

## 3Q21

### Earnings Release

**Great  
Place  
To  
Work®**

**Certificado**  
11/12/2020 - 11/12/2021  
BRASIL

## Quarter's Highlights

### International Funding

In October 2021 the Bank completed the fundraising of **US\$ 151 million** to expand credit to small and medium-sized companies, focusing on economically unfavorable regions and women-owned businesses.



This second tranche will complement the initial US\$ 384 million line that was signed in April 2021.

For this second disbursement, the IFC mobilized four new investors for this operation: **BNP Paribas, Sumitomo Mitsui Banking Corporation, Cargill Financial Services International Inc and BlueOrchard Microfinance.**

### Local Funding

In October 2021 Daycoval completed its **10<sup>th</sup> public offering of Financial Bills** in the total amount of **R\$ 1 billion**, comprised of three series, maturing in 2, 3 and 4 years.

We had a demand of **R\$ 2.5 billion** from approximately **55 investment houses**.

The operation was coordinated by Banco Daycoval (leader) and these coordinators:

**BancoDaycoval**



### Valor Econômico

Daycoval was the highlight in the ranking of the best Financial sector companies.

We came in **1<sup>st</sup> place** on the list of the most profitable companies by Equity.

### Finanças

**Os 20 mais rentáveis sobre o patrimônio, entre os grandes\***

Banco	Sede	% do PL
1 Daycoval **	SP	26,7
2 Santander **	SP	16,8
3 Banco do Nordeste	CE	16,5
4 Sicredi **	RS	16,1
5 Credit Suisse	SP	15,6
6 Safra **	SP	14,9
7 BTG Pactual **	RJ	14,7
8 Caixa **	DF	14,2
9 Sicoob **	DF	13,8
10 Banestes **	ES	13,5
11 Itaú Unibanco **	SP	12,8
12 Bank of America Merrill Lynch	SP	12,5
13 Pan **	SP	12,3
14 Citibank **	SP	12,0
15 Bradesco **	SP	11,5
16 BNP Paribas	SP	10,7
17 Banco do Brasil **	DF	10,0
18 BV **	SP	9,9
19 Banrisul **	RS	8,7
20 J. P. Morgan	SP	8,4

\* Instituições com ativo total igual ou superior a 0,25% do ativo total somado dos 100 maiores bancos. \*\* Balanço consolidado ou combinado (inclui a participação minoritária no patrimônio líquido)

### Recurring Net Income

**R\$ 302.5** million in **3Q21**  
**R\$ 965.8** million in **9M21**  
**+10.9 %** over 9M20

### Net Income

**R\$ 334.7** million in **3Q21**  
**R\$1,068.0** million in **9M21**  
**+13.2%** over 9M20

### Shareholders' Equity

**R\$ 5,342.8** million  
**+3.7%** in 3 months  
**+22.7%** in 12 months

### Profitability

**Recurring ROAE** **22.9%** in **3Q21**  
**25.9%** in **9M21**  
**-3.0 p.p.** over 9M20

**ROAE** **25.3%** in **3Q21**  
**28.6%** in **9M21**  
**-2.7 p.p.** over 9M20

### Regulatory Capital

**R\$ 5,797.2** million  
**+3.5%** in 3 months  
**+20.9%** in 12 months

MAIN FIGURES (R\$ million unless otherwise stated)	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
<b>RESULTS</b>								
Income from loans operations	1,401.2	1,211.7	15.6%	1,081.2	29.6%	3,842.7	3,219.3	19.4%
Net Income	334.7	296.6	12.8%	288.1	16.2%	1,068.0	943.2	13.2%
Recurring Net Income	302.5	333.3	-9.2%	297.5	1.7%	965.8	871.0	10.9%
<b>FINANCIAL POSITION</b>								
Total Assets	57,157.9	53,642.3	6.6%	44,097.8	29.6%	57,157.9	44,097.8	29.6%
Expanded Loan Portfolio <sup>(1)</sup>	41,044.9	39,895.1	2.9%	31,203.7	31.5%	41,044.9	31,203.7	31.5%
- Companies	30,918.0	30,359.0	1.8%	22,751.1	35.9%	30,918.0	22,751.1	35.9%
- Payroll Loans	8,459.9	8,091.2	4.6%	7,005.5	20.8%	8,459.9	7,005.5	20.8%
- Auto Loans	1,304.7	1,209.5	7.9%	1,129.1	15.6%	1,304.7	1,129.1	15.6%
- Home Equity	93.4	89.2	4.7%	62.9	48.5%	93.4	62.9	48.5%
- Corporate Securities <sup>(2)</sup>	268.9	146.2	83.9%	255.1	5.4%	268.9	255.1	5.4%
Total Funding	41,092.5	39,290.5	4.6%	31,987.3	28.5%	41,092.5	31,987.3	28.5%
- Total Deposits + LCI + LCM	19,748.2	17,946.7	10.0%	14,647.0	34.8%	19,748.2	14,647.0	34.8%
- Local Bonds	10,287.9	12,379.2	-16.9%	9,564.3	7.6%	10,287.9	9,564.3	7.6%
- Foreign Borrowing and Onlending	8,466.7	6,629.3	27.7%	5,181.4	63.4%	8,466.7	5,181.4	63.4%
- Foreign Issuances	2,589.7	2,335.3	10.9%	2,594.6	-0.2%	2,589.7	2,594.6	-0.2%
Shareholders' Equity	5,342.8	5,153.6	3.7%	4,354.2	22.7%	5,342.8	4,354.2	22.7%
Regulatory Capital	5,797.2	5,600.3	3.5%	4,795.8	20.9%	5,797.2	4,795.8	20.9%
- Capital Principal	5,329.2	5,140.7	3.7%	4,340.4	22.8%	5,329.2	4,340.4	22.8%
- Complementary Capital	468.0	459.6	1.8%	295.2	58.5%	468.0	295.2	58.5%
- Tier II	-	-	-	160.2	n.a	-	160.2	n.a
<b>CREDIT RATIOS</b>								
Final Balance LLP <sup>(1)</sup>	1,702.8	1,644.0	3.6%	1,466.4	16.1%	1,702.8	1,466.4	16.1%
Nonperforming Loans Ratio (90 days overdue)	1.6%	1.6%	-	1.9%	-0.3 p.p	1.6%	1.9%	-0.3 p.p
Final Balance LLP / Loan Portfolio (%)	4.1%	4.1%	-	4.7%	-0.6 p.p	4.1%	4.7%	-0.6 p.p
Final Balance LLP / Overdue Loans more than 90 days past due	254.7%	261.9%	-7.2 p.p	250.3%	4.4 p.p	254.7%	250.3%	4.4 p.p
Final Balance Loan E-H / Loan Portfolio (%)	165.1%	169.6%	-4.5 p.p	184.1%	-19.0 p.p	165.1%	184.1%	-19.0 p.p
<b>HIGHLIGHTS</b>								
Net Interest Margin (NIM-AR) (% p.a.) <sup>(3)</sup>	8.6%	10.0%	-1.4 p.p	11.4%	-2.8 p.p	9.3%	11.5%	-2.2 p.p
Recurring ROAE (%) <sup>(4)</sup>	22.9%	26.8%	-3.9 p.p	28.1%	-5.2 p.p	25.9%	28.9%	-3.0 p.p
Recurring ROAA (%) <sup>(5)</sup>	2.2%	2.6%	-0.4 p.p	2.9%	-0.7 p.p	2.5%	3.0%	-0.5 p.p
Return on Average Equity (ROAE) (% p.a.)	25.3%	23.9%	1.4 p.p	27.2%	-1.9 p.p	28.6%	31.3%	-2.7 p.p
Return on Average Asset (ROAA) (% p.a.)	2.4%	2.3%	0.1 p.p	2.8%	-0.4 p.p	2.7%	3.3%	-0.6 p.p
Efficiency Ratio (%)	32.7%	31.1%	1.6 p.p	25.5%	7.2 p.p	28.5%	25.5%	3.0 p.p
Recurring Efficiency Ratio (%)	33.3%	30.0%	3.3 p.p	24.7%	8.6 p.p	29.6%	25.6%	4.0 p.p
BIS Index III (%)	14.0%	13.9%	0.1 p.p	15.6%	-1.6 p.p	14.0%	15.6%	-1.6 p.p
Employees	2,915	2,844	2.4%	2,425	20.2%	2,915	2,425	20.2%
Number of Branches (Companies)	46	46	-	46	-	46	46	-

<sup>(1)</sup> Includes Avals and Sureties.

<sup>(2)</sup> Includes Debentures and CPRs (Rural Product Notes)

<sup>(3)</sup> Includes exchange-rate variance on liability transactions, foreign trading, and excludes matched operations—repurchase agreements — tri-party repos outstanding.

