entered into with the Bank and these institutions.

#### d) Subordinated debts (Bank and Consolidated)

03/31/2021						
Capital level	Instruments of Funding	Dates of		Amount	Interest rate	Date of BACEN'S authorization to comprise Tier of Capital <sup>(1)</sup>
		issuance	maturity			
Complementary Tier I	Financial bills	02/19/2020	Perpetual	50	135% CDI	04/15/2020
Complementary Tier I	Financial bills	04/15/2020	Perpetual	240	150% CDI	06/10/2020
Complementary Tier I (2)	Financial bills	02/11/2021	Perpetual	164	150% CDI	03/05/2021

12/31/2020						
Capital level	Instruments of Funding	Dates of		Amount	Interest rate	Date of BACEN'S authorization to comprise Tier of Capital <sup>(1)</sup>
		issuance	maturity			
Tier II	Financial bills	02/28/2018	03/05/2025	10	120% CDI	04/04/2018
Tier II	Financial bills	10/30/2018	10/30/2028	135	122% CDI	11/30/2018
Complementary Tier I	Financial bills	02/19/2020	Perpetual	50	135% CDI	04/15/2020
Complementary Tier I	Financial bills	04/15/2020	Perpetual	240	150% CDI	06/10/2020

(1) Funding was authorized by the BACEN to comprise the Bank's Tier of Capital, pursuant to CMN Resolution 4192/13.

(2) Early redemption of Financial Bills with subordination clause (LFSN) eligible to the Tier II of Capital (PR), pursuant to note 24.a), for purpose of change for a new Supplementary Subordinated Financial Bill (LFSC) eligible to Tier I of the PR, as supplementary capital, pursuant to CMN Resolution 4733/19.

## 17 - OBLIGATION

### a) Social and statutory

	Bank		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
	Current	Current	Current	Current
Dividends and bonuses payable	-	167,588	61	167,588
Profit sharing program	37,197	133,466	37,959	135,459
Bonus and profit sharing payable	935	120	935	120
<b>Total</b>	<b>38,132</b>	<b>301,174</b>	<b>38,955</b>	<b>303,167</b>

### b) Sundry

	Bank			
	03/31/2021	12/31/2020		
	Current	Noncurrent	Current	Noncurrent
Cashier's checks	542	-	526	-
Creditors for unreleased resources	5,232	-	2,235	-
Payables to related party	879	-	1,108	-
Payables for sales operations and transfer of financial assets (Nota 9.h)	7,990	40	11,458	313
Accrued payments <sup>(1)</sup>	73,761	-	62,583	-
Sundry creditors <sup>(2)</sup>	105,539	-	107,763	-
<b>Total</b>	<b>193,943</b>	<b>40</b>	<b>185,673</b>	<b>313</b>

	Consolidated			
	03/31/2021	12/31/2020		
	Current	Noncurrent	Current	Noncurrent
Cashier's checks	542	-	526	-
Creditors for unreleased resources	5,232	-	2,235	-
Payables for sales operations and transfer of financial assets (Nota 9.h)	7,990	40	11,458	313
Investment funds quota obligations <sup>(3)</sup>	19,472	-	19,544	-
Accrued payments <sup>(1)</sup>	84,628	-	71,732	-
Sundry creditors <sup>(2)</sup>	133,713	-	113,330	-
<b>Total</b>	<b>251,577</b>	<b>40</b>	<b>218,825</b>	<b>313</b>

(1) As at March 31, 2021, the balance of "Accrued payments" (Bank and Consolidated) is mainly comprised of the following: (i) personnel expenses in the amount of R\$33,632 for the Bank and R\$38,890 for the Consolidated (R\$28,338 for the Bank and R\$33,606 for the Consolidated as at December 31, 2020); (ii) expenses on suppliers in the amount of R\$14,318 for the Bank and R\$17,801 for the Consolidated (R\$14,567 for the Bank and R\$16,080 for the Consolidated as at December 31, 2020); and (iii) commission payable in the amount of R\$21,587 for the Bank and Consolidated (R\$18,283 as at December 31, 2020 for the Bank and Consolidated).

(2) As at March 31, 2021, the balance of "Sundry creditors" (Bank and Consolidated) is mainly comprised of: (i) unreleased resources in the amount of R\$12,363 (R\$3,759 as at December 31, 2020); (ii) discounted notes partially received, in the amount of R\$17,862 (R\$22,788 as at December 31, 2020); (iii) commitments deriving from credit card transactions in the amount of R\$46,520 (R\$46,118 as at December 31, 2020); and (iv) trade payables to Daycoval Leasing in the amount of R\$24,273, for the Consolidated (R\$3,376 as at December 31, 2020).

(3) Pursuant to Art. 4 of CMN Resolution 4280/13, the investment funds in which Daycoval substantially assumes or retains all risks and rewards, on any account, must be consolidated in the interim financial information of the controlling institution.

# 18 - CONTINGENT ASSETS AND LIABILITIES AND LEGAL OBLIGATIONS

## a) Contingent assets

Daycoval and its subsidiaries did not recognize contingent assets as at March 31, 2021 and December 31, 2020.

## b) Contingent liabilities assessed as probable losses and legal obligations

The Bank is a party to lawsuits involving labor, civil and tax matters. Provisions are recorded based on the criteria described in note 3.q. The Bank's management understands that the provisions recorded are sufficient to cover probable losses on these lawsuits.

The balances of provisions for tax, civil and labor risks recognized and the respective variations for the quarter ended March 31, 2021 and for the year ended December 31, 2020, are broken down below:

	Bank		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Legal obligation tax risks	1,705,300	1,656,548	1,706,325	1,657,360
Civil lawsuits	161,477	166,760	162,048	167,308
Labor lawsuits	61,506	62,809	74,125	75,856
<b>Total</b>	<b>1,928,283</b>	<b>1,886,117</b>	<b>1,942,498</b>	<b>1,900,524</b>

Risks	Quarter ended March 31, 2021							
	Bank				Consolidated			
	Balance at the beginning	Inflation adjustment	Recognition	Balance at the end of the	Balance at the beginning	Inflation adjustment	Recognition	Balance at the end of the
Tax	1,656,548	5,512	43,240	1,705,300	1,657,360	5,512	43,453	1,706,325
Civil	166,760	-	(5,283)	161,477	167,308	-	(5,260)	162,048
Labor	62,809	-	(1,303)	61,506	75,856	-	(1,731)	74,125
<b>Total</b>	<b>1,886,117</b>	<b>5,512</b>	<b>36,654</b>	<b>1,928,283</b>	<b>1,900,524</b>	<b>5,512</b>	<b>36,462</b>	<b>1,942,498</b>

Risks	Year ended December 31, 2020							
	Bank				Consolidated			
	Balance at the beginning	Inflation adjustment	Recognition	Balance at the end of the	Balance at the beginning	Inflation adjustment	Recognition	Balance at the end of the
Tax	1,530,665	27,943	97,940	1,656,548	1,530,665	27,943	98,752	1,657,360
Civil	184,760	-	(18,000)	166,760	185,247	-	(17,939)	167,308
Labor	59,619	-	3,190	62,809	73,522	-	2,334	75,856
<b>Total</b>	<b>1,775,044</b>	<b>27,943</b>	<b>83,130</b>	<b>1,886,117</b>	<b>1,789,434</b>	<b>27,943</b>	<b>83,147</b>	<b>1,900,524</b>

## c) Escrow deposits for tax, civil and labor risks

	Bank		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Tax	1,468,220	1,387,002	1,468,220	1,387,002
Civil	36,799	36,693	36,882	36,693
Labor	13,538	14,931	16,330	18,193
<b>Total</b>	<b>1,518,557</b>	<b>1,438,626</b>	<b>1,521,432</b>	<b>1,441,888</b>

**d) The Bank is challenging in court the legality of certain taxes and contributions and the related amounts are fully accrued:**

**Income Tax**

Challenges the effect from the extinguishment of the inflation adjustment to the balance sheet and twice PAT deduction, the amount accrued totaling R\$33,305 (R\$25,646 as at December 31, 2020). Total escrow deposits for these challenges amounts to R\$22,555 (R\$22,512 as at December 31, 2020). In November 2019, the escrow deposits for the lawsuit filed in 2004 were converted into income for the Brazilian government, thus settling the related litigation. Also, the lawsuit from 1997 to 2002 is still ongoing.

**Social contribution tax**

(i) Challenges the effect from the extinguishment of the inflation adjustment to the balance sheet and challenges the requirement of a different tax rate. In November 2019, the escrow deposits for the lawsuit filed in 2004 were converted into income for the Brazilian government, thus settling the related litigation. The lawsuit from 1997 to 2002 is still ongoing; and (ii) challenges the increase in tax rate from 9% to 15%, prescribed by Provisional Act 413/08, passed into Law 11727/08, and from 15% to 20%, as prescribed by Law 13169/15, which amends Law 7689/88, the latter amendment related to the period between September 1, 2015 and December 31, 2019. The amount accrued amounts to R\$855,184 (R\$809,381 as at December 31, 2020) and the total escrow deposits for this lawsuit amount to R\$835,050 (R\$755,499 as at December 31, 2020).

**COFINS**

Challenges the constitutionality of Law 9718/98. The amount accrued amounts to R\$686,082 (R\$684,488 as at December 31, 2020) and the total escrow deposits for this lawsuit amount to R\$501,053 (R\$499,762 as at December 31, 2020).

**PIS**

Challenges the application of Law 9718/98 and the tax authorities' requirement of calculation of the PIS tax basis in noncompliance with Constitutional Amendments 01/94, 10/96 and 17/97. The amount accrued amounts to R\$103,650 (R\$103,412 as at December 31, 2020) and the total escrow deposits for this lawsuit amount to R\$105,840 (R\$105,594 as at December 31, 2020).

The provision for other legal liabilities amounts to R\$3,722 (R\$3,635 as at December 31, 2020) and the total escrow deposits for this lawsuit amount to R\$3,722 (R\$3,635 as at December 31, 2020).

**e) Daycoval Leasing has been challenging in courts the Tax Assessment Notices and Fine Interpretation issued by the State of São Paulo, as described below:**

**AIIM No. 4.012.543-9** in the amount of R\$74,840 is assessed as remote loss, the likelihood of favorable outcome of which is supported by the signature of ICMS Agreement No. 36 and ratified by São Paulo State Decrees No. 56045/2010 and No. 56952/2013. Of the original tax assessment amount which amounted to R\$54,148, the amount of R\$6,322, relating to the States of Santa Catarina and Alagoas, was assessed as possible loss and subject to payment under the Special Installment Program (PEP) enacted by the São Paulo State government through Decree 60444/2014. The balance of remote loss of R\$47,826 refers to the State of Espírito Santo.

**Case No. 0030121-4.2011.8.16.0021** - ISS Tax Execution from the municipality of Cascavel-PR, in the amount of R\$36, assessed as remote loss, which aims at the collection of ISS relating to lease transactions conducted with customers located in that municipality.

**Case No. 0160975-31.2016.8.13.0702** - ISS Tax Execution from the municipality of Uberlândia-MG, in the amount of R\$235, assessed as remote loss, which aims at the collection of ISS relating to lease transactions conducted with customers located in that municipality.

**f) Contingent liabilities assessed as possible losses**

Contingent liabilities classified as possible losses are not recognized in the accounts and are represented by civil and labor market.

As at March 31, 2021, the civil lawsuits correspond to an approximate risk of R\$104,139 for the Bank and Consolidated (R\$38,143 for the Bank and Consolidated as at December 31, 2020)

As at March 31, 2021, labor lawsuits amount to R\$574 for the Bank and R\$576 for the Consolidated (R\$502 for the Bank and R\$503 for the Consolidated as at December 31, 2020).

There are no ongoing administrative proceedings for noncompliance with the rules of the National Financial System or payment of fines, which may have significant impacts on the financial position of the Bank or its subsidiaries.