<sup>(4)</sup> Recurring ROAE = Recurring Net Income / Average Shareholders' Equity

<sup>(5)</sup> Recurring ROAA = Net Income / Average Assets

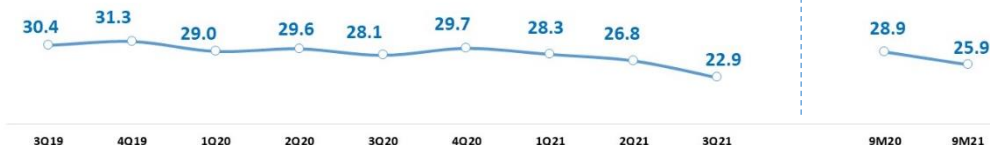


## Profitability

### Recurring Figures

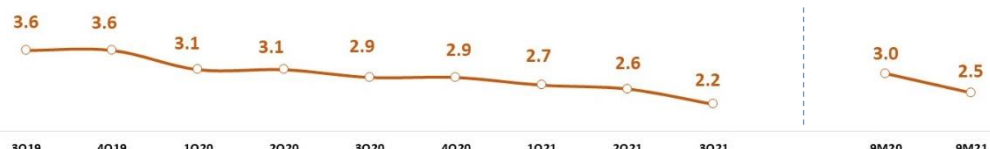
#### ROAE in 3Q21 (%)

- 3.9 p.p in 3 months  
- 5.2 p.p in 12 months



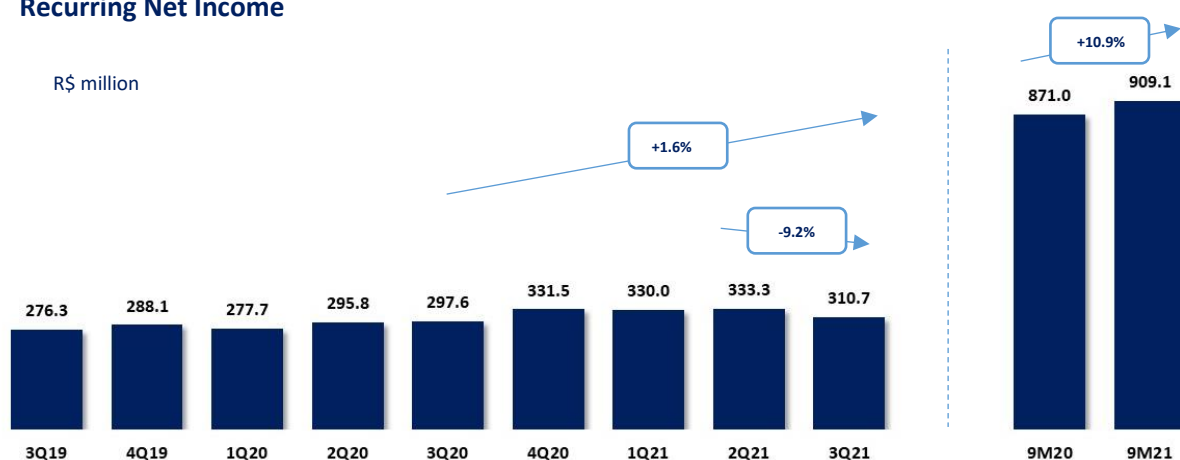
#### ROAA in 3Q21 (%)

- 0.4 p.p in 3 months  
- 0.7 p.p in 12 months



### Recurring Net Income

R\$ million



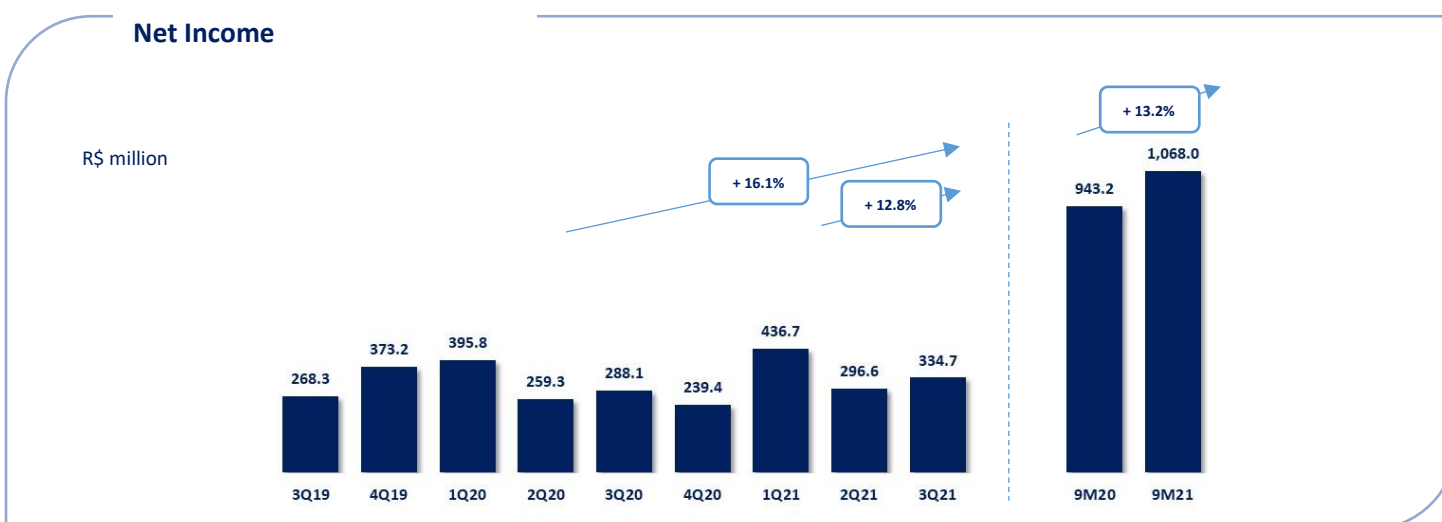
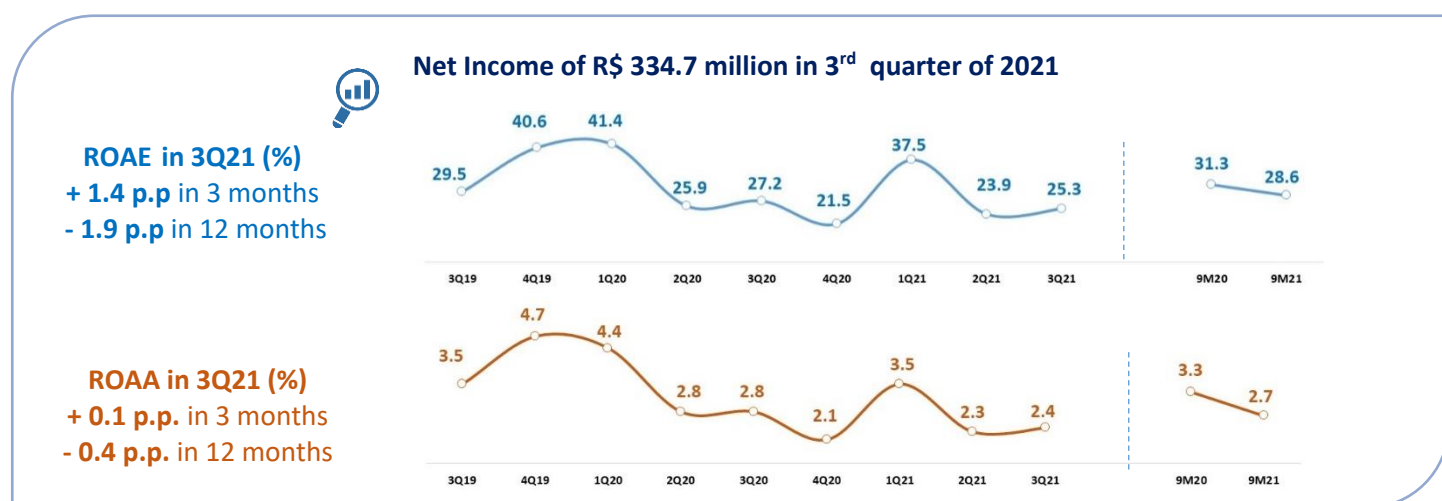
Recurring Key Figures (R\$ million)	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
<b>Accounting Net Income</b>	<b>334.7</b>	<b>296.6</b>	<b>12.8%</b>	<b>288.1</b>	<b>16.2%</b>	<b>1,068.0</b>	<b>943.2</b>	<b>13.2%</b>
(-) Hedge/ MTM R\$ - Foreign Issues and Credit Operations	9.5	(22.0)	n.a.	(17.5)	n.a.	69.1	8.9	n.a.
(-) Increase in the social contribution rate on Credit Assignments*	-	20.3	n.a.	-	n.a.	20.3	-	n.a.
(-) Exchange Variation - Equivalence - Branch	22.7	(35.0)	n.a.	8.1	n.a.	12.8	63.3	-79.8%
<b>Recurring Net Income</b>	<b>302.5</b>	<b>333.3</b>	<b>-9.2%</b>	<b>297.5</b>	<b>1.7%</b>	<b>965.8</b>	<b>871.0</b>	<b>10.9%</b>
<b>Recurring ROAE (%)</b>	<b>22.9%</b>	<b>26.8%</b>	<b>-3.9 p.p</b>	<b>28.1%</b>	<b>-5.2 p.p</b>	<b>25.9%</b>	<b>28.9%</b>	<b>-3.0 p.p</b>
<b>Recurring ROAA (%)</b>	<b>2.2%</b>	<b>2.6%</b>	<b>-0.4 p.p</b>	<b>2.9%</b>	<b>-0.7 p.p</b>	<b>2.5%</b>	<b>3.0%</b>	<b>-0.5 p.p</b>
<b>Adjusted Efficiency Ratio (%)</b>	<b>33.3%</b>	<b>30.0%</b>	<b>3.3 p.p</b>	<b>24.7%</b>	<b>8.6 p.p</b>	<b>29.6%</b>	<b>25.6%</b>	<b>4.0 p.p</b>

In 9M21, **Recurring Net Income** amounted to R\$ 965.8 million, 10.9% higher than in the same period last year, mainly driven by the growth in the loan portfolio during the period. Return on average equity (Recurring ROAE) ended the period at 25.9%, against 28.9% in 9M20.

In 3Q21, **Recurring Net Income** reached R\$ 302.5 million, a decrease of 9.2% compared to 2Q21 and growth of 1.7% compared to 3Q20.

As shown in the table above, the net income for 3Q21 was positively impacted by the mark-to-market of the hedge on external funding and credit operations in the amount of R\$ 9.5 million and by the positive exchange variation in the amount of R\$ 22.7 million in investments in subsidiaries abroad, resulting from the appreciation of the dollar against the real during the period.

\*The rate of the Social Contribution on Net Income, for banks of any kind, was increased from 20% to 25% from July 1st to December 31, 2021, according to Law 14.183, of July 14, 2021. Thus, the tax credits expected to be realized between July 1st to December 31, 2021, were constituted at the rate of 25% for the social contribution.



Accounting Key Figures (R\$ million)	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
Net Income (A)	334.7	296.6	12.8%	288.1	16.2%	1,068.0	943.2	13.2%
Average Shareholders' Equity (B)	5,284.6	4,969.1	6.3%	4,234.0	24.8%	4,972.4	4,020.0	23.7%
Average Assets (C)	54,724.8	52,016.2	5.2%	41,668.8	31.3%	52,178.8	38,351.2	36.1%
Return on Average Equity (ROAE) (% p.a.) (A/B)	25.3%	23.9%	1.4 p.p.	27.2%	-1.9 p.p.	28.6%	31.3%	-2.7 p.p.
Return on Average Asset (ROAA) (% p.a.) (A/C)	2.4%	2.3%	0.1 p.p.	2.8%	-0.4 p.p.	2.7%	3.3%	-0.6 p.p.

**Net Income** reached R\$ 334.7 million, up 12.8% over 2Q21, driven by the growth in the portfolio, the improvement in the result of loan operations and the lower constitution of the provision in the period. In 9M21, Net Income was R\$ 1,068.0 billion, growth of 13.2% compared to 9M20. Return on average equity (ROAE) was 28.6% in 9M21, 2.7 p.p. below 9M20.

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

**NIM - AR of 8.6% in 3Q21**  
**- 1.4 p.p in 3 months**  
**- 2.9 p.p. in 12 months**



Recurring Adjusted Net Interest Margin (NIM-AR) (R\$ mn)	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
Income from Financial Intermediation Reported	993.3	1,022.0	-2.8%	941.6	5.5%	3,188.9	2,742.8	16.3%
Hedge/MTM - Foreign Issues and Credit Operations	19.1	(40.0)	-147.8%	(31.8)	-160.1%	127.3	16.2	685.8%
<b>Adjusted Income from Financial Intermediation (A)</b>	<b>974.2</b>	<b>1,062.0</b>	<b>-8.3%</b>	<b>973.4</b>	<b>0.1%</b>	<b>3,061.6</b>	<b>2,726.6</b>	<b>12.3%</b>
Average Remunerated Assets	48,669.6	46,003.0	5.8%	37,216.6	30.8%	46,157.7	34,168.8	35.1%
(-) Expenses of financial intermediation add back provisions	(1,795.0)	(1,842.0)	-2.6%	(1,724.4)	4.1%	(1,685.8)	(2,079.8)	-18.9%
<b>Average Remunerated Assets (B)</b>	<b>46,874.6</b>	<b>44,161.0</b>	<b>6.1%</b>	<b>35,492.2</b>	<b>32.1%</b>	<b>44,471.9</b>	<b>32,089.0</b>	<b>38.6%</b>
<b>Recurring Adjusted Net Interest Margin (NIM-AR) (%YoY) (A/B)</b>	<b>8.6%</b>	<b>10.0%</b>	<b>-1.4 p.p</b>	<b>11.4%</b>	<b>-2.8 p.p</b>	<b>14.2%</b>	<b>11.5%</b>	<b>-2.2 p.p</b>

## Net Interest Margin (NIM)

Net Interest Margin (NIM) (R\$ million)	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
Gross Income from Financial Intermediation	994.80	1,022.8	-2.7%	941.6	5.6%	3,191.30	2,743.4	16.3%
<b>Gross Income from Financial Intermediation Adjusted (A)</b>	<b>993.3</b>	<b>1,022.0</b>	<b>-2.8%</b>	<b>941.6</b>	<b>5.5%</b>	<b>3,188.9</b>	<b>2,742.9</b>	<b>16.3%</b>
<b>Average Remunerated Assets (B)</b>	<b>48,669.6</b>	<b>46,003.0</b>	<b>5.8%</b>	<b>37,216.5</b>	<b>30.8%</b>	<b>46,157.7</b>	<b>34,168.8</b>	<b>35.1%</b>
Interbank Investments	4,492.3	5,108.2	-12.1%	7,397.9	-39.3%	4,862.1	6,920.9	-29.7%
Securities and Derivatives	9,610.0	8,172.4	17.6%	5,061.6	89.9%	8,537.3	3,897.2	119.1%
Lending Operation (does not include assignments)	35,037.3	33,370.1	5.0%	24,974.1	40.3%	33,438.3	23,533.5	42.1%
Trade Finance	(470.0)	(647.7)	-27.4%	(217.1)	n.a.	(680.0)	(182.8)	n.a.
<b>Net Interest Margin (NIM) (% p.a.) (A/B)</b>	<b>8.4%</b>	<b>9.2%</b>	<b>-0.8 p.p</b>	<b>10.5%</b>	<b>-2.1 p.p</b>	<b>9.3%</b>	<b>10.8%</b>	<b>-1.5 p.p</b>

<sup>(1)</sup> Reclassified from other operating/expense revenues.



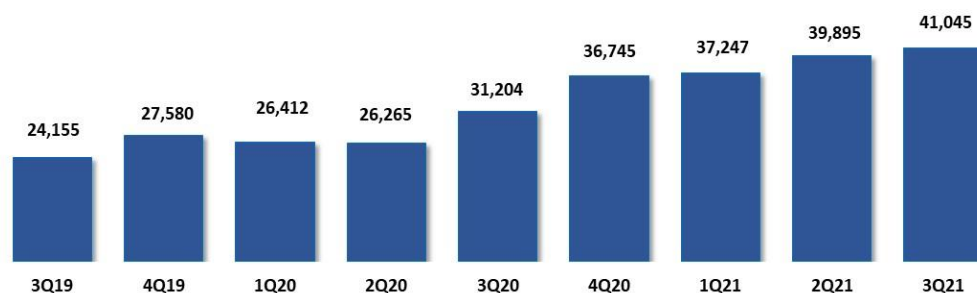
## Expanded Loan Portfolio

### Loan Portfolio Breakdown

3<sup>rd</sup> quarter of 2021

R\$ Million

<b>Companies</b>	<b>75.3%</b>
<b>Payroll Loans</b>	<b>20.6%</b>
<b>Auto Loans</b>	<b>3.2%</b>
<b>Others</b>	<b>0.9%</b>



Expanded Loan Portfolio (R\$ mn)	3Q21	2Q21	Δ	3Q20	Δ
<b>Total Companies</b>	<b>30,918.0</b>	<b>30,359.0</b>	<b>1.8%</b>	<b>22,751.1</b>	<b>35.9%</b>
Working Capital	7,094.6	6,805.8	4.2%	6,862.4	3.4%
FGI - PEAC	6,990.5	7,639.1	-8.5%	4,626.4	51.1%
Receivables Purchase	6,587.4	6,643.5	-0.8%	3,972.2	65.8%
Trade Finance	1,970.7	1,931.3	2.0%	1,342.8	46.8%
Guaranteed Account	1,882.0	1,692.2	11.2%	1,426.8	31.9%
Leasing	1,836.5	1,525.0	20.4%	1,346.2	36.4%
BNDES	187.9	146.3	28.4%	333.9	-43.7%
Avals and Sureties	4,368.4	3,975.8	9.9%	2,840.4	53.8%
<b>Total Payroll Loans</b>	<b>8,459.9</b>	<b>8,091.2</b>	<b>4.6%</b>	<b>7,005.5</b>	<b>20.8%</b>
Payroll Loans	7,891.5	7,541.6	4.6%	6,457.0	22.2%
Payroll Card	568.4	549.6	3.4%	548.5	3.6%
<b>Total Auto Loans/Other</b>	<b>1,304.7</b>	<b>1,209.5</b>	<b>7.9%</b>	<b>1,129.1</b>	<b>15.6%</b>
<b>Total Home Equity</b>	<b>93.4</b>	<b>89.2</b>	<b>4.7%</b>	<b>62.9</b>	<b>48.5%</b>
<b>Corporate Securities<sup>(1)</sup></b>	<b>268.9</b>	<b>146.2</b>	<b>83.9%</b>	<b>255.1</b>	<b>5.4%</b>
<b>Total Expanded Loan Portfolio</b>	<b>41,044.9</b>	<b>39,895.1</b>	<b>2.9%</b>	<b>31,203.7</b>	<b>31.5%</b>

(1) Includes Debentures and CPRs (Rural Product Notes).