## 19 - TAX

Taxes and contributions are calculated pursuant to the legislation currently in force. The following rates were levied:

Tax and contributions	Rate
Income Tax	15.00%
Income tax surcharge (on the amount exceeding R\$240,000.00)	10.00%
Social contribution - financial institutions <sup>(1)</sup>	20.00%
Social contribution - non-financial institutions <sup>(2)</sup>	9.00%
PIS	0.65%
Cofins	4.00%
ISS	up to 5.00%

(1) Constitutional Amendment N° 103/2019 increased the rate of social contribution on net profit of Banks to 20%, beginning March 1, 2020. For non-financial subsidiaries, rate continues 9%.

(2) The non-financial subsidiaries falling under the non-cumulative computation regime are subject to PIS and COFINS rates of, respectively, 1.65% and 7.6% on operating income, and 0.65% and 4% on financial income. For non-financial subsidiaries subject to taxable profit computed as a percentage of gross sales, PIS and Cofins rates are 0.65% and 3%.

### a) Expenses with taxes and contributions

- i Calculation of income tax (IR) and social contribution on net profit (CSLL):

	Bank		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
<b>Current taxes</b>				
<b>Profit before taxes on income and profit sharing</b>	<b>758,035</b>	<b>598,028</b>	<b>774,415</b>	<b>611,110</b>
Charges (IR and CSLL) at effective rates	(341,116)	(269,113)	(348,487)	(275,000)
<b>Additions and Deductions</b>				
Equity in subsidiaries	11,166	16,030	-	-
Interest on capital	-	20,360	-	20,360
Non-deductible expenses net of non-taxable revenues	(866)	(907)	(621)	8,780
CSLL rate difference	-	18,850	-	19,828
Other values	9,474	12,632	11,386	10,802
<b>Income tax and social contribution for the period</b>	<b>(321,342)</b>	<b>(202,148)</b>	<b>(337,722)</b>	<b>(215,230)</b>
Current tax	(315,041)	(152,830)	(328,226)	(160,260)
Deferred tax	(6,301)	(49,318)	(9,496)	(54,970)

ii Tax expenses

	Bank		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Contributions to COFINS	(40,346)	(36,664)	(42,748)	(39,237)
Contributions to PIS / PASEP	(6,556)	(5,958)	(6,985)	(6,426)
ISS	(2,751)	(2,916)	(5,614)	(5,600)
Other tax expenses	(1,958)	(1,772)	(2,098)	(1,922)
<b>Total</b>	<b>(51,611)</b>	<b>(47,310)</b>	<b>(57,445)</b>	<b>(53,185)</b>

b) Tax assets and liabilities

	Bank		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
<b>Tax assets</b>				
<b>Current</b>	<b>38,632</b>	<b>193,975</b>	<b>49,911</b>	<b>220,528</b>
Taxes and contributions for offset <sup>(1)</sup>	38,632	193,975	49,892	220,509
Recoverable income tax	-	-	19	19
<b>Deferred</b>	<b>1,532,609</b>	<b>1,434,423</b>	<b>1,545,415</b>	<b>1,447,726</b>
Tax credits (note 19.d)	1,532,609	1,434,423	1,545,415	1,447,726
<b>Total</b>	<b>1,571,241</b>	<b>1,628,398</b>	<b>1,595,326</b>	<b>1,668,254</b>
<b>Tax liabilities</b>				
<b>Current</b>	<b>321,582</b>	<b>622,640</b>	<b>339,857</b>	<b>670,861</b>
Provision for income tax on income	168,784	375,989	175,082	391,594
Provision for social contribution on income	96,444	206,547	103,177	233,817
Taxes and contributions payable	56,354	40,104	61,598	45,450
<b>Deferred</b>	<b>411,435</b>	<b>310,769</b>	<b>473,340</b>	<b>369,981</b>
Tax liabilities (note 19.d)	411,435	310,769	473,340	369,981
<b>Total</b>	<b>733,017</b>	<b>933,409</b>	<b>813,197</b>	<b>1,040,842</b>

(1) As at March 31, 2021, "Taxes and contributions for offset" comprise, substantially, prepaid income tax and social contribution in the amount of R\$36,054 (R\$191,462 at December 31, 2020), for the Bank, and R\$40,976 (R\$206,646 at December 31, 2020), for the Consolidated.

**c) Deferred income tax and social contribution on temporary additions and deductions (asset and liability):**

As required by BACEN Resolution 4842/20, the recognition of deferred tax assets and liabilities ('Tas credits' and 'Deferred tax obligations') arising on temporary differences must meet all the following conditions: (i) the entity has a history of taxable profit or income for income tax and social contribution purposes, recorded at least in three of the past five fiscal years, including the reporting year; and (ii) the entity expects to generate future taxable profits or income for income tax and social contribution purposes in subsequent periods, based on an entity-specific technical study that shows the likelihood of future taxes payable against which the tax credits can be offset within ten years or less.

The social contribution rate for all banks raised from 15% to 20%, beginning March 1, 2020, pursuant to Art. 32 of Constitutional Amendment 103, of November 13, 2019. Accordingly, tax credits expected to be realized after March 1, 2020 were recognized at the rate of 20% for social contribution. As at December 31, 2019, the effect from the recognition of the tax credit net of deferred liabilities arising from the increased tax rate amounted to R\$114,071 at the Bank.

As at March 31, 2021, the Bank did not recognize tax credits in assets. In the Consolidated, the balance of tax credits not recognized in assets amounted to R\$10,161 (R\$8,040 as at December 31, 2020).

**d) Origin of tax credits and deferred tax liabilities:**

**Tax Credits**

**Deferred income tax and social contribution on:**

	Bank				Consolidated			
	12/31/2020	Recognition	Realization	03/31/2021	12/31/2020	Recognition	Realization	03/31/2021
Provision for tax risks	181,760	1,284	(4,571)	178,473	182,358	1,383	(4,571)	179,170
Allowance for loan losses	761,590	46,975	-	808,565	773,458	47,641	(1,167)	819,932
Adjustment to fair value of securities and derivatives	108,882	38,833	-	147,715	108,917	38,838	-	147,755
Inflation adjustment of contingencies	259,770	2,480	-	262,250	259,770	2,480	-	262,250
Other temporary additions	122,421	13,185	-	135,606	123,223	13,282	(197)	136,308
<b>Total tax credits on temporary differences</b>	<b>1,434,423</b>	<b>102,757</b>	<b>(4,571)</b>	<b>1,532,609</b>	<b>1,447,726</b>	<b>103,624</b>	<b>(5,935)</b>	<b>1,545,415</b>

**Deferred tax liabilities**

**Deferred income tax and social contribution on:**

	Bank				Consolidated			
	12/31/2020	Recognition	Realization	03/31/2021	12/31/2020	Recognition	Realization	03/31/2021
Adjustment to fair value of securities and derivatives	76,709	-	(19,939)	56,770	76,709	-	(19,939)	56,770
Unrealized profit (loss) on derivatives	11,562	117,567	-	129,129	11,562	117,567	-	129,129
Deferred income tax on excess depreciation	-	-	-	-	59,212	776	-	59,988
Amortization of negative goodwill on the acquisition of Daycoval Leasing	15,852	776	-	16,628	15,852	2,262	-	18,114
Inflation adjustment of escrow deposits	206,646	2,262	-	208,908	206,646	2,693	-	209,339
<b>Total deferred tax liabilities on temporary differences</b>	<b>310,769</b>	<b>120,605</b>	<b>(19,939)</b>	<b>411,435</b>	<b>369,981</b>	<b>123,298</b>	<b>(19,939)</b>	<b>473,340</b>

# Tax Credits

## Deferred income tax and social contribution on:

	Bank				Consolidated			
	12/31/2019	Recognition	Realization	12/31/2020	12/31/2019	Recognition	Realization	12/31/2020
Provision for tax risks	181,760	-	-	181,760	181,993	365	-	182,358
Allowance for loan losses	690,077	161,131	(89,618)	761,590	700,189	163,896	(90,627)	773,458
Adjustment to fair value of securities and derivatives	56,800	1,296,970	(1,244,888)	108,882	56,800	1,297,006	(1,244,889)	108,917
Inflation adjustment of contingencies	246,831	12,939	-	259,770	246,831	12,939	-	259,770
Other temporary additions	131,993	16,416	(25,988)	122,421	133,604	17,542	(27,923)	123,223
<b>Total tax credits on temporary differences</b>	<b>1,307,461</b>	<b>1,487,456</b>	<b>(1,360,494)</b>	<b>1,434,423</b>	<b>1,319,417</b>	<b>1,491,748</b>	<b>(1,363,439)</b>	<b>1,447,726</b>

# Deferred tax liabilities

## Deferred income tax and social contribution on:

	Bank				Consolidated			
	12/31/2019	Recognition	Realization	12/31/2020	12/31/2019	Recognition	Realization	12/31/2020
Adjustment to fair value of securities and derivatives	17,940	930,636	(871,867)	76,709	17,940	930,636	(871,867)	76,709
Unrealized profit (loss) on derivatives	4,770	275,517	(268,725)	11,562	4,770	275,517	(268,725)	11,562
Deferred income tax on excess depreciation	-	-	-	-	36,976	22,236	-	59,212
Amortization of negative goodwill on the acquisition of Daycoval Leasing	12,746	3,106	-	15,852	12,746	3,106	-	15,852
Inflation adjustment of escrow deposits	194,465	12,181	-	206,646	194,465	12,181	-	206,646
<b>Total deferred tax liabilities on temporary differences</b>	<b>229,921</b>	<b>1,221,440</b>	<b>(1,140,592)</b>	<b>310,769</b>	<b>266,897</b>	<b>1,243,676</b>	<b>(1,140,592)</b>	<b>369,981</b>

e) Estimated realization of tax credits:

Up to 1 year  
Up to 2 years  
Up to 3 years  
Up to 4 years  
Up to 5 years  
Over 5 years  
**Total**

Bank					
03/31/2021			12/31/2020		
Temporary differences			Temporary differences		
Income Tax	Social contribution	Total	Income Tax	Social contribution	Total
269,844	215,879	<b>485,723</b>	242,405	193,928	<b>436,333</b>
221,697	177,361	<b>399,058</b>	210,725	168,583	<b>379,308</b>
4,752	3,801	<b>8,553</b>	5,311	4,249	<b>9,560</b>
10,518	8,415	<b>18,933</b>	14,737	11,788	<b>26,525</b>
329,687	260,576	<b>590,263</b>	319,199	252,186	<b>571,385</b>
16,711	13,368	<b>30,079</b>	6,285	5,027	<b>11,312</b>
<b>853,209</b>	<b>679,400</b>	<b>1,532,609</b>	<b>798,662</b>	<b>635,761</b>	<b>1,434,423</b>

Up to 1 year  
Up to 2 years  
Up to 3 years  
Up to 4 years  
Up to 5 years  
Over 5 years  
**Total**

Consolidated					
03/31/2021			12/31/2020		
Temporary differences			Temporary differences		
Income Tax	Social contribution	Total	Income Tax	Social contribution	Total
273,925	219,144	<b>493,069</b>	247,059	197,651	<b>444,710</b>
223,599	178,882	<b>402,481</b>	212,459	169,970	<b>382,429</b>
5,520	4,410	<b>9,930</b>	5,957	4,766	<b>10,723</b>
10,806	8,646	<b>19,452</b>	15,015	12,005	<b>27,020</b>
329,765	260,639	<b>590,404</b>	319,280	252,252	<b>571,532</b>
16,711	13,368	<b>30,079</b>	6,285	5,027	<b>11,312</b>
<b>860,326</b>	<b>685,089</b>	<b>1,545,415</b>	<b>806,055</b>	<b>641,671</b>	<b>1,447,726</b>

As at March 31, 2021, the present value of total tax credits is R\$1,339,939 for the Bank (R\$1,305,721 as at December 31, 2020) and R\$1,351,941 for the Consolidated (R\$1,318,531 as at December 31, 2020), and was calculated based on the expected realization of temporary differences, discounted by the average borrowing rate of the Bank and Daycoval Leasing, projected for the corresponding periods.

Taxable income projections consider macroeconomic assumptions, exchange and interest rates, estimates of new financial operations, among others, which may vary in relation to actual results.