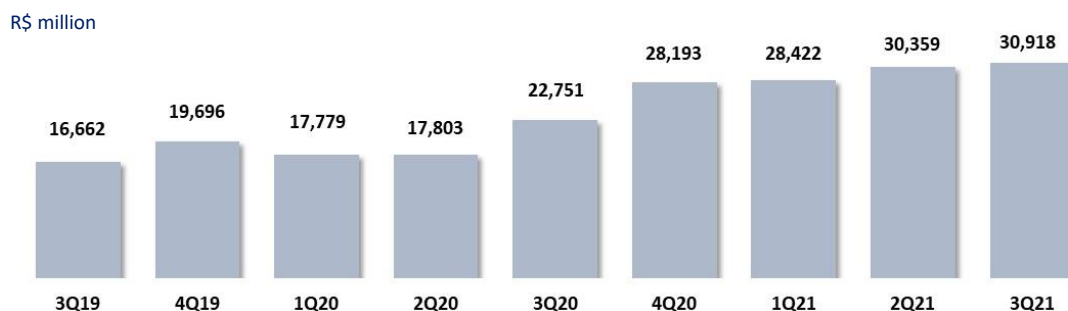
The Loan Portfolio totaled R\$ 41.0 billion in September 2021, up 2.9% in the quarter and 31.5% over 12 months. All segments reported increases in their balances in the period, highlighting the Companies segment recurrence, which contributed 35.9% of the total loan portfolio variation, and individuals, which represented 20.3%.

As of 2Q21, we began including the Expanded Credit Portfolio the Corporate Bonds line, these consist of bonds issued by companies to fund their projects, mostly for Large Companies. For the issuing Company, the advantage of offering these bonds is in raising funds and scheduling the bond maturities according to its cash flow.

## Companies Portfolio

**R\$ 30.9 billion**

+ 1.8% in 3 months  
+ 35.9% in 12 months



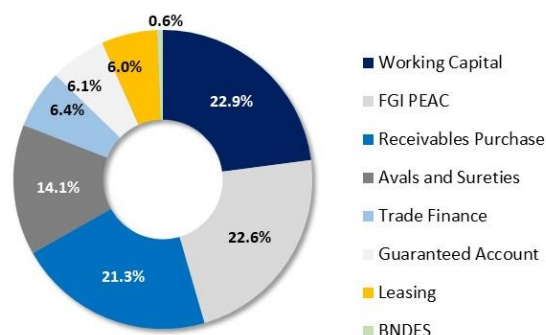
The Companies portfolio is composed of financing and the provision of structured financial services for small, medium and large Companies. On September 30, 2021, the portfolio's balance was R\$ 30.9 billion, representing an increase of 1.8% compared to the previous quarter and 35.9% growth in the last 12 months.

The Bank operates with a diversified portfolio and dispersed credit concentration. The main sectors with exposure are: Industry (31.8%), Services (22.9%), Commerce (17.7%).

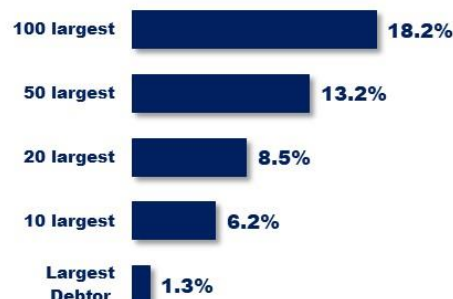
We have 46 agencies throughout Brazil.

Credit to Companies Breakdown (R\$ mn)	3Q21	2Q21	Δ	3Q20	Δ
Working Capital	7,094.6	6,805.8	4.2%	6,862.4	3.4%
FGI - PEAC	6,990.5	7,639.1	-8.5%	4,626.4	51.1%
Receivables Purchase	6,587.4	6,643.5	-0.8%	3,972.2	65.8%
Trade Finance	1,970.7	1,931.3	2.0%	1,342.8	46.8%
Guaranteed Account	1,882.0	1,692.2	11.2%	1,426.8	31.9%
Leasing	1,836.5	1,525.0	20.4%	1,346.2	36.4%
BNDES	187.9	146.3	28.4%	333.9	-43.7%
Avals and Sureties	4,368.4	3,975.8	9.9%	2,840.4	53.8%
<b>Total Companies</b>	<b>30,918.0</b>	<b>30,359.0</b>	<b>1.8%</b>	<b>22,751.1</b>	<b>35.9%</b>

### Breakdown by Product

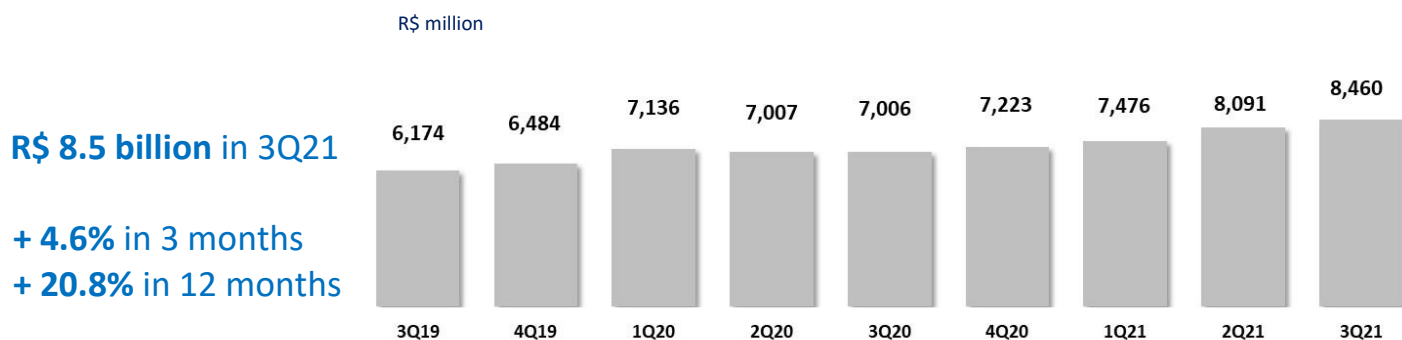


### Client Concentration (%)





## Payroll Loans



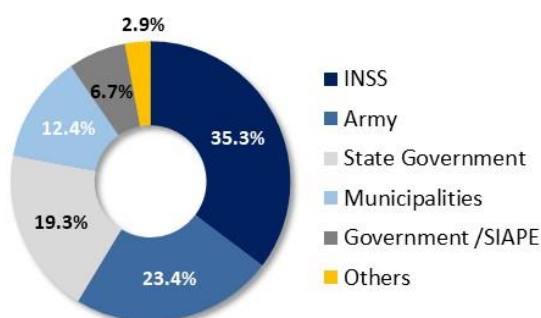
The Payroll-deductible loan line ended 3Q21 with a balance of R\$ 8.5 billion, representing growth of 4.6% in the quarter and an increase of 20.8% when compared to the same period in 2020.

In 3Q21, we originated R\$ 2,157.9 million, 61% of which from net origination and 39% from REFIN.

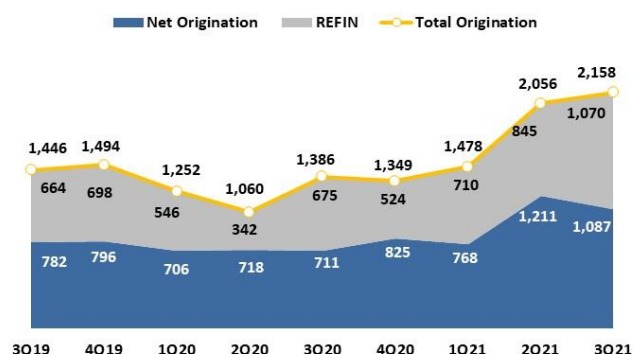
The *Payroll Loan/APP* makes it possible to simulate and contract loans and financing, refinancing, follow up proposals and update personal registration information. In 3Q21, R\$ 709.4 million was originated through this channel.

The payroll card portfolio totaled R\$ 568.4 million in 3Q21, an increase of 3.4% in the quarter. The Payroll Credit Card is like a traditional credit card, but distinctive for not charging an annual fee, offering a higher credit limit, reduced interest rates and extended payment terms when compared to traditional credit cards. The main difference is that the minimum invoice amount is deducted directly from the payroll and the limit is 100% consignable. The card can be used both for purchases and withdrawals. Increasingly, clients are using the card for purchases, especially digital services.

### Portfolio Breakdown (%)



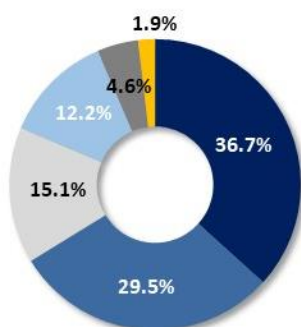
### Origination



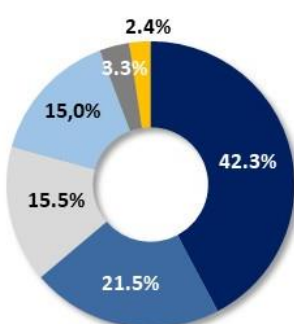
In the graphs below we demonstrate Refinancing, where the client (public servant / INSS retiree) has the primary loan settled with the Bank and is given a new loan. The Bank adopted this strategy to focus more on the product's margin.

### Origination Breakdown

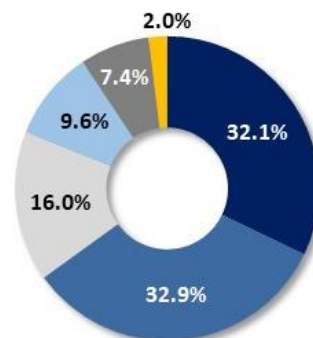
Total Origination



Net Origination



Refinancing Origination



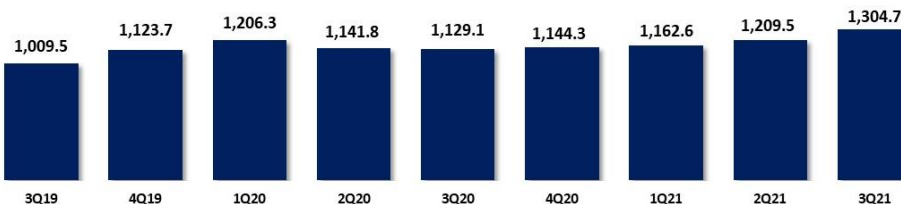
INSS Army State Government Municipalities Government/SIAPE Others

## Auto Loans

R\$ million

**R\$ 1,304.7 million**  
in 3Q21

+ 7.9% in 3 months  
+ 15.6% in 12 months



77 %  
Light  
Vehicles

23 %  
Heavy  
Vehicles

The vehicle portfolio continues to grow sustainably. In 3Q21, it ended with a balance of R\$ 1.3 billion, an increase of 7.9% in the quarter and 15.6% in the last 12 months. We reached R\$ 245.0 million of origination in this quarter. Our performance continues to be supported by the + businesses platform, which delivers the best client journey experience.

Light vehicles continue to represent the largest share in the portfolio in relation to heavy vehicles, representing 77% of the portfolio in 3Q21.

### Total Origination

Average age of  
the Vehicles

12 years



Average  
Ticket  
R\$ 9.7  
thousand

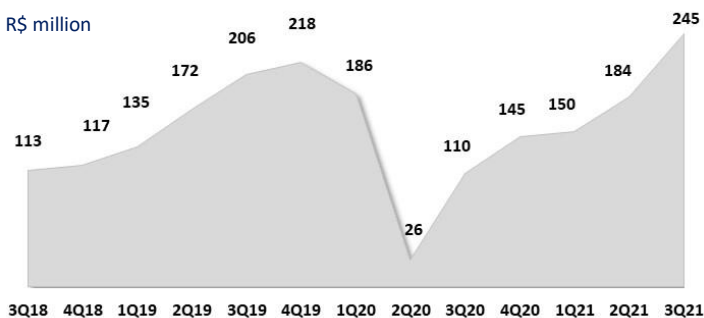


Average  
Plan

42 months



R\$ million



## CGI – Home Equity

**R\$ 93.4 million**  
in 3Q21

+ 4.7 % in 3 months  
+ 48.5 % in 12 months

### Advantages



- ✓ Credit limit from R\$ 50,000 to R\$ 1 million;
- ✓ Credit equivalent to up to 60% of the property; and
- ✓ 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.

## Corporate Securities

As of 2Q21 quarter, we started to include in the Expanded Credit Portfolio the line of Corporate Securities (bonds issued by companies so that they can use these funds in their projects). For the Company, the advantage of offering these bonds is in raising funds and scheduling the bond maturities according to its cash flow. Also included the CPR - Rural Product Notes (a security that represents a promise of future delivery of an agricultural product, functioning as a facilitator for rural production and sales).

This line ended 3Q21 with a balance of R\$ 268.9 million, growth of 83.9%.

## Daycoval

ASSET MANAGEMENT

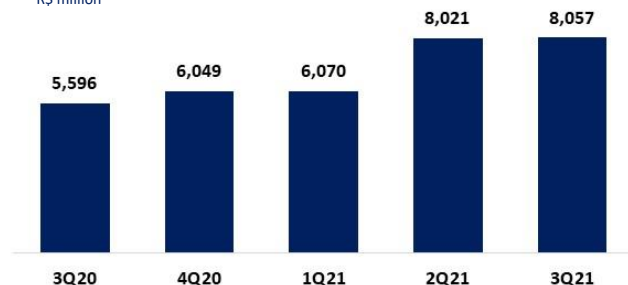
- ✓ **R\$ 8.1 billion of Assets Under Management and Administration**



- ✓ **Management of 70 funds**

- ✓ **+ de 35 thousand of investors**

R\$ million



Daycoval Asset Management serves clients seeking sophisticated solutions aligned with their investment profile. It accomplishes this through a number of types of investment funds and differentiated products and services, such as portfolio management. In 3Q21, it ended with total assets under management of R\$ 8,056.9 million.

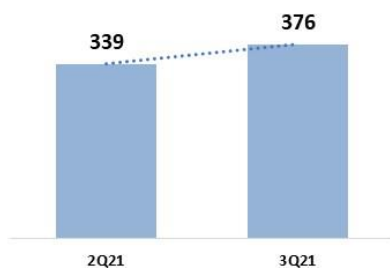
Currently, it manages 70 funds including: Multimarket Funds, Fixed Income Funds, Equity Funds, Participation Funds ("FIPs"), FIDCs Real Estate Fund, as well a Managed Portfolio.

Asset is comprised of a specialized team of 20 employees, including traders, managers, back office and commercial area, with deep market knowledge.

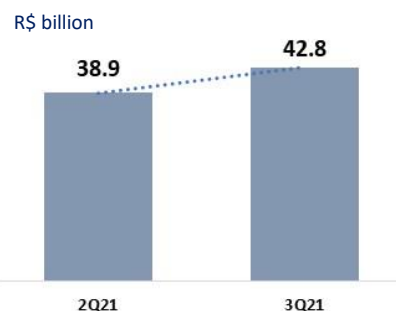
## Administration, Custody, Controllershship and Registration Services

The focus on the Capital Market Services segment was expanded, with an experienced team focused on serving all types of funds and complete solution for all the needs of our customers. In 3Q21, the amount of assets under services (including through Daycoval Asset) reached R\$ 42.8 billion.

Number of Funds



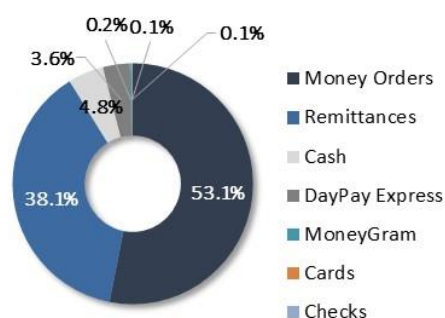
Total Assets under Services\*



\* Includes Investment Clubs and Managed Portfolio.

## Daycoval Câmbio

Product Mix (%)

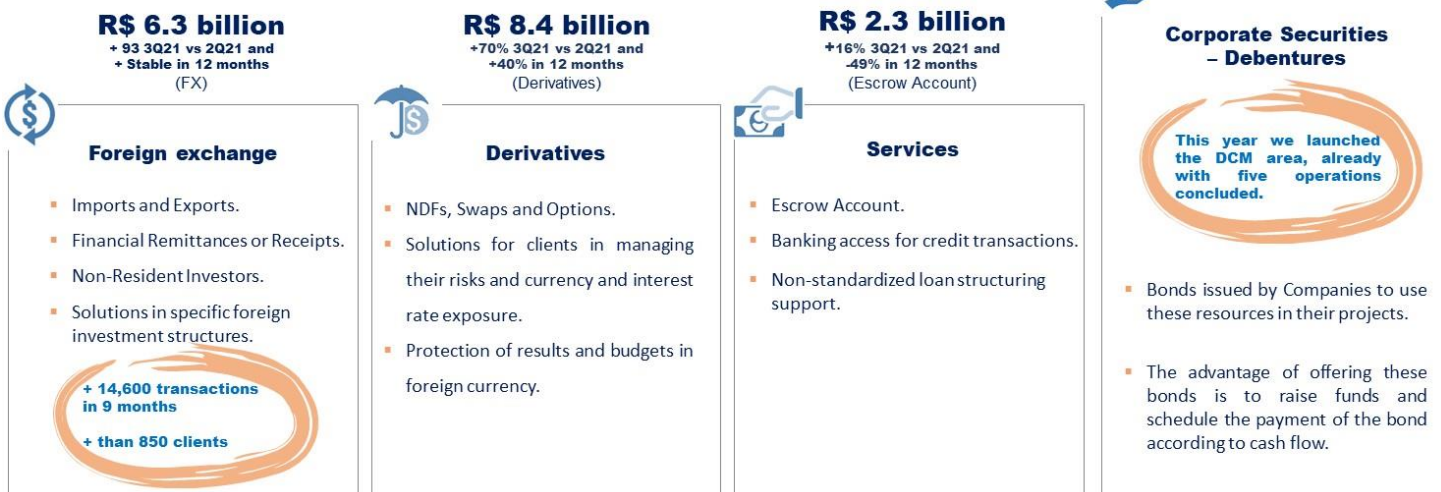


- ✓ + R\$4.1 billion in transactions in 3Q21 versus R\$3.4 billion in 2Q21 and R\$10.6 billion in 9M21 versus R\$6.5 billion in 9M20;
- ✓ + 0.9 million operations in 3Q21 and 0.8 in 2Q21 and 2.5 million in 9M21 versus 3.2 million in 9M20;
- ✓ 161 FX - Service Points.