## 20 - EQUITY (Controlling Company)

### a) Capital

In the quarter ended March 31, 2021 and year ended December 31, 2020, the Bank's capital amounts to R\$3,557,260, being fully subscribed and paid in, represented by 1,890,672,918 registered shares, comprised of 1,323,471,042 common shares and 567,201,876 preferred shares.

### b) Capital increase

The Extraordinary General Meeting held on February 10, 2020 decided on and approved the Bank's capital increase in the amount of R\$1,303,665, upon the merger of capital, legal and statutory reserves, the issuance of 84,291,724 common shares, fully subscribed and paid in on the same date. This capital increase was ratified by the BACEN on May 13, 2020.

### c) Breakdown of common and preferred shares:

	03/31/2021	12/31/2020
<b>Common shares - at the beginning of the year</b>	<b>1,323,471,042</b>	<b>230,820,429</b>
Conversion of common shares into preferred shares <sup>(1)</sup>	-	(94,533,646)
Stock bonus due to capital increase <sup>(2)</sup>	-	84,291,724
Share split <sup>(3)</sup>	-	1,102,892,535
<b>Common shares - at the end of the year</b>	<b>1,323,471,042</b>	<b>1,323,471,042</b>
<b>Preferred shares - at the beginning of the year</b>	<b>567,201,876</b>	<b>-</b>
Conversion of common shares into preferred shares <sup>(1)</sup>	-	94,533,646
Share split <sup>(3)</sup>	-	472,668,230
<b>Preferred shares - at the end of the year</b>	<b>567,201,876</b>	<b>567,201,876</b>
<b>Total shares at the end of the year</b>	<b>1,890,672,918</b>	<b>1,890,672,918</b>

(1) The meeting of the Board of Directors held on February 10, 2020 decided on and approved the conversion of 94,533,646 common shares into preferred shares, all registered, book-entry and without par value.

(2) The Extraordinary General Meeting held on February 10, 2020 decided on and approved the Bank's capital increase in the amount of R\$1,303,665, upon the merger of capital, legal and statutory reserves, the issuance of 84,291,724 common shares, fully subscribed and paid in on the same date. This capital increase was ratified by the BACEN on May 13, 2020.

(3) The Extraordinary General Meeting held on March 5, 2020 decided on the split of all common and preferred shares, so that each share was replaced by six new shares. Capital was comprised of 315,112,153 registered, book-entry shares without par value, of which 220,578,507 are common and 94,533,646 are preferred shares to 1,890,672,918 shares, of which 1,323,471,042 are common and 567,201,876 are preferred shares.

### d) Interest on capital and/or dividends:

According to the bylaws, the shareholders are entitled to dividends and/or interest on capital corresponding to no less than 25% of profit for the year, adjusted in accordance with the Brazilian corporate law.

Interest on capital is calculated on equity, limited to the variation of the TJLP (long-term interest rate), contingent upon the existence of profit determined before its deduction or retained earnings and earnings reserves.

### i) Statement of calculation of interest on capital:

In the quarter ended March 31, 2021, there was no resolution on the payment of interest on capital.

	03/31/2020	% <sup>(1)</sup>
<b>Profit</b>	<b>395,880</b>	
Amount of interest on capital	45,244	
(-) Withholding income tax related to interest on capital	(6,787)	
<b>Net value of interest on capital and mandatory dividends</b>	<b>38,457</b>	<b>9.71</b>

(1) Refers to the percentage corresponding to the sum of the net interest on capital on adjusted profit.

ii Interest on capital declared and/or paid:

No interest on capital relating to the quarter ended March 31, 2021 was declared and/or paid.

Board of Director's Meeting Date	03/31/2020					
	Availability date	Price per share		Gross amount	IRRf	Net amount
		ON	PN			
03/31/2020	04/15/2020	0.0239	0.0239	45,244	(6,787)	38,457
			Total	45,244	(6,787)	38,457

iii Additional dividends proposed for prior-years:

As at December 31, 2019, additional dividends in the amount of R\$125,266 approved at the Annual General Meeting held on February 7, 2020 were proposed. The additional dividends were distributed to shareholders on February 13, 2020.

e) Earnings reserves

	03/31/2021	12/31/2020
Legal reserve <sup>(1) (3)</sup>	59,131	59,131
Statutory reserves <sup>(2) (3)</sup>	816,582	816,582
<b>Total</b>	<b>875,713</b>	<b>875,713</b>

(1) 5% of profit for the year must be allocated to this reserve until it reaches 20% of capital, according to the prevailing legislation.

(2) Reserve recorded according to the bylaws.

(3) The Extraordinary General Meeting held on February 10, 2020 decided on and approved the Bank's capital increase in the amount of R\$1,303,665, upon the merger of capital, legal and statutory reserves, the issuance of 84,291,724 common shares, fully subscribed and paid in on the same date. This capital increase was ratified by the BACEN on May 13, 2020.

f) Earnings per share

	03/31/2021	03/31/2020
<b>Profit attributable to shareholders</b>	436,693	395,880
<b>Profit attributable each group of shares</b>		
Common shares	305,685	277,116
Preferred shares	131,008	118,764
<b>Weighted average number of shares issued and comprising the capital <sup>(1)</sup></b>		
Common shares	1,323,471,042	1,323,471,042
Preferred shares	567,201,876	567,201,876
<b>Basic earnings per shares</b>		
Common shares	0.2310	0.2094
Preferred shares	0.2310	0.2094
<b>Diluted earnings per shares</b>		
Common shares	0.2310	0.2094
Preferred shares	0.2310	0.2094

(1) The weighted average number of shares was calculated based on the variations of shares as at March 31, 2021 and 2020 and, also, in accordance with the criteria and procedures set out in technical pronouncement CPC 41 – Earnings per Share, considering the applicability to financial institutions, as prescribed by CMN Resolution 4818/20.

## 21 - INCOME STATEMENTS

### INCOME FROM FINANCIAL INTERMEDIATION

#### a) Lending operations

	Banco		Consolidado	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
<b>Lending operations</b>	<b>1,040,398</b>	<b>957,061</b>	<b>1,045,264</b>	<b>961,347</b>
Advance on deposits	1,270	2,511	1,270	2,511
Secured account / overdraft account	76,295	102,870	76,295	102,870
Discounted notes	33,184	35,960	33,184	35,960
Onlending - Resolution 3844/10	218	12,586	218	12,586
Working capital	135,227	151,335	135,227	151,335
Export Credit Notes - CCE	44,131	89,713	44,131	89,713
Onlending - BNDES	1,722	3,599	1,722	3,599
Onlending - FINAME	3,500	3,813	3,500	3,813
Rural credit	4,224	3,813	4,224	3,813
Financing with intervention	5,426	3,558	5,426	3,558
Foreign currency financing	17,506	40,833	17,506	40,833
FGI PEAC	243,270	-	243,270	-
Payroll-deductible loans	390,779	413,642	390,779	413,642
Vehicle financing	79,670	81,684	79,670	81,684
Real estate financing	130	85	130	85
Daypag - discount of freight forwarder's checks	36	123	36	123
Other lending operations	3,683	8,985	8,549	13,271
Loan origination income	127	1,951	127	1,951
<b>Result of lease operations</b>	<b>-</b>	<b>-</b>	<b>38,752</b>	<b>39,330</b>
<b>Revenue from leasing</b>	<b>-</b>	<b>-</b>	<b>164,312</b>	<b>137,062</b>
Finance leasing - internal resources	-	-	132,367	116,126
Operating leasing - internal resources	-	-	22,442	16,785
Gain on disposal of leased assets	-	-	9,503	4,151
<b>Expenses on leasing</b>	<b>-</b>	<b>-</b>	<b>(125,560)</b>	<b>(97,732)</b>
Finance leasing - internal resources	-	-	(106,668)	(84,753)
Operating leasing - internal resources	-	-	(1,146)	(71)
Loss on disposal of leased assets	-	-	(17,746)	(12,908)
<b>Other transactions with loan characteristics</b>	<b>111,178</b>	<b>129,302</b>	<b>111,178</b>	<b>129,302</b>
Advance on foreign exchange contracts / advance on export contracts	13,093	14,322	13,093	14,322
Income from acquisition of receivables without right of recourse	98,085	114,980	98,085	114,980
<b>Recoveries from lending and leasing operations</b>	<b>34,608</b>	<b>19,313</b>	<b>34,618</b>	<b>19,743</b>
Recovery of credits previously written off as loss (Note 9.e)	34,608	19,313	34,608	19,313
Recovery of credits previously written off as loss (Note 9.e) - Leases	-	-	10	430
<b>Total</b>	<b>1,186,184</b>	<b>1,105,676</b>	<b>1,229,812</b>	<b>1,149,722</b>

#### b) Operations with securities and derivatives

	Bank		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
<b>Securities transactions</b>				
Fixed-income securities	34,510	25,279	36,412	27,143
Variable-income securities	6	4	6	4
Investments in investment fund units	311	31	1,415	(8,549)
Gain (loss) on sale of securities	751	455	751	455
Fair value adjustments	1,077	(4,572)	(223)	(6,636)
Foreign investments	25	43,222	25	43,222
Devaluation of investments in investment fund shares	(871)	(22)	(871)	(22)
<b>Total</b>	<b>35,809</b>	<b>64,397</b>	<b>37,515</b>	<b>55,617</b>
<b>Derivatives</b>				
<b>Earnings</b>				
Swap	4,416,300	1,348,223	4,416,300	1,348,223
Currency forward	533,642	314,783	533,642	314,783
Future	360,310	170,017	360,310	170,017
Options	6,059	8,165	6,059	8,165
<b>Losses</b>				
Swap	(3,994,133)	(226,658)	(3,994,133)	(226,658)
Currency forward	(520,054)	(116,119)	(520,054)	(116,119)
Future	(44,022)	(181,908)	(44,022)	(181,908)
Options	(3,892)	(20,879)	(3,892)	(20,879)
<b>Total <sup>(1)</sup></b>	<b>754,210</b>	<b>1,295,624</b>	<b>754,210</b>	<b>1,295,624</b>
<b>Total</b>	<b>790,019</b>	<b>1,360,021</b>	<b>791,725</b>	<b>1,351,241</b>

(1) As at March 31, 2021, income on derivative instruments includes net losses on mark-to-market in the amount of R\$94,601 (net losses on mark-to-market in the amount of R\$78,649 as at March 31, 2020) for the Bank and Consolidated.

c) Interbank accounts

<b>Repurchase operations (assets)</b>
Own portfolio
Third-party portfolio
<b>Repurchase operations (liabilities)</b>
Own portfolio
Third party portfolio
<b>Result of repurchase operations</b>
<b>Interbank deposits</b>
Fixed rate
Variable rate
<b>Total</b>
<b>Total</b>

Bank		Consolidated	
03/31/2021	03/31/2020	03/31/2021	03/31/2020
<b>24,944</b>	<b>54,181</b>	<b>24,944</b>	<b>54,181</b>
17,714	29,126	17,714	29,126
7,230	25,055	7,230	25,055
<b>(10,177)</b>	<b>(28,364)</b>	<b>(10,177)</b>	<b>(28,364)</b>
(2,981)	(1,905)	(2,981)	(1,905)
(7,196)	(26,459)	(7,196)	(26,459)
<b>14,767</b>	<b>25,817</b>	<b>14,767</b>	<b>25,817</b>
4,407	11,698	346	3,969
1,217	-	1,217	-
<b>5,624</b>	<b>11,698</b>	<b>1,563</b>	<b>3,969</b>
<b>20,391</b>	<b>37,515</b>	<b>16,330</b>	<b>29,786</b>

d) Foreign exchange operations

Income from foreign exchange operations
Expenses on foreign exchange operations
Exchange rate changes
<b>Total</b>

Bank		Consolidated	
03/31/2021	03/31/2020	03/31/2021	03/31/2020
13,383	15,403	13,383	15,403
(15,765)	(13,087)	(13,741)	(8,956)
(45,791)	38,703	(45,791)	38,703
<b>(48,173)</b>	<b>41,019</b>	<b>(46,149)</b>	<b>45,150</b>

EXPENSES ON FINANCIAL INTERMEDIATION

e) Interbank and time deposits and issuances of securities in Brazil and abroad

<b>Interbank Deposits</b>
Fixed
Floating
<b>Time deposits</b>
Fixed
Floating
Linked to asset operations (CMN Resolution 2921/02) (Note 9.g)
Exchange variation
Expenses with contribution to deposit insurance fund
<b>Total</b>

Issuance of securities in Brazil

<b>Mortgage loan notes</b>
Fixed
Floating
<b>Agribusiness letter of credit</b>
Fixed
Floating
<b>Financial Bills</b>
Fixed
Floating
<b>Total</b>

Issuance of securities abroad

Interest
Exchange variation
Adjustment to fair value of hedged issuance
<b>Total</b>
<b>Total</b>

Bank		Consolidated	
03/31/2021	03/31/2020	03/31/2021	03/31/2020
<b>(2,763)</b>	<b>(3,284)</b>	<b>(2,763)</b>	<b>(3,284)</b>
-	(475)	-	(475)
(2,763)	(2,809)	(2,763)	(2,809)
<b>(67,561)</b>	<b>(75,134)</b>	<b>(67,370)</b>	<b>(74,336)</b>
(1,729)	(1,615)	(1,730)	(1,009)
(60,310)	(70,125)	(60,118)	(69,933)
(313)	(588)	(313)	(588)
-	(32)	-	(32)
(5,209)	(2,774)	(5,209)	(2,774)
<b>(70,324)</b>	<b>(78,418)</b>	<b>(70,133)</b>	<b>(77,620)</b>
<b>(7,061)</b>	<b>(8,997)</b>	<b>(7,061)</b>	<b>(8,997)</b>
(2,400)	(1,077)	(2,400)	(1,077)
(4,661)	(7,920)	(4,661)	(7,920)
<b>(8,562)</b>	<b>(7,714)</b>	<b>(8,562)</b>	<b>(7,714)</b>
(3,497)	(461)	(3,497)	(461)
(5,065)	(7,253)	(5,065)	(7,253)
<b>(104,228)</b>	<b>(109,319)</b>	<b>(101,249)</b>	<b>(103,091)</b>
(15,661)	(9,658)	(15,661)	(9,658)
(88,567)	(99,661)	(85,588)	(93,433)
<b>(119,851)</b>	<b>(126,030)</b>	<b>(116,872)</b>	<b>(119,802)</b>
(32,248)	(28,461)	(32,070)	(28,461)
(225,271)	(504,050)	(225,271)	(504,050)
37,586	24,665	37,586	24,665
<b>(219,933)</b>	<b>(507,846)</b>	<b>(219,755)</b>	<b>(507,846)</b>
<b>(339,784)</b>	<b>(633,876)</b>	<b>(336,627)</b>	<b>(627,648)</b>

f) Borrowings and onlendings (Bank e Consolidated)

<b>Foreign borrowings</b>
Interest
Exchange variation
Adjustment to fair value of hedged loans
<b>Obligation with Bank abroad</b>
Interest
Exchange variation
<b>Onlending operations</b>
BNDES
FINAME
<b>Total</b>

03/31/2021	03/31/2020
<b>(329,962)</b>	<b>(617,335)</b>
(21,454)	(28,331)
(325,817)	(658,771)
17,309	69,767
<b>(78,213)</b>	<b>(210,529)</b>
(6,025)	(9,159)
(72,188)	(201,370)
<b>(3,976)</b>	<b>(4,947)</b>
(1,103)	(2,291)
(2,873)	(2,656)
<b>(412,151)</b>	<b>(832,811)</b>

**OTHER OPERATING INCOME (EXPENSES)**

**g) Income from service provision**

	Bank		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Bank fees	24,804	31,510	24,804	31,512
Income from financial guarantees provided	11,007	7,942	11,007	7,942
Asset management <sup>(1)</sup>	4,513	1,777	5,299	5,846
Other services	16,463	17,725	19,706	18,092
<b>Total</b>	<b>56,787</b>	<b>58,954</b>	<b>60,816</b>	<b>63,392</b>

<sup>(1)</sup> Includes income from management, administration, custody and controllership services for investment funds and clubs.

**h) Personnel expenses**

	Bank		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Executive Committee's and Board of Directors' compensation	(20,211)	(18,453)	(21,039)	(19,211)
Benefits	(18,062)	(14,982)	(21,073)	(17,678)
Social security charges	(23,344)	(19,413)	(26,421)	(22,157)
Proceeds	(56,668)	(48,205)	(66,819)	(56,856)
Training	(11)	(29)	(11)	(36)
Interns' compensation	(285)	(284)	(305)	(284)
<b>Total</b>	<b>(118,581)</b>	<b>(101,366)</b>	<b>(135,668)</b>	<b>(116,222)</b>

**i) Other administrative expenses**

	Bank		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Public utilities (water, power and gas)	(620)	(614)	(857)	(831)
Rent and insurance	(4,446)	(5,162)	(4,705)	(5,390)
Communication	(2,995)	(3,274)	(3,501)	(3,697)
Charitable contributions	(3,210)	(2,356)	(3,210)	(2,356)
Maintenance and upkeep of asset	(1,462)	(1,707)	(1,763)	(1,904)
Consumables	(303)	(576)	(335)	(780)
Data processing	(25,180)	(24,065)	(25,945)	(24,716)
Promotions, advertising and publications	(5,975)	(8,910)	(6,351)	(9,317)
Outside, technical and specialized services <sup>(1)</sup>	(89,960)	(92,721)	(85,549)	(87,738)
Other administrative expenses	(9,932)	(11,468)	(10,411)	(11,833)
<b>Total</b>	<b>(144,083)</b>	<b>(150,853)</b>	<b>(142,627)</b>	<b>(148,562)</b>

<sup>(1)</sup> Includes the recognition of expenses on commissions paid in advance to third parties, upon origination of lending operations.

**j) Other operating income**

	Bank		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Exchange rate changes <sup>(1)</sup>	15,402	22,673	25,494	44,644
Inflation adjustment of escrow deposits	5,413	10,026	5,476	10,042
Other operating income	936	2,594	3,233	4,895
<b>Total</b>	<b>21,751</b>	<b>35,293</b>	<b>34,203</b>	<b>59,581</b>
Exchange rate changes	-	(99)	-	(99)
Other operating income <sup>(2)</sup>	(17,522)	(20,808)	(17,522)	(20,177)
Interest expense	(26)	(692)	(26)	(731)
<b>Total</b>	<b>(17,548)</b>	<b>(21,599)</b>	<b>(17,548)</b>	<b>(21,007)</b>
<b>Total</b>	<b>4,203</b>	<b>13,694</b>	<b>16,655</b>	<b>38,574</b>

<sup>(1)</sup> Refers to the reclassification of foreign exchange variation on investments abroad, not eliminated in the consolidation process of the financial statements.

<sup>(2)</sup> discounts and reimbursements in loan operations - R\$11,031 for the Bank and Consolidated (R\$15,076 for the Bank and Consolidated as at March 31, 2020); and (ii) settlement of lawsuits - R\$2,678 for the Bank and Consolidated (R\$2,757 for the Bank and R\$14,748 for the and Consolidated as at March 31, 2020).

**k) Regulatory non-recurring profit (Bank and Consolidated)**

	03/31/2021	03/31/2020
<b>Profit for the quarter</b>	<b>436,693</b>	<b>395,880</b>
<b>Regulatory non-recurring result</b>		
Amortization of negative goodwill on acquisition of another financial institution	(949)	(1,007)
<b>Regulatory recurring profit</b>	<b>435,744</b>	<b>394,873</b>

## 22 - RELATED-PARTY TRANSACTIONS

The National Monetary Council (CMN), through the publication by the Central Bank of Brazil (BACEN) of Resolution 4.693/18, has regulated the conditions and limits for loan transactions with related parties to be carried out by financial institutions and leasing companies, defining the concept of qualified interest as direct or indirect interest in another company, similar to or above 15% of the respective shares or units.

The Resolution also established that the sum of the balance of loan transactions with related parties must not exceed 10% of the adjusted equity (PLA), subject to the individual limits of 1% for loans with natural persons and 5% for loans with legal persons, as prescribed in article 7 of the Resolution. These limits must be calculated on the loan transaction date.

- a) **The direct and indirect subsidiaries and the Bank's shareholders enter into transactions with the Bank under usual market conditions. These transactions are contracted at rates consistent with those prevailing in the market on the transaction and settlement dates.**

The table below shows the balance of the Bank's transactions with its respective related parties as at March 31, 2021 and December 31, 2020:

Transactions	Bank			
	03/31/2021		12/31/2020	
	Assets (liabilities)	Income (expenses)	Assets (liabilities)	Income (expenses)
<b>Derivative transactions</b>	(4)	(2)	-	-
<b>Other related parties - individuals</b>	(4)	(2)	-	-
<b>Interbank deposits</b>	770,237	4,061	793,164	21,642
<b>Direct subsidiaries</b>	770,237	4,061	793,164	21,642
Daycoval Leasing - Bank Múltiplo S.A.	770,237	4,061	793,164	21,642
<b>Time deposits</b>	(6,461)	-	(5,232)	-
<b>Direct subsidiaries</b>	(316)	-	(97)	-
ACS Participações Ltda.	(14)	-	(19)	-
Daycoval Asset Management Ltda.	(29)	-	(13)	-
Daycoval Leasing - Banco Múltiplo S.A.	(263)	-	(13)	-
Dayprev Vida e Previdência S.A.	(10)	-	(52)	-
<b>Indirect subsidiaries</b>	(2,063)	-	(1,302)	-
IFP Promotora de Serviços de Consultoria e Cadastro Ltda.	(226)	-	(436)	-
SCC Agência de Turismo Ltda.	(7)	-	(2)	-
Treetop Investments Ltd.	(1,830)	-	(864)	-
<b>Other associates</b>	(22)	-	(8)	-
3SV Adm. de Bens Participações Ltda	(1)	-	(2)	-
Daycoval Metais Ltda.	(1)	-	(2)	-
Paratei Agropecuária e Imobiliária Ltda.	(1)	-	(1)	-
Shtar Empreendimentos e Participações S.A.	(2)	-	(1)	-
Valco Adm. Part. e Representações Ltda.	(15)	-	-	-
Yona Participações Ltda.	(2)	-	(2)	-
<b>Other related parties – individuals</b>	(4,060)	-	(3,825)	-
<b>Interbank deposits</b>	(156,461)	(6,079)	(124,389)	(22,217)
<b>Direct subsidiaries</b>	(7,129)	(41)	(8,051)	(45)
ACS Participações Ltda.	(7,129)	(41)	(8,051)	(45)
<b>Indirect subsidiaries</b>	(40,702)	(1,186)	(45,333)	(9,073)
IFP Promotora de Serviços de Consultoria e Cadastro Ltda.	(23,300)	(138)	(28,998)	(1,056)
SCC Agência de Turismo Ltda.	(2,523)	(13)	(2,601)	(323)
Treetop Investments Ltd.	(14,879)	(1,035)	(13,734)	(7,694)
<b>Other associates</b>	(7,776)	(28)	(3,579)	(58)
Daycoval Metais Ltda.	(67)	-	(84)	(1)
Shtar Empreendimentos e Participações S.A.	(2,424)	(13)	(2,411)	(27)
Valco Adm. Part. e Representações Ltda.	(5,285)	(15)	(1,084)	(30)
<b>Other related parties – individuals</b>	(100,854)	(4,824)	(67,426)	(13,041)