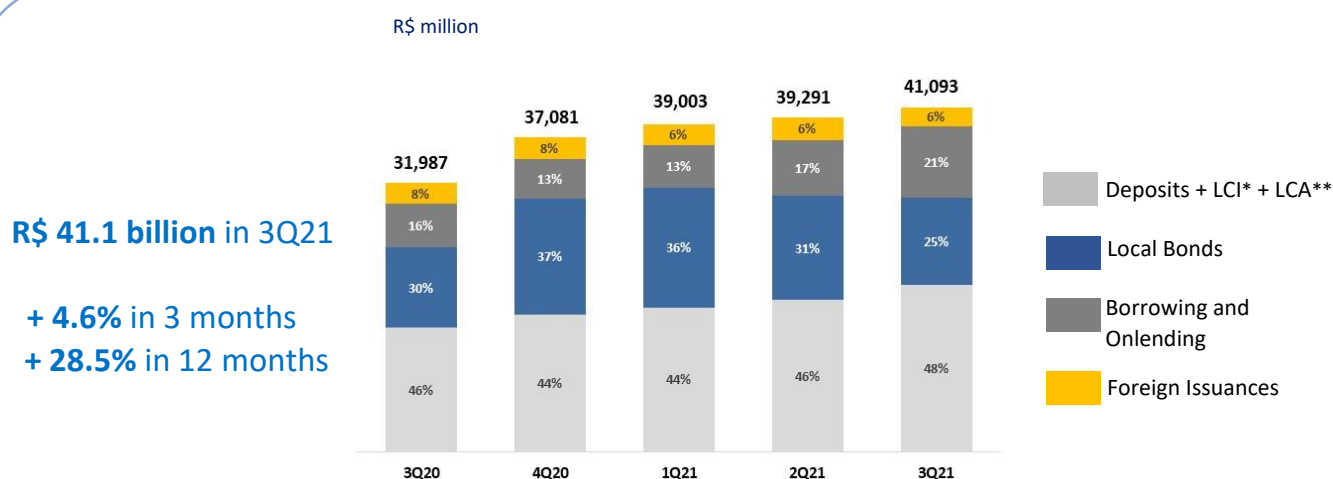
## Treasury Products and Services for Companies

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 3Q21 by modality



## Funding



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

Total Funding (R\$ mn)	3Q21	2Q21	Δ	3Q20	Δ
<b>Total Deposits</b>	<b>19,748.2</b>	<b>17,946.7</b>	<b>10.0%</b>	<b>14,647.0</b>	<b>34.8%</b>
Deposits	15,864.8	14,592.7	8.7%	12,720.5	24.7%
Letters of Credit (LCI* + LCA**)	3,883.4	3,354.0	15.8%	1,926.5	n.a.
<b>Local Bonds (Letras Financeiras)</b>	<b>10,287.9</b>	<b>12,379.2</b>	<b>-16.9%</b>	<b>9,564.3</b>	<b>7.6%</b>
Private Offerings	8,305.4	7,959.0	4.4%	5,711.3	45.4%
Public Offerings	1,514.5	1,494.7	1.3%	2,317.3	-34.6%
Guaranteed Financial Bills	-	2,465.9	n.a.	1,078.0	n.a.
Subordinated + Perpetual Local Bonds	468.0	459.6	1.8%	457.7	2.3%
<b>Foreign Borrowing and Onlending</b>	<b>8,466.7</b>	<b>6,629.3</b>	<b>27.7%</b>	<b>5,181.4</b>	<b>63.4%</b>
Foreign borrowings	8,282.6	6,483.6	27.7%	5,021.1	65.0%
Domestic onlendings	184.1	145.7	26.4%	160.3	14.8%
<b>Foreign Issuances</b>	<b>2,589.7</b>	<b>2,335.3</b>	<b>10.9%</b>	<b>2,594.6</b>	<b>-0.2%</b>
<b>Total</b>	<b>41,092.5</b>	<b>39,290.5</b>	<b>4.6%</b>	<b>31,987.3</b>	<b>28.5%</b>

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

Funding from clients totaled R\$ 41.1 billion in 3Q21, up 4.6% from the previous quarter and 28.5% from the previous year. The growth of the last 12 months was evidenced in practically all lines, reflecting the movement observed over the period of migration from investors' funds to more stable instruments.

During the quarter, Daycoval obtained a new US\$ 151.0 million loan from the IFC and a syndicate of banks to provide working capital financing lines to small and medium-sized businesses, including women-owned businesses, and to disadvantaged regions of Brazil. Of this amount, US\$ 135.0 million in 3Q21 and US\$ 16.0 million in October 2021.

This second tranche complemented the initial US\$ 384 million line signed in April. For this second disbursement, the IFC lined up four new investors: BNP Paribas, Sumitomo Mitsui Banking Corporation, Cargill Financial Services International Inc and BlueOrchard Microfinance.

The Fundraising through Financial Bills balance reached R\$ 10.3 billion in 3Q21, a reduction of 16.9% compared to 2Q21 and growth of 7.6% in the last 12 months. The pre-payment of the Guaranteed Financial Bills occurred in this quarter, motivated by the higher rate, adjustment of the average maturity and the strategy of lengthening the maturities.



In October 2021, Banco Daycoval completed its tenth public offering of Financial Bills (LFs), issuing a total of R\$ 1 billion. The total demand for the operation was R\$ 2.5 billion. The amount is divided into three series, with the first of R\$ 202 million for 2 years; the second, for 3 years, of R\$ 494 million; and the third, R\$ 304 million, in 4 years. The rates were CDI + 1.20% pa, CDI + 1.40% p.a. and CDI + 1.60% p.a., respectively, from the shortest to the longest term.

The Offer, aimed at the institutional public, saw demand from 55 investors, of which 31 were allocated. Below is the general information about the issue:

Issuance of Local Bonds on October 20, 2021 (10 <sup>th</sup> Issue)	
Issuer	Banco Daycoval S.A.
<b>Total Issue Amount</b>	<b>R\$ 1.0 billion</b>
Amount 1 <sup>st</sup> Amount	R\$ 201.9 million
Maturity 1 <sup>st</sup> Series	October 30, 2023
Value 2 <sup>nd</sup> Amount	R\$ 494.0 million
Maturity 2 <sup>nd</sup> Series	October 20, 2024
Amount 3 <sup>rd</sup> Amount	R\$ 304.1 million
Maturity 3 <sup>rd</sup> Series	October 20, 2025
Lead Coordinator	Banco Daycoval
Coordinators	 

We ended the quarter with free cash of R\$ 8.4 billion.

Daycoval kept its focus 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.

## 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.

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

Date : 1 – Global rating (Jun/21), National Rating (Jul/21), 2 and 4 – Jun/21, 3 – Jan/21.

## Asset and Liability Management



**Positive Gap of 172 days**

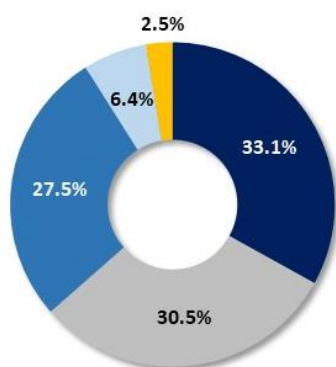
Loan Portfolio by Segment	Average term to Maturity <sup>(1)</sup> days	Funding	Average term to Maturity <sup>(1)</sup> days
Companies	184	Total Deposits	153
FGI - Peac	461	Interbank Deposits	243
Trade Finance	128	Local Bonds (letras financeiras)	727
Payroll Loans	591	LCA (Letter of Credit Agribusiness)	318
Auto Loans	470	LCM (Letter Home Mortgage)	301
Leasing	557	DPGE (Guaranteed Time-Deposit Asset)	272
BNDES	471	Bonds	1,083
		Borrowing and Onlending	360
		BNDES	481
<b>Total Loan Portfolio</b>	<b>365</b>	<b>Total Funding</b>	<b>537</b>

(1) From September 30, 2021

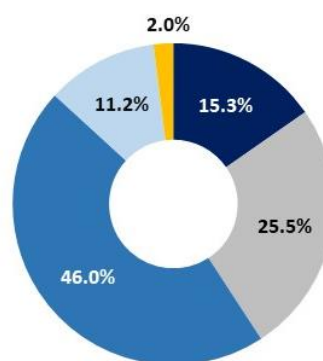
(1) From September 30, 2021

## Maturity Of Operations

**Loan Portfolio**



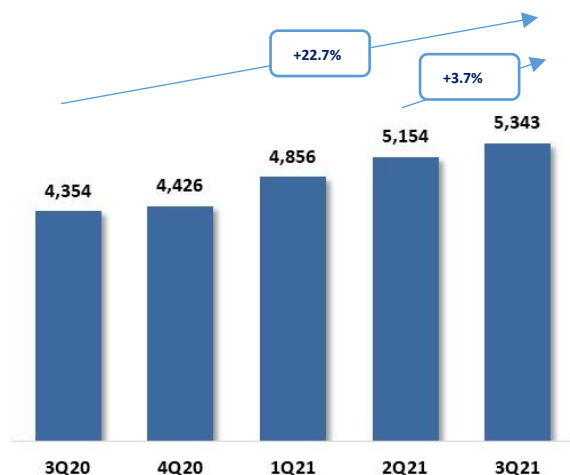
**Funding**



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

## Shareholders' Equity

R\$ million



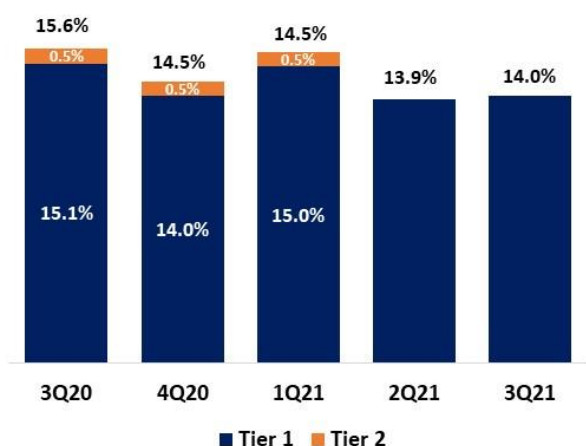
### Calculation of Regulatory Capital (R\$ mn)

	3Q21
Regulatory Capital	5,797.2
Regulatory Capital – Tier I	5,797.2
Principal Capital	5,329.2
Equity	5,342.8
Prudential adjustment - Bacen Resolution 4.192/13	(13.6)
Complementary capital	468.0
Perpetual financial bills	468.0
Minimum required capital (RWA x 8%)	3,313.2
Basel ratio - Total	14.0%
Basel ratio - Tier I	14.0%

### Change in Shareholder's Equity – 9M21



## Basel Ratio 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 requires banks installed in the country to observe the minimum percentage of 8.0% plus 1.625% of the "ACP conservation" capital surcharge, calculated based on the rules of the Basel III Agreement.