Transactions	Bank			
	03/31/2021		12/31/2020	
	Assets (liabilities)	Income (expenses)	Assets (liabilities)	Income (expenses)
<b>Financial bills</b>	<b>(680,909)</b>	<b>(6,483)</b>	<b>(710,218)</b>	<b>(33,852)</b>
<b>Direct subsidiaries</b>	<b>(369,156)</b>	<b>(1,963)</b>	<b>(367,192)</b>	<b>(12,691)</b>
ACS Participações Ltda.	(369,156)	(1,963)	(367,192)	(12,691)
<b>Indirect subsidiaries</b>	<b>(119,775)</b>	<b>(1,015)</b>	<b>(159,179)</b>	<b>(4,751)</b>
IFP Promotora de Serviços de Consultoria e Cadastro Ltda.	(109,249)	(792)	(159,179)	(4,751)
SCC Agência de Turismo Ltda.	(10,526)	(223)	(10,304)	(304)
<b>Other related parties – individuals</b>	<b>(191,978)</b>	<b>(3,505)</b>	<b>(183,847)</b>	<b>(16,410)</b>
<b>Agribusiness letter of credit</b>	<b>(16,653)</b>	<b>(245)</b>	<b>(13,367)</b>	<b>(11,728)</b>
Other related parties – individuals	(16,653)	(245)	(13,367)	(11,728)
<b>Mortgage Loan Notes</b>	<b>(29,958)</b>	<b>(2,344)</b>	<b>(25,121)</b>	<b>(6,786)</b>
Other related parties – individuals	(29,958)	(2,344)	(25,121)	(6,786)
<b>Prepaid expenses</b>	<b>-</b>	<b>(3,601)</b>	<b>-</b>	<b>(21,340)</b>
<b>Indirect subsidiaries</b>	<b>-</b>	<b>(3,601)</b>	<b>-</b>	<b>(21,340)</b>
IFP Promotora de Serviços de Consultoria e Cadastro Ltda.	-	(3,601)	-	(21,340)

b) The table below shows the yield rates and respective terms of the transactions between the Bank and its related parties as at March 31, 2021:

Transactions	Interest rate <sup>(1)</sup>	Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Total assets (liabilities)
<b>Derivative transactions</b>		-	-	(2)	(2)	-	(4)
Other related parties - individuals		-	-	(2)	(2)	-	(4)
<b>Interbank deposits</b>		770,237	-	-	-	-	770,237
<b>Direct subsidiaries</b>		770,237	-	-	-	-	770,237
Daycoval Leasing - Banco Múltiplo S.A.	Floating	770,237	-	-	-	-	770,237
<b>Time deposits</b>		(289)	(1,052)	(45,113)	(104,011)	(5,996)	(156,461)
<b>Direct subsidiaries</b>		-	-	-	(7,129)	-	(7,129)
ACS Participações Ltda.		-	-	-	(7,129)	-	(7,129)
<b>Indirect subsidiaries</b>		-	(37)	(18,807)	(21,858)	-	(40,702)
IFP Promotora de Serviços de Consultoria e Cadastro Ltda.	Floating	-	-	(3,965)	(19,335)	-	(23,300)
SCC Agência de Turismo Ltda.	Floating	-	-	-	(2,523)	-	(2,523)
Treetop Investments Ltd.	Fixed	-	(37)	(14,842)	-	-	(14,879)
<b>Other associates</b>		-	-	-	(7,776)	-	(7,776)
Daycoval Metais Ltda.	Floating	-	-	-	(67)	-	(67)
Shtar Empreendimentos e Participações S.A.	Floating	-	-	-	(2,424)	-	(2,424)
Valco Adm. Part. e Representações Ltda.	Floating	-	-	-	(5,285)	-	(5,285)
<b>Other related parties - individuals</b>		(289)	(1,015)	(26,306)	(67,248)	(5,996)	(100,854)
<b>Financial Bills</b>		(6,047)	(6,186)	(67,378)	(595,530)	(5,768)	(680,909)
<b>Direct subsidiaries</b>		-	-	(53,798)	(315,358)	-	(369,156)
ACS Participações Ltda.	Fixed / Floating	-	-	(53,798)	(315,358)	-	(369,156)
<b>Indirect subsidiaries</b>		-	-	-	(119,775)	-	(119,775)
IFP Promotora de Serviços de Consultoria e Cadastro Ltda.	Floating	-	-	-	(109,249)	-	(109,249)
SCC Agência de Turismo Ltda.	Floating	-	-	-	(10,526)	-	(10,526)
<b>Other related parties - individuals</b>	Fixed / Floating	(6,047)	(6,186)	(13,580)	(160,397)	(5,768)	(191,978)
<b>Agribusiness letter of credit</b>		(543)	(197)	(10,866)	(5,047)	-	(16,653)
Other related parties - individuals	Fixed / Floating	(543)	(197)	(10,866)	(5,047)	-	(16,653)
<b>Mortgage Loan Notes</b>		(2,154)	(7,754)	(4,564)	(3,947)	(11,539)	(29,958)
Other related parties - individuals	Fixed / Floating	(2,154)	(7,754)	(4,564)	(3,947)	(11,539)	(29,958)

(1) The yield rates range from: (i) Fixed from 3.2% to 14.2% p.a.; and (ii) Floating from 95.5% to 120% of the CDI rate.

**c) Compensation of key management personnel**

The Annual Shareholders' Meeting sets the overall compensation of Management, as established by the Bank's bylaws.

The Annual Shareholders' Meeting held on April 30, 2021 set the overall compensation of up to R\$85 million for the year ending December 31, 2021 (R\$85 million for the year ended December 31, 2020).

	03/31/2021	12/31/2020
Total compensation	20,211	73,814
Direct and fringe benefits (healthcare plan)	611	1,152
<b>Total</b>	<b>20,822</b>	<b>74,966</b>

The Bank does not offer other short or long-term post-employment or severance benefits to its key management personnel.

**d) Ownership interest**

As at March 31, 2021 and December 31, 2020, the Daycoval's Management held jointly the following interests in the Bank's capital:

	03/31/2021	12/31/2020
Common shares (ON)	100.00%	100.00%
Preferred shares (PN)	100.00%	100.00%

## 23 - FAIR VALUE OF FINANCIAL INSTRUMENTS

### a) Determination and hierarchy of fair value

Daycoval uses the following hierarchy to determine and disclose the fair value of financial instruments:

- Level 1: prices quoted in an active market for the same instrument;
- Level 2: prices quoted in an active market for similar assets or liabilities or based on other valuation method, mainly the "Discounted cash flows" method, in which all significant inputs are based on observable market data; and
- Level 3: valuation techniques in which significant inputs are not based on observable market data.

Accounting classification	Bank			
	03/31/2021		12/31/2020	
	Level 1	Level 2	Level 1	Level 2
<b>Financial assets adjusted to fair value:</b>				
<b>Through profit or loss</b>				
<b>Marketable securities</b>				
Private securities	112,800	11,714	114,906	22,001
<b>Derivatives</b>				
Swap, forward and options operations	-	1,505,803	-	1,185,433
Future market	13,497	-	3,277	-
<b>Through other comprehensive results - shareholders' equity</b>				
<b>Marketable securities</b>				
Federal public securities	6,250,760	-	5,083,690	-
Marketable securities abroad	-	8,983	-	8,450
Private securities	598	83	645	2,632
Investment fund shares	44,910	-	50,614	-
<b>Financial liabilities adjusted to fair value:</b>				
<b>Through profit or loss</b>				
<b>Issuances abroad</b>				
Issuances abroad (bonds)	-	2,632,606	-	2,405,406
<b>Obligations for loans</b>				
Loans abroad	-	3,221,891	-	3,151,462
<b>Derivatives</b>				
Swap, forward and options operations	-	71,478	-	43,816
Futures market	45,197	-	14,248	-
Accounting classification	Consolidated			
	03/31/2021		12/31/2020	
	Level 1	Level 2	Level 1	Level 2
<b>Financial assets adjusted to fair value:</b>				
<b>Through profit or loss</b>				
<b>Marketable securities</b>				
Private securities	112,800	11,714	114,906	22,001
<b>Derivatives</b>				
Swap, forward and options operations	-	1,505,803	-	1,185,433
Futures market	13,497	-	3,277	-
<b>Through other comprehensive results - shareholders' equity (available for sale)</b>				
<b>Marketable securities</b>				
Federal public securities	6,284,627	-	5,117,634	-
Marketable securities abroad	-	108,543	-	100,498
Private securities	598	246	645	2,774
Investment fund shares	271,462	-	218,132	-
<b>Financial liabilities adjusted to fair value:</b>				
<b>Through profit or loss</b>				
<b>Issuances of securities</b>				
Issuances abroad (bonds)	-	2,632,606	-	2,405,406
<b>Obligations for loans</b>				
Loans abroad	-	3,221,891	-	3,151,462
<b>Derivatives</b>				
Swap, forward and options operations	-	71,478	-	43,816
Futures market	45,197	-	14,248	-

In the quarter ended March 31, 2021 and year ended December 31, 2020, Daycoval had no financial instrument classified in Level 3 category.

**b) Fair value determination method**

Description of the method to calculate the fair value of financial instruments, considering valuation techniques that adopt Daycoval's estimates on assumptions that a participant would use to value its instruments.

**Marketable securities**

The prices of marketable securities quoted at market price are the best indicators of its respective fair values. It should be noted that, for certain financial instruments, there is no liquidity of transactions and/or quotes available and accordingly it is necessary to adopt estimates of present value and other techniques for fair value definition. In the absence of price quoted by ANBIMA - Brazilian Financial and Capital Markets Association, the fair values of public securities are determined in view of the rates or prices given by other market agents that trade such securities. The fair values of debt securities (e.g.: debentures) of companies are calculated by discounting estimated cash flows, based on interest rates charged in the market and applicable to each payment flow or maturity of these debts. The fair values of shares regarding investments in investment funds are made available by their respective managers.

**Derivatives**

• **Swaps:** cash flows are discounted at present value on the basis of interest curves or other indexators that reflect the risk factors, at prices of derivatives quoted in B3, of Brazilian public securities in secondaries or derivatives and marketable securities traded abroad. These interest curves are used to obtain fair value of swaps.

• **Futures and Forward ("NDF"):** quotes on stock exchanges or based on the same criteria of valuation at fair value of swap contracts.

• **Options:** determined in view of mathematic models using market data such as implicit volatility, interest value and fair value of the underlying asset.

**Issuances abroad and loan obligations**

These are calculated by discounting estimated cash flows at market interest rates.

**c) Fair values of financial assets and liabilities valued at amortized cost**

The fair value of financial assets and liabilities recorded at amortized cost is estimated by comparing the current market interest rate of similar financial instruments. The estimated fair value is based on discounted cash flows at present value, at observable market interest rate for financial instruments with similar credit risk and maturity. For debt instruments quoted, the value is determined at market prices. For securities issued whose market price is not available, a discounted cash flow model is used on the basis of the appropriate future interest rate curve for the remaining of the term up to maturity. For other instruments with variable rate, an adjustment is made to reflect changes in credit spread required since the date the instrument was initially recognized.

Comparison of the value of the financial instruments recorded at amortized cost and the respective estimated fair value:

Accounting classification	Bank			
	03/31/2021		12/31/2020	
	Amortized cost	Fair value	Amortized cost	Fair value
<b>Financial assets valued at amortized cost:</b>				
Short-term Interbank accounts	6,296,324	6,300,043	5,565,372	5,755,929
Credit operations and with credit granting characteristics	31,941,220	32,781,960	31,811,014	34,175,638
Marketable securities issued by governments of other countries	17,354	19,282	15,685	18,563
<b>Financial liabilities valued at amortized cost:</b>				
Local funding (interbank deposits, time deposits and issuances of securities in Brazil)	30,585,804	30,011,963	28,914,887	29,124,695
Obligations from loans and onlendings	1,878,176	1,730,344	1,517,290	1,450,082
Accounting classification	Consolidated			
	03/31/2021		12/31/2020	
	Amortized cost	Fair value	Amortized cost	Fair value
<b>Financial assets valued at amortized cost:</b>				
Short-term Interbank accounts	5,526,087	5,527,742	4,772,208	4,960,963
Credit operations and with credit granting characteristics	32,142,328	32,975,853	32,053,247	34,439,659
Lease operations	1,219,370	1,327,616	1,178,864	1,392,945
Marketable securities issued by governments of other countries	17,354	19,282	15,685	18,563
<b>Financial liabilities valued at amortized cost:</b>				
Local funding (interbank deposits, time deposits and issuances of securities in Brazil)	30,049,041	29,475,201	27,864,170	28,534,635
Obligations from loans and onlendings	1,878,176	1,730,344	1,517,290	1,450,082

The financial instruments valued at amortized cost, for purposes of valuating its potential fair value, were classified as "Level 2" instruments. This valuation considered the prices quoted in an active market for similar assets or liabilities or based on another valuation method, mainly the "discounted cash flows" method, in which all significant inputs are based on observable market data.

## 24 - INTEGRATED RISK AND CAPITAL MANAGEMENT

Daycoval believes that the risk management is an important instrument for adding value to the Prudential Conglomerate's entities, shareholders, employees and customers, besides contributing to strengthen the corporate governance and the internal control environment. The Governance, Risk and Compliance (GRC) area, subordinated to the Senior Management, plays an institutional role towards the enhancement of the operating, market, liquidity, credit, compliance, social and environmental and capital risk management processes, procedures, criteria and tools, in order to ensure a high level of security in all its operations on an integrated basis.

In addition to complying with the requirements of CMN Resolution 4557, Daycoval understands that the integrated management of risks is a key instrument for generation of value to the institution, shareholders, employees and customers. Accordingly, it establishes strategies and objectives to reach optimal balance between the growth goals and return on investments and the risks related thereto, thus allowing to explore its funds effectively and efficiently in pursuing the entity's objectives.

The structuring of the process of Integrated Management of Corporate Risks contributes to a better Corporate Governance, which is one of Daycoval's strategic focus developed by weighing objectives, demands and institutional culture.

The identification of risks aims to map the risk events of internal and external nature that may undermine the objectives of the business units. In this scenario, the Risks Committee established and risk managers play an important role in the various areas of the Bank, in order to ensure the ongoing and sustainable growth of the institution.

The Bank's Risk Managers identify, measure, control, evaluate and manage the risks, ensuring the consistency between the risks assumed and the acceptable risk level defined by the Institution, as well as report the exposure to the Management, business areas and regulatory bodies. Within this context, the risk appetite defines the nature and level of the risks acceptable for the institution and the risk culture guides the necessary behavior to manage these risks. Daycoval invests in the development of risk management processes supported by corporate values (agility, safety, integrity, soundness, relationship and sustainability) which strengthen the employees' responsibility for the business sustainability.

### a) Capital management

The Board of Directors, Daycoval's ultimate capital management body is responsible for approving the Capital Management Policy, the acceptable capital level, approving the capital plan and determining when the contingency plan must be implemented, in addition to revising the capital management policies and strategies, as well as the capital plan, at least annually, so as to determine its compatibility with its strategic planning and the market conditions. The explanatory notes on capital have been prepared in accordance with BACEN regulations to determine its capital sufficiency on an annual basis and are shown below:

#### i Basel Accord

Banco Daycoval's minimum capital requirements are presented as a Based Indicator by dividing the regulatory capital (PR) by the Minimum Capital Required, consisting of the sum of portions of risk-weighted assets or RWA, multiplied by the percentage of minimum capital requirement, which is currently 8.00%. These minimum requirements are an integral part of a set of standards announced by BACEN, in order to implement global capital requirements, known as Basel III.

Basel III rules seek to improve the quality of financial institutions' capital, restricting the use of financial instruments not capable of absorbing losses, and deducting assets that may threaten the value of capital due to low liquidity, dependence on future profits for realization or difficulty to measure value. These instruments include tax credits, intangible assets and investments in non-controlled companies, especially those performing in insurance industry.

The Regulatory Capital ("PR") is defined as the sum of Tier I (principal and complementary capital) and of Tier II, calculated on a consolidated basis, considering the institutions comprising the Prudential Conglomerate that, for Banco Daycoval, include the Bank's operations, its branch abroad and Daycoval Leasing.

CMN Resolutions 4192/13 and 4193/13 establish the criteria and procedures to calculate the minimum requirements for regulatory capital ("PR"), of Tier I, of Principal Capital and of Additional Principal Capital, at the following percentages:

	% minimum Capital	
	03/31/2021	12/31/2020
<b>Minimum Regulatory Capital ("PR")</b>	<b>8.00%</b>	<b>8.00%</b>
<b>Tier I</b>	<b>6.00%</b>	<b>6.00%</b>
Capital	4.50%	4.50%
Complementary capital	1.50%	1.50%
<b>Tier II</b>	<b>2.00%</b>	<b>2.00%</b>
<b>Additional principal capital ("ACP")</b>	<b>1.25%</b>	<b>1.25%</b>
ACP - Conservation <sup>(1)</sup>	1.25%	1.25%
ACP - Countercyclical <sup>(2)</sup>	0.00%	0.00%
ACP - Systemic <sup>(3)</sup>	0.00%	0.00%
<b>Total capital required (PR + ACP)</b>	<b>9.25%</b>	<b>9.25%</b>

(1) CMN Resolution 4783/20 established the reduction in Additional Principal Capital of Conservation (ACP Conservation), beginning April 1, 2020, from 2.5% to 1.25% for one after that period, and the requirement shall be gradually reestablished up to March 31, 2022 to 2.5%.

(2) Pursuant to Bacen Circular 3769/15, article 3, the percentage of ACP Countercyclical is equal to 0%.

(3) The Additional Systemic Importance (ACP Systemic) is determined on the basis of criteria set by BACEN Circular 3768/15. The percentage of ACP Systemic is up to 2%, provided that the reason between total exposure, pursuant to article 2, item II, of BACEN Circular Letter 3748/15, as of December 31 of the penultimate year in relation to the base date of calculation, and the Brazilian GDP, is higher than 10%, otherwise the percentage of ACP Systemic is equal to 0%.

The breakdown of the Regulatory Capital, Minimum Required Capital, risk-weighted assets ("RWA") and Basel ratio is as follows:

	03/31/2021	12/31/2020
<b>Regulatory capital for comparison with risk-weighted assets (RWAs)</b>	<b>5,306,555</b>	<b>4,872,419</b>
<b>Regulatory Capital – Tier I</b>	<b>5,306,555</b>	<b>4,711,334</b>
<b>Capital</b>	<b>4,844,337</b>	<b>4,414,120</b>
Equity	4,855,659	4,425,873
Prudential adjustment - Bacen Resolution 4192/13	(11,322)	(11,753)
<b>Complementary capital</b>	<b>462,218</b>	<b>297,214</b>
Perpetual financial bills (Note 16.d)	462,218	297,214
<b>Regulatory Capital - Tier II</b>	<b>-</b>	<b>161,085</b>
Subordinated debts (Note 16.d)	-	161,085
<b>Minimum required capital (RWAx 8%)</b>	<b>2,830,019</b>	<b>2,690,899</b>
<b>Risk-Weighted Assets (RWA)</b>	<b>35,375,238</b>	<b>33,636,241</b>
<b>Credit risk</b>	<b>29,554,471</b>	<b>29,635,831</b>
<b>Market risk</b>	<b>3,018,193</b>	<b>1,195,440</b>
Foreign exchange asset - RWAcam	629,550	889,695
Assets indexed to fixed interest - RWAjur1	2,217,197	115,093
Assets indexed to foreign exchange coupon - RWAjur2	84,760	88,198
Assets indexed to inflation - RWAjur3	1,478	5,771
Shares - RWApacs	85,208	96,683
<b>Operational risk - RWAopad</b>	<b>2,802,574</b>	<b>2,804,970</b>
<b>Basel ratio - Total</b>	<b>15.00%</b>	<b>14.49%</b>
Basel ratio - Tier I	15.00%	14.01%
Basel ratio - Tier II	-	0.48%
Portion of the interest rate in the Banking Book (Pbanking) <sup>(1)</sup>	588,527	579,996
<b>Surplus required capital</b>		
On minimum requirement	87.51%	81.07%
On total requirement	62.17%	56.60%

## b) Market risk

Market risk is the risk of incurring losses due to fluctuations in the fair values of the positions held by a financial institution, including the risks to which the transactions subject to exchange rate changes, interest rates, stock prices, and commodity prices are exposed.

### i Main market risks to which Daycoval is exposed:

#### Interest rate risk

Possible interest rate fluctuations that could adversely affect the value of the financial instruments. This risk is classified as follows:

- Parallel change risk: exposure of profit and loss to parallel changes in the interest curve, resulting in equal differentials for all terms.
- Risk of changes in curve slop: exposure of profit or loss to the changes in the timeframe structure of the interest curve, resulting in changes in pending or curve form.

#### Currency price risk

The exposure of foreign currency positions to the changes in the exchange type.

#### Price Risk

The exposure of outstanding securities to adverse market price fluctuations. This risk is classified as follows:

- Generic or systematic risk: exposure of the position value to the changes in prices in general;
- Specific risk: exposure not related to the changes in prices in general but related to the issuer's own characteristics

#### Commodity price risk

The risk related to the effects from the potential changes in the portfolio commodity prices.

## ii Market Risk management methodologies

### Value-at-Risk (VaR)

The Value-at-Risk or VaR is the benchmark used in the market and a measure that properly summarizes the market risk exposure from the trading activities (trading portfolio). It represents the potential maximum loss in the market value that, under normal market conditions, can result in a specific position or portfolio, considering a defined certainty level (confidence level) and time horizon.

Among the different methodologies available to calculate the VaR (parametric, historical simulation and Montecarlo simulation), Daycoval understands that the parametric methodology is the most adequate to the characteristics of the positions of its trading portfolio.

### Parametric methodology

It is based on the normality statistics in the distribution of probabilities related to the risk factor changes, based on the volatilities and correlations to determine the potential change of a position. Accordingly, the risk factors must be identified and the positions must be allocated to the defined vertices. Subsequently, the volatilities of each risk factor and the correlations to the positions are applied.

### Banking Book

Managing the risk of variation in interest rates in financial instruments classified as Interest Rate Risk in the Banking Book (IRRBB) is based on the following metrics:

- $\Delta EVE$  (Delta Economic Value of Equity): difference between the present value of the sum of flows of repricing of instruments subject to IRRBB in a base scenario and the present value of the sum of repricing of flows of these instruments in a shock scenario of interest rates;
- $\Delta NII$  (Delta Net Interest Income): difference between the result of trading of instruments subject to IRRBB in a base scenario and the result of trading of these instruments in a shock scenario in interest rates.

## iii Stress test

It is a supplementary tool to the VaR measures and scenario analysis used to measure and assess the risk to which the Bank is exposed. It is based on the definition of a set of movements for certain market variables and the determination of the effects from the movements on the portfolio value. The stress test results are periodically analyzed by the Market Risk Committee.

## iv Scenario analysis

The purpose of the scenario analysis is to assist the senior management in understanding the impact caused by certain events on the Bank, using a risk analysis tool that defines the long-term scenarios that affect the parameters or variables defined for risk measurement.

Differently from the stress tests, which consider the impact from the changes in the market risk factors on the short-term portfolio, the scenario analysis determines the impact from more complex events on the Bank as a whole.

In the definition of the scenarios, the following factors are considered:

- The experience and expertise of the persons responsible for the areas involved;
- The proper number of relevant variables and their explanation power in order to avoid unnecessary problems in the analysis and interpretation of the results.

As a risk management governance practice, Daycoval and its subsidiaries adopt a continuous risk management process that involves controlling all the positions exposed to the market risk. The market risk limits are determined according to the characteristics of the operations, which are segregated in the following portfolios:

- Trading portfolio: refers to transactions with financial instruments and commodities, including derivatives, that are held for the purpose of being actively traded or to hedge other financial instruments comprising the trading portfolio. These held-for-trading transactions are those intended for the resale, obtain gains from actual or expected price fluctuations, or arbitrage.
- Banking portfolio: refers to all transactions that are not classified in the trading portfolio and are represented by transactions arising from the Bank's business lines.