## 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.

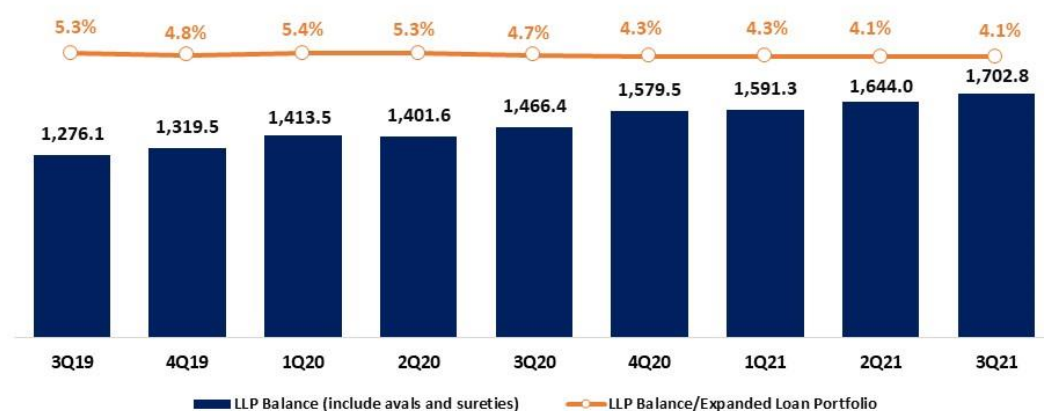
### Banco Daycoval - R\$ mn

Rating	Required Provision	Loans	%	Provision*	
AA	0.0%	7,930.7	19.3%	26.2	<b>96.1%</b> between AA and C
A	0.5%	13,358.3	32.5%	117.8	
B	1.0%	16,040.8	39.1%	452.9	
C	3.0%	2,150.5	5.2%	179.0	
D	10.0%	533.0	1.3%	97.4	
E	30.0%	192.2	0.5%	89.2	
F	50.0%	144.1	0.4%	72.0	
G	70.0%	89.8	0.2%	62.9	
H	100.0%	605.5	1.5%	605.5	
<b>Total Portfolio</b>		<b>41,044.9</b>	<b>100.0%</b>	<b>1,702.8</b>	
<b>Total Provision/ Portfolio</b>				<b>4.1%</b>	

(\*) Includes Avals and Sureties in the amount of R\$ 4,368.4 in the portfolio and R\$ 51.9 million in provision in 3Q21.

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, which totaled 96.1% of the overall loan portfolio in 3Q21. The balance of the allowance for doubtful loans represented 4.1% of the loan portfolio, stable compared to 2Q21.

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



### 3Q21

Companies			FGI PEAC		Payroll		Vehicles and Others		C.G.I	
Rating	Portfolio	Provision	Portfolio	Provision	Portfolio	Provision	Portfolio	Provision	Portfolio	Provision
AA - C	23,614.6	376.3	6,815.5	167.1	7,893.4	174.0	1,065.3	55.6	91.5	2.8
D	268.5	48.0	64.8	12.1	66.0	12.3	133.4	24.9	0.3	0.0
E	72.8	33.1	28.7	13.5	51.7	24.3	37.9	17.8	1.1	0.5
F	58.4	29.2	30.8	15.4	39.7	19.8	15.2	7.6	-	-
G	21.8	15.2	16.7	11.7	41.0	28.7	10.3	7.2	0.1	0.1
H	160.2	160.2	34.1	34.1	368.1	368.1	42.6	42.6	0.4	0.4
<b>Total</b>	<b>24,196.3</b>	<b>662.0</b>	<b>6,990.6</b>	<b>253.9</b>	<b>8,459.9</b>	<b>627.3</b>	<b>1,304.7</b>	<b>155.8</b>	<b>93.4</b>	<b>3.8</b>
LLP Balance/ Loans		2.7%			3.6%	7.4%			11.9%	4.1%

### 2Q21

Companies			FGI -Peac		Payroll		Vehicles and Others		C.G.I	
Rating	Portfolio	Provision	Portfolio	Provision	Portfolio	Provision	Portfolio	Provision	Portfolio	Provision
AA - C	22,298.0	361.2	7,513.1	186.9	7,532.8	167.3	969.8	51.6	86.5	2.6
D	266.4	48.2	46.4	8.6	75.7	14.1	135.6	25.4	1.4	0.3
E	69.3	31.8	22.5	10.6	49.1	23.1	37.9	17.8	0.1	-
F	55.0	27.5	32.8	16.4	40.3	20.2	16.4	8.2	0.1	-
G	11.6	8.1	7.4	5.2	49.0	34.2	10.6	7.4	0.1	1.0
H	165.9	165.9	16.9	16.9	344.3	344.3	39.1	39.1	1.0	0.1
<b>Total</b>	<b>22,866.2</b>	<b>642.7</b>	<b>0.0</b>	<b>0.0</b>	<b>8,091.2</b>	<b>603.2</b>	<b>1,209.4</b>	<b>149.5</b>	<b>89.2</b>	<b>4.0</b>
LLP Balance/ Loans		2.8%			0.0%	7.5%			12.4%	4.5%

## Expanded Credit Portfolio Quality

Overview of Quality of Expanded Loan Portfolio (R\$ million)	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
Expanded Loan Portfolio	41,044.9	39,895.1	2.9%	31,203.7	31.5%	41,044.9	31,203.7	31.5%
Establishment of Provision (*)	137.3	161.3	-14.9%	188.8	-27.3%	400.2	448.7	-10.8%
LLP Balance	1,702.8	1,644.0	3.6%	1,466.4	16.1%	1,702.8	1,466.4	16.1%
Final Balance Loan E-H	1,031.6	969.5	6.4%	796.4	29.5%	1,031.6	796.4	29.5%
Overdue Loans more than 14 days past due	289.8	270.8	7.0%	297.8	-2.7%	289.8	297.8	-2.7%
Overdue Loans more than 60 days past due (**)	818.6	746.1	9.7%	883.2	-7.3%	818.6	883.2	-7.3%
Overdue Loans more than 90 days past due (**)	668.6	627.8	6.5%	585.9	14.1%	668.6	585.9	14.1%
<b>Credit Ratios - (%)</b>								
Final Balance LLP/Loan Portfolio	4.1%	4.1%	-	4.7%	-0.6 p.p	4.1%	4.7%	-0.6 p.p
Final Balance Loan E-H/Loan Portfolio	2.5%	2.4%	0.1 p.p	2.6%	-0.1 p.p	2.5%	2.6%	-0.1 p.p
Overdue Loans more than 60 days past due / Loan Portfolio	2.0%	1.9%	0.1 p.p	2.8%	-0.8 p.p	2.0%	2.8%	-0.8 p.p
Final Balance LLP / Overdue Loans more than 90 days past due	1.6%	1.6%	0.0 p.p	1.9%	-0.3 p.p	1.6%	1.9%	-0.3 p.p
<b>Coverage Ratios - (%)</b>								
Final Balance LLP / Overdue Loans more than 14 days past due	587.6%	607.1%	-19.5 p.p	492.4%	95.2 p.p	587.6%	492.4%	95.2 p.p
Final Balance LLP / Overdue Loans more than 60 days past due	208.0%	220.3%	-12.3 p.p	166.0%	42.0 p.p	208.0%	166.0%	42.0 p.p
Final Balance LLP / Overdue Loans more than 90 days past due	254.7%	261.9%	-7.2 p.p	250.3%	4.4 p.p	254.7%	250.3%	4.4 p.p
Final Balance LLP / Loan E-H	165.1%	169.6%	-4.5 p.p	184.1%	-19.0 p.p	165.1%	184.1%	-19.0 p.p
Write-offs R\$ (mn)	(79.9)	(108.0)	-26.0%	(124.2)	-35.7%	(278.0)	(319.6)	-13.0%
Companies Recovered Loans	25.6	21.8	17.4%	28.8	-11.1%	69.0	41.7	65.5%
Retail Recovered Loans	17.4	17.1	1.8%	15.3	13.7%	47.5	37.5	26.7%

(\*) Includes avals and sureties.

(\*\*) falling due installments

The balance of the provision for loan losses closed 3Q21 at R\$ 1,702.8 million, up 3.6% in the quarter. The Additional PDD balance was **R\$ 559.8 million**.