The segregation above is related to the way Management manages Daycoval's business and its exposure to the market risks, in conformity with the best market practices, the transaction classification criteria set forth in prevailing regulations issued by BACEN and the –Basel Accord. Therefore, according to the nature of the activities, the sensitivity analysis, as prescribed by CVM Instruction 475/08, was conducted for the trading and banking portfolio operations, as they represent significant exposures for Daycoval's profit or loss.

The table below shows the sensitivity analysis of the Trading and Banking Portfolio as at March 31, 2021 and December 31, 2020:

Risk factors	03/31/2021			12/31/2020		
	Scenarios			Scenarios		
	1	2	3	1	2	3
Fixed rate	(76,468)	(128,882)	(176,607)	(142)	(65)	113
Foreign currencies	6,414	19,334	33,097	27,095	86,955	153,140
Price indices	(1)	(3)	(5)	(12)	(23)	(33)
Variable income	(7,669)	(16,402)	(25,136)	(8,697)	(18,607)	(28,517)
Other	(413)	(883)	(1,353)	(409)	(874)	(1,340)
<b>Total Trading</b>	<b>(78,137)</b>	<b>(126,836)</b>	<b>(170,004)</b>	<b>17,835</b>	<b>67,386</b>	<b>123,363</b>
<b>Total Banking</b>	<b>(356,657)</b>	<b>(598,124)</b>	<b>(823,048)</b>	<b>(334,592)</b>	<b>(472,281)</b>	<b>(606,124)</b>
<b>Total</b>	<b>(434,794)</b>	<b>(724,960)</b>	<b>(993,052)</b>	<b>(316,757)</b>	<b>(404,895)</b>	<b>(482,761)</b>

The sensitivity analysis was carried out considering the following scenarios:

• Scenario 1: refers to the stress scenario considered probable for the risk factors and its preparation is based on available market inputs (B3 S.A., ANBIMA, etc.). Accordingly, risk factors considered were: (i) quotation of R\$/US\$6.39 (R\$/US\$5.91 as at December 31, 2020); (ii) fixed interest rate of 7.59% p.a. (5.35% p.a. as at December 31, 2020); (iii) Ibovespa of 95,639 points (97,594 points as at December 31, 2020); and (iv) exchange coupon of 3.86% p.a. (3.73% p.a. as at December 31, 2020); and (v) price index of 5.79% p.a. (13.66% p.a. as at December 31, 2020).

• Scenario 2: as set out by CVM Instruction 475/08, a 25% stress of the risk factors was considered for this scenario. Accordingly, risk factors considered were: (i) quotation of R\$/US\$7.99 (R\$/US\$7.38 as at December 31, 2020); (ii) fixed interest rate of 9.49% p.a. (6.69% p.a. as at December 31, 2020); (iii) Ibovespa of 71,729 points (73,195 points as at December 31, 2020); and (iv) exchange coupon of 4.82% p.a. (4.66% p.a. as at December 31, 2020); and (v) price index of 7.23% p.a. (17.07% p.a. as at December 31, 2020).

• Scenario 3: as set out by CVM Instruction 475/08, a 50% stress of the risk factors was considered for this scenario. Accordingly, risk factors considered were: (i) quotation of R\$/US\$9.58 (R\$/US\$8.86 as at December 31, 2020); (ii) fixed interest rate of 11.39% p.a. (8.03% p.a. as at December 31, 2020); (iii) Ibovespa of 47,820 points (48,797 points as at December 31, 2020); and (iv) exchange coupon of 5.79% p.a. (5.59% p.a. as at December 31, 2020); and (v) price index of 8.68% p.a. (20.49% p.a. as at December 31, 2020).

It is worth mentioning that the results shown in the table above reflect the impacts for each scenario projected on a static position of the portfolio as at March 31, 2021 and December 31, 2020. The market dynamics produces constant changes in this position and thus it does not necessarily reflect the actual position on the date these financial statements are disclosed. Additionally, as mentioned above, there is a continuous management of the trading and banking portfolios' positions to mitigate the risks associated to such portfolios, according to the strategy defined by Management and, when there are indications of deterioration of a certain position, proactive actions are taken to minimize possible adverse impacts and maximize the risk/return ratio for Daycoval.

## v Backtesting

Backtesting is the comparison between the former estimated gain/loss and the effective gain/loss. The purpose is to analyze the model adequacy. For purposes of backtesting, effective gains/losses are used for each business unit.

## c) Liquidity risk

Liquidity risk is the risk of mismatches between tradable assets and payable liabilities — payables and receivables mismatches — that might affect the payment ability of the Bank, taking into consideration the different currencies and settlement terms of its assets and liabilities.

The main liquidity risk factors can have external or internal origin:

### i Main external risk factors:

- Macroeconomic factors, both national and international;
- Liquidity policies set by the regulator;
- Situations where the confidence and, consequently, the system liquidity was affected;
- Credit agencies' ratings: sovereign risk and organization risk;
- Lack of funds in the market.

### ii The main internal risk factors are:

- Bank's risk appetite and definition of the acceptable liquidity level;
- Terms and rates mismatches caused by the characteristics of the traded products and services;
- Concentration policy, both in funding and credit granting;
- Covenants assumed by the Institution: financial, economic and related to environmental management;
- Increase in the number of early redemptions of funds raised or transactions with immediate or grace period liquidity clauses;
- Exposure to illiquid or low liquidity assets;
- Leverage.

This type of risk is particularly important at the financial institutions, as economic / political / financial events and even changes in the perception of confidence or expectations may quickly turn into major solvency problems. This is a risk that needs to be constantly managed, with extremely care with respect to matches and terms between receivables and payables; either at the short, medium or long terms.

The controls over liquidity risks are performed with high frequency in portfolio. Accordingly, the balance between obligations and receipts from institution's books is analyzed. In addition to an in-depth analysis of cash flows, extreme scenarios of liquidity risks are considered, together with performance triggers.

**d) Credit risk**

Possible losses from the borrower's or counterparty's non-compliance with respective obligations as agreed upon; the devaluation, reduction of remunerations and expected gains on financial instruments from the erosion of credit quality of the counterparty, the intervening party or of the mitigating instrument; the restructuring of financial instruments; or costs of recovery from exposures characterized as problematic assets.

**i Classification of operations**

Daycoval adopts consistent and verifiable criteria to classify its loan transactions that combine the borrower's economic, financial, personal and market information with the accessory guarantees provided to the transaction. Based on this information, minimum allowances will be recognized to cover the risks assumed, as prescribed by BACEN Resolution 2682/99, and subsequent amendments, from the Central Bank of Brazil.

**ii Daycoval credit scoring models**

Models designed through statistic approach and used to classify risks in the credit granting process, after applying the credit policies previously analyzed and approved with customer data, as well as operations verified and relevant. It should also be noted that the assets underlying financing, for purposes of developing a score model, are classified and a risk classification is obtained for each product.

**iii Treasury - financing of government bonds, over-the-counter derivatives and brokers**

Low-risk strategies are adopted in the structuring of operations based on the exposure limit analysis against the counterparties' equity, trading agreements previously agreed and according to the objective technical assessment conditions of the counterparties' credit risk and strict selection of brokers related to prime banks to deal with the positions allocated.

**e) Operational risk**

Operational risk is the possibility of an entity incurring losses due to failure, deficiency or ineffectiveness of internal processes, people and systems, or external events. It includes the legal risk associated to inadequacy or deficiency in contracts entered into by the Bank, as well as penalties due to noncompliance with legal provisions, and compensation paid for damages caused to third parties as a result of the activities conducted by the Bank.

In managing operational risks, the Bank relies on a qualified risk management framework to identify, control and identify operational risks, as well as to disseminate the risk mitigation culture.

- Measurement of the risk impact;
- Assessment of the risk frequency;
- Calculation of the risk severity (impact x probability);
- Measurement of the control effectiveness.

We believe that this activity is inherent in the processes adopted by all areas, resulting in the design of a Risk and Control Matrix, which presents a detailed overview of the exposure to the operational risk, being possible to analyze the risks with greater level of exposure to, if necessary, align the mitigation action plan.

For purposes of business continuity, the strategy defined is to keep all business areas and lines in operation, including relevant services provided by third parties, in contingency. In order to fulfill the resolution of senior management, the business continuity management must be implemented to ensure the continuity of the activities and limit losses arising from a possible suspension of the critical business processes.

**f) Compliance risk**

Compliance risk is the risk associated to legal or regulatory sanctions, financial losses or even reputation losses arising from the lack of compliance with legal and regulatory provisions and codes of conduct.

At Daycoval, the monitoring of activities for compliance with laws and regulations is carried out by the Governance, Risk and Compliance (GRC) area to ensure the compliance with the Bank's and Conglomerate's deadlines and objectives, as well as to manage, on integrated basis, this risk together with the other risks, ensuring the effectiveness of the activities related to the compliance activity for compliance with regulatory, legal and internal rules.

**g) Social and environmental responsibility**

Refers to the possibility of incurring losses arising from social and environmental damages, related to each entity individually, comprising Daycoval Group, in accordance with the following principles:

The Social and Environmental Responsibility Policy (PRSA) is supported by the regulatory principles on relevance and proportionality, which consider the compatibility of the internal actions matching the level of exposure to the social and environmental risk of the operations and complexity of the activities, seeking to promote appropriate treatment for the management of this risk.

At Daycoval, the methodology adopted considers the classification of the potential social and environment impact for the codes of activities and, the application of a social and environmental practice questionnaire for operations falling under the internal criteria defined.

The social and environmental risk mitigation measures are carried out through mapping of processes, risks and controls, monitoring of new standards related to the matter and management of the social and environmental risk by the first line of defense in its daily operations, relying on the support, as the case may, from the GRC and legal areas.

The governance also relies on the Executive Social and Environmental Risk Committee, which main duty is to provide instructions on the institutional principles that guide the social and environmental actions in the business and relationship with stakeholders, aiming at ensuring the appropriate integration with the PRSA.

## 25 - EMPLOYEE BENEFITS

### a) Education incentive and profit sharing programs

As part of its strategy of being ranked among the best companies to work in Brazil, the Bank invests in the training and welfare of its employees, through programs involving college and MBA and postgraduate students, participates in the federal government's Minor Apprentice program, and implements its own internship programs.

The Bank offers a profit sharing program to all employees. This program is designed in partnership with the Union of Bank Employees and is tied to performance goals annually evaluated, using the criteria according to the Performance Evaluation program.

## 26 - OTHER INFORMATION

### a) Asset management

Banco Daycoval S.A. and Daycoval Asset Management are responsible for the management, administration, controllership and custody of third-party funds through investment funds, investment clubs and managed portfolios, whose net assets as at March 31, 2021, totaled R\$32.0 billion (R\$29.2 billion as at December 31, 2020).

### b) Insurance coverage against losses

Despite the low risk exposure as a result of their assets not being physically concentrated, the Bank and its subsidiaries insure their assets at amounts considered sufficient to cover probable losses.

### c) Relationship with Auditors

In accordance with CVM Instruction 381, of January 14, 2003, we inform that the firm engaged to review the Bank's financial statement information and audit the financial statements for the quarter ended March 31, 2021, has not provided any other services to the Bank and the Group companies, other than the independent audit services.

Our policy, including our subsidiaries, to engage non-audit services from our independent auditors, is based on applicable regulation and internationally accepted principles that preserve the independence of the auditor. These principles consist of: (a) the auditor must not audit its own work; (b) the auditor must not exercise managerial functions in its client; and (c) the auditor must not promote the interests of its client.

### d) Audit Committee

As required by CMN Resolution 3198/04, and with a view to adopting the industry best practices when conducting its businesses, Extraordinary General Meeting held on March 26, 2009 has decided on and approved the establishment of an Audit Committee, which will be comprised of 3 independent members, pursuant to the prevailing legislation. The establishment of this committee was ratified by the Central Bank of Brazil on May 26, 2009.

### e) Impacts from the COVID-19 pandemic

Daycoval believes that the scenario worldwide was marked by the initial impacts of the COVID-19 pandemic, declared by the World Health Organization (WHO) on March 11, 2020, which has ultimately heavily affected most of the economies in the world. The final impacts of this pandemic will take a long time to be determined as the disease is not yet under control, which leads to restrictions on national and international travels, shutdown of several business and services throughout the world, provoking a serious crisis in various economic sectors, generating significant economic impacts and government orders for social isolation as a way to stop the virus transmission, resulting in an environment of strong financial volatility and growing uncertainty.

In Brazil, besides the impacts arising from COVID-19, the discussions on important structural reforms, such as control on public spending and tax changes, have slowed down and, coupled with the pandemic, result in the deterioration of the key economic indicators, including the exchange rate, which was much higher at the end of the period than that at the end of 2020 – R\$5.6973/US\$ versus R\$5.1967/US\$, in addition to the Brazilian GDP decline projections at the end of 2020.

To mitigate the crisis impacts, governments and the central banks worldwide have been regulating the local economy by adopting measures to control the pandemic. In Brazil, numerous measures were adopted by the Monetary Policy Committee (COPOM) and the Central Bank of Brazil, such as the decrease of the interest rate from 4.50% p.a. (December 2019) to 2.75% p.a. (December 2020); the National Monetary Council and the federal government have approved at extraordinary meetings measures to help boosting the Brazilian economy to recover from the adverse effects caused by the virus. The main measures adopted are:

- Resolution 4782/20 – facilitates the renegotiation of loans of natural persons and legal entities and exempt banks from raising the level of the allowance for loan losses;

- Resolution 4783/20 – reduces minimum capital requirements for institutions, reducing the required capital buffer from 2.5% to 1.25%, to expand the credit granting capacity of institutions;
- Resolution 4795/20 – authorizes the Central Bank of Brazil to grant loans using the Special Temporary Liquidity Line for acquisition of Financial Bills collateralized by financial assets or securities (LTEL-LFG);
- Resolution 4803/20 – allows reclassifying transactions renegotiated between March 1 and September 30, 2020 to the classification level on February 29, 2020.
- Resolution 4820, which establishes, for a given period, bans on interest on equity capital, on increase in management fees, on repurchase of shares and on capital reduction, to be observed by financial institutions and other institutions authorized to operate by the Central Bank of Brazil, considering the potential effects of the Coronavirus (Covid-19) pandemic on the National Financial System.
- Circular Letter 4030, which amends Circular Letter 3809/16, established the procedures for recognition of mitigating instruments in the calculation of the portion of risk-weighted assets (RWA) regarding exposures to credit risks subject to the calculation of capital requirements through standardized approach (RWACPAD), as provided for by Resolution 4193/13.
- CMN Resolution 4843/20 extends the emergency measures introduced by Resolution 4810/20 applicable to procedures related to the granting, control and oversight of rural credit operations, as a result of the social distancing measures adopted to mitigate the impacts from the COVID-19 pandemic;
- CMN Resolution 4856/20 amends Resolution 4782/20 which established for an defined period, as a result of the potential impacts from the COVID-19 on the economy, temporary criteria for the characterization of the loan operation restructuring for purposes of credit risk management;
- CMN Resolution 4855/20, provides for the criteria for measurement of the allowance for loan losses of operations carried out within the scope of the emergency programs established to face the effects from the COVID-19 pandemic on the economy.

In addition to the measures adopted to allow the liquidity of the National Financial System, the Executive and Legislative Branches seek to approve bills that minimize the repercussion of Covid-19, proposing a temporary tax collection suspension (such as IOF relief on loan transactions and PIS/COFINS deferral) and granting tax benefits to the most affected economic sectors and workers.

It is not possible to control or predict whether other measures or policies will be adopted by the government and the respective bodies, in response to the current or future economic situation in Brazil nor how the intervention or governmental policies will affect the Brazilian economy and, consequently, our operations and revenues.

We estimate that our assets and liabilities may be impacted owing to the COVID-19, even if we adopt economic, administrative and operational measures to protect them but, up to the date of approval of this interim financial information and, considering the current period of crisis caused by the virus, we were unable to measure such impacts, other than those already reported in our interim financial information as at March 31, 2021.

The main items in our interim financial information that may be impacted are listed below:

- Financial instruments: the market value and, consequently, the realizable value may vary significantly due to the price volatility of these assets, mainly those issued by private companies that pose a greater credit risk;
- Loan transactions: we may observe an increase in the level of default of loans taken by natural persons and legal entities as the economic conditions deteriorate. As at March 31, 2021, considering the data available, we supplemented our allowance, as shown in note 9.e.;
- Funding: as the current scenario is highly volatile and with high degrees of uncertainty in credit and capital markets, liquidity of funds available for investments can be reduced and result in increase in our current funding costs;
- Tax credits: their realization will depend on future results, which can be affected due to the pandemic impacts if it continues for a long period;
- Civil provisions: the number of lawsuits may increase and we may be a party to a higher number of lawsuits, mainly involving contractual revisions and renewals.

The operational capacity of our activities are preserved and, since the beginning of the pandemic, our actions have taken into consideration the guidelines from the Ministry of Health. We created a crisis committee, comprised of the Executive HR and Operational Risk Management Officers, which meets on a daily basis and periodically reports to the Board of Directors and all employees the assessments on the Covid-19 progress and its impacts on operations.

We deployed the Business Continuity Plan (BCP) and, since the announcement of the current pandemic scenario, we intensified the internal and external actions, on a consistent and timely basis, in order to mitigate the impacts from this pandemic on our operations and our employees, stressing that the operating processes and internal controls are preserved and operating normally.

Some of these measures are as follows:

- Leave of absence for employees comprising the risk group for an unspecified period;
- Strengthening of teleworking, using computers (laptops) with remote access so that a significant portion of our employees perform their activities from home;
- Protocol for monitoring of employees and family members who display Covid-19 symptoms;
- Extensive communication with agencies, customers and employees in relation to the virus prevention measures; and
- Creation of the "Conexão do Bem Daycoval" campaign, to fight virus dissemination and its effects on health and economy, where every Real donated by employees is doubled by Daycoval. These resources will be used to purchase face masks produced by small- and mid-sized companies that are shifting their activities to produce these items.

In line with the contribution on behalf of the Brazilian population, Daycoval made a donation in the amount of R\$1 million to Instituto Butantan for the construction of a COVID-19 vaccine plant, in addition to investing part of the amount in the clinical research. The plant is intended to be a multipurpose center for the production of vaccines to respond to pandemics.

One of the main objectives of our risk management framework is to supervise the capital allocation and liquidity to maintain appropriate risk levels in accordance with the limits set internally and by regulators, in addition to monitoring the domestic and foreign economic scenarios, to maintain the administrative and operational capacity.

The future impacts related to the pandemic on the economic conditions will continue to be determined and monitored by Management, even though they are highly uncertain.

All economic projections will depend on the pandemic progress and control, as its duration or aggravation cannot be reliably estimated, which will adversely impact economies around the world for an indeterminate period and may negatively affect the results and performance of operations.

## 27 - EVENT AFTER THE REPORTING PERIOD

### a) Borrowing from IFC

On April 13, 2021, Daycoval received a borrowing in the approximate amount of US\$400 million from the International Finance Corporation (IFC), member of the World Bank Group and from the pooling of other ten financial institutions, with maturity date of up to 3.5 years. These funds will be used to promote the credit to female entrepreneurship and small- and mid-sized companies (SMEs), mainly in Brazilian underprivileged regions.

**Management**

**Luiz Alexandre Cadorin**  
Accountant  
CRC 1SP243564/O-2

**Commentary on the Behavior of Business Projections**

Not applicable.

**Other Information that the Company understands Relevant**

Not applicable.

**Report on Review of Interim Financial Information - Unqualified**

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and Management of  
Banco Daycoval S.A.  
São Paulo - SP

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Banco Daycoval S.A. ("Bank"), included in the Interim Financial Information Form - ITR, for the quarter ended March 31, 2021, which comprises the balance sheet as at March 31, 2021 and the related statements of income, of comprehensive income, of changes in equity and of cash flows for the quarter then ended, including the explanatory notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank of Brazil - BACEN, as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities and Exchange Commission - CVM, applicable to the preparation of Interim Financial Information - ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and international standards on review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the interim financial information referred to above was not prepared, in all material respects, in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by Central Bank of Brazil - BACEN, and presented in accordance with the standards issued by Brazilian Securities and Exchange Commission - CVM.

Other matter

Statements of value added

The interim financial information referred to above includes the individual and consolidated statements of value added - DVA for the quarter ended March 31, 2021, prepared under the responsibility of the Bank's Management, which the presentation in the interim financial information is required by the standards issued by the Brazilian Securities and Exchange Commission - CVM applicable to the preparation of Interim Financial Information - ITR. These statements were subject to review procedures performed together with the review of the Interim Financial Information - ITR to reach a conclusion on whether they were reconciled with the individual and consolidated interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria set out in technical pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not appropriately prepared, in all material respects, in relation to the interim financial information taken as a whole.

São Paulo, May 6, 2021

DELOITTE TOUCHE TOHMATSU  
Auditores Independentes  
CRC nº 2 SP 011609/O-8

Vanderlei Minoru Yamashita  
Engagement Partner  
CRC nº 1 SP 201506/O-5

**Opinions and Declarations / Opinion of the Fiscal Council or Equivalent Body**

Up to the date of presentation of the financial statements, there is no Fiscal Council installed.

**Summarized Audit Committee Opinions and Statements / Report (statutory, set forth in specific CVM regulation)**

Not applicable for the quarter ended March 31, 2021.

**Summarized Audit Committee Opinions and Statements / Opinion or Report, if any (either statutory or not)**

Not applicable for the quarter ended March 31, 2021.

## Opinions and Statements / Statement of Directors on the Financial Statements

### DECLARATION ON FINANCIAL STATEMENTS

In compliance with CVM Instruction 480/09, the directors of Banco Daycoval S.A., a publicly-held company registered with the BM&FBOVESPA S.A.– Bolsa de Valores, Mercadorias & Futuros in Category B, hereby DECLARES that they reviewed, discussed and agreed to the financial statements for the quarter ended March 31, 2021.

São Paulo, May 6, 2021.

SALIM DAYAN  
Executive Director

MORRIS DAYAN  
Executive Director

CARLOS MOCHE DAYAN  
Executive Director

ALBERT ROUBEN  
Director

MARIA REGINA R. M. NOGUEIRA  
Director

NILO CAVARZAN  
Director

RICARDO GELBAUM  
Director

ALEXANDRE TEIXEIRA  
Director

ALEXANDRE RHEIN  
Director

PAULO AUGUSTO LUZ FERREIRA SABA  
Director

EDUARDO CAMPOS RAYMUNDO  
Director

CLAUDINEI APARECIDO PEDRO  
Director

ELIE JACQUES MIZRAHI  
Director

ERICK WARNER DE CARVALHO  
Director

**Opinions and Statements / Statement of Directors on the Report of the Independent Auditors**

**DECLARATION ON THE REPORT OF THE INDEPENDENT AUDITORS**

Pursuant to CVM Instruction No. 480/09, the directors of Banco Daycoval S.A., a publicly-held company registered with the CVM in Category B, hereby DECLARES that they have reviewed, discussed and agreed with the opinions expressed in the Independent Auditors' Quarterly Information, Deloitte Touche Tohmatsu - Auditores Independentes, referring to the financial statements for the quarter ended March 31, 2021.

São Paulo, May 6, 2021.

SALIM DAYAN  
Executive Director

MORRIS DAYAN  
Executive Director

CARLOS MOCHE DAYAN  
Executive Director

ALBERT ROUBEN  
Director

MARIA REGINA R. M. NOGUEIRA  
Director

NILO CAVARZAN  
Director

RICARDO GELBAUM  
Director

ALEXANDRE TEIXEIRA  
Director

ALEXANDRE RHEIN  
Director

PAULO AUGUSTO LUZ FERREIRA SABA  
Director

EDUARDO CAMPOS RAYMUNDO  
Director

CLAUDINEI APARECIDO PEDRO  
Director

ELIE JACQUES MIZRAHI  
Director

ERICK WARNER DE CARVALHO  
Director