## LLP Changes

LLP (R\$ mn)	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
Balance at the Beginning of the Period	1,644.0	1,591.3	3.3%	1,401.6	17.3%	1,579.5	1,319.5	19.7%
<b>Establishment of Provision</b>	<b>137.3</b>	<b>161.3</b>	<b>-14.9%</b>	<b>188.8</b>	<b>-27.3%</b>	<b>400.2</b>	<b>448.7</b>	<b>-10.8%</b>
Companies	30.2	33.4	-9.6%	70.1	-56.9%	85.5	126.3	-32.3%
FGI - PEAC	9.3	5.1	82.4%	0.1	n.a.	14.4	0.0	n.a.
Avals and Sureties	5.2	2.6	n.a.	(2.2)	n.a.	7.2	5.1	41.2%
Payroll	69.2	97.6	-29.1%	105.9	-34.7%	228.2	233.4	-2.2%
Auto/Other	23.4	22.0	6.4%	14.8	58.1%	64.4	99.1	-35.0%
Property Guaranteed Credit	0.6	0.0	n.a.	0.3	n.a.	0.9	2.6	-65.4%
Exchange Variation	(0.6)	0.6	n.a.	(0.2)	n.a.	(0.4)	(17.8)	n.a.
<b>Write-offs</b>	<b>(79.8)</b>	<b>(108.0)</b>	<b>-26.1%</b>	<b>(124.2)</b>	<b>-35.7%</b>	<b>(278.0)</b>	<b>(319.6)</b>	<b>-13.0%</b>
Companies	(63.0)	(49.2)	28.0%	(72.3)	-12.9%	(197.1)	(171.8)	14.7%
Retail	(16.8)	(58.8)	-71.4%	(51.9)	-67.6%	(80.9)	(147.8)	-45.3%
<b>Final Balance LLP*</b>	<b>1,702.8</b>	<b>1,644.0</b>	<b>3.6%</b>	<b>1,466.4</b>	<b>16.1%</b>	<b>1,702.8</b>	<b>1,466.4</b>	<b>16.1%</b>

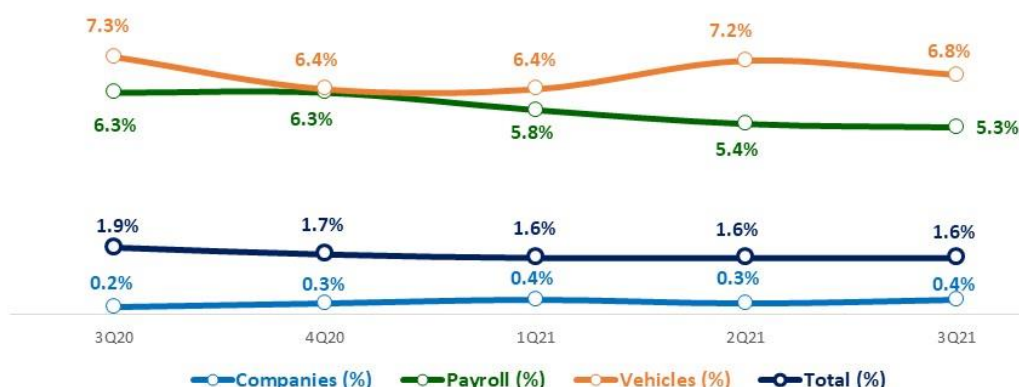
(\*) Includes Avals and Sureties in the amount of R\$ 51.9 million in 3Q21 and R\$ 46.9 million for 3Q21.



## Loans Overdue by more than 90 days

The loan delinquency rate above 90 days reached 1.6% in 3Q21, flat compared to 2Q21 and a reduction of 0.3 p.p. compared to the same period of the previous year. Our quality indicators remain at comfortable levels.

### NPLs | 90 days



## Loans Overdue for more than 14 and for more than 60 days

Loans overdue for more than 14 days grew 7.0% during the quarter but were down 2.7% in the last 12 months. Loans overdue for more than 60 days ended 3Q21 with an increase of 9.7% versus 2Q21 and a decrease of 7.3% compared to 3Q20, evidencing a possible worsening of indicators for the next quarter.

## Coverage Index

The coverage index for loans overdue more than 90 days reached 254.7% in 3Q21, demonstrating the soundness of the balance sheet in view of the current macroeconomic situation. The balance of the EH portfolio ended 3Q21 at R\$ 1,031.6 million, 16.8% lower than 2Q21. The loan loss provision ratio divided by the EH Portfolio reached 165.1%, a decrease of 4.4 p.p. compared to 2Q21. 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.

## NLPs by Segment

Companies Overdue Loans (R\$ mn)	3Q21	2Q21	Δ	3Q20	Δ
Overdue Loans more than 14 days past due	76.7	62.8	22.1%	88.8	-13.6%
Overdue Loans more than 60 days past due (*)	186.7	134.0	39.3%	69.9	167.0%
Overdue Loans more than 90 days past due (*)	127.2	98.8	28.7%	54.2	134.6%
<b>Credit Ratios - (%)</b>					
Final Balance LLP/Companies Portfolio (%)	2.9%	2.9%	0.0 p.p	3.4%	-0.5 p.p
Overdue Loans more than 14 days past due / Companies Portfolio	0.2%	0.2%	0.0 p.p	0.4%	-0.2 p.p
Overdue Loans more than 60 days past due / Companies Portfolio	0.6%	0.4%	0.2 p.p	0.3%	0.3 p.p
Overdue Loans more than 90 days past due / Companies Portfolio	0.4%	0.3%	0.1 p.p	0.2%	0.2 p.p
<b>Coverage Ratios - (%)</b>					
LLP Balance / Overdue Loans > 60 days (%)	490.7%	662.3%	-171.6 p.p	1127.1%	-636.4 p.p
LLP Balance / Overdue Loans > 90 days (%)	720.0%	898.1%	-178.1 p.p	1453.4%	-733.4 p.p

(\*) Installments falling due

Payroll Overdue Loans (R\$ mn)	3Q21	2Q21	Δ	3Q20	Δ
Overdue Loans more than 14 days past due	171.7	169.7	1.2%	171.6	0.1%
Overdue Loans more than 60 days past due (*)	506.1	489.8	3.3%	694.5	-27.1%
Overdue Loans more than 90 days past due (*)	449.8	439.0	2.5%	444.5	1.2%
<b>Credit Ratios - (%)</b>					
Final Balance LLP/Payroll Portfolio (%)	7.4%	7.5%	0.1 p.p	7.3%	0.2 p.p
Overdue Loans more than 14 days past due / Payroll Portfolio	2.0%	2.1%	-0.1 p.p	2.4%	-0.4 p.p
Overdue Loans more than 60 days past due / Payroll Portfolio	6.0%	6.1%	-0.1 p.p	9.9%	-3.9 p.p
Overdue Loans more than 90 days past due / Payroll Portfolio	5.3%	5.4%	-0.1 p.p	6.3%	-1.0 p.p
<b>Coverage Ratios - (%)</b>					
LLP Balance / Overdue Loans > 60 days (%)	124.0%	123.2%	0.8 p.p	73.3%	50.7 p.p
LLP Balance / Overdue Loans > 90 days (%)	139.5%	137.4%	2.1 p.p	114.5%	25.0 p.p

(\*) Installments falling due

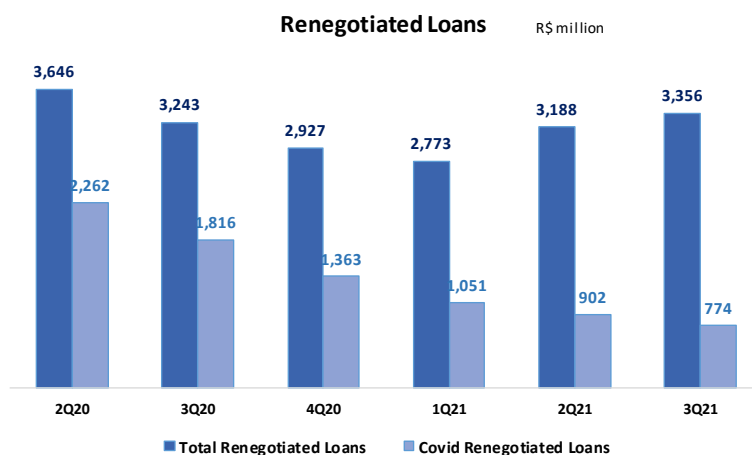
Auto Overdue Loans + Others (R\$ mn)	3Q21	2Q21	Δ	3Q20	Δ
Overdue Loans more than 14 days past due	41.1	38.0	8.2%	36.9	11.4%
Overdue Loans more than 60 days past due (*)	121.9	118.8	2.6%	113.8	7.1%
Overdue Loans more than 90 days past due (*)	88.3	86.6	2.0%	82.3	7.3%
<b>Credit Ratios - (%)</b>					
Final Balance LLP/Auto Loans Portfolio (%)	11.9%	12.4%	-0.5 p.p	14.5%	-2.6 p.p
Overdue Loans more than 14 days past due / Auto Loans Portfolio + Others	3.2%	3.1%	0.1 p.p	3.3%	-0.1 p.p
Overdue Loans more than 60 days past due / Auto Loans Portfolio + Others	9.3%	9.8%	-0.5 p.p	10.1%	-0.8 p.p
Overdue Loans more than 90 days past due / Auto Loans Portfolio + Others	6.8%	7.2%	-0.4 p.p	7.3%	-0.5 p.p
<b>Coverage Ratios - (%)</b>					
LLP Balance / Overdue Loans > 60 days (%)	127.8%	125.8%	2.0 p.p	144.0%	-16.2 p.p
LLP Balance / Overdue Loans > 90 days (%)	176.4%	172.6%	3.8 p.p	199.2%	-22.8 p.p

(\*) Installments falling due

### Renegotiation Portfolio

Renegotiated credit operations totaled R\$ 3.3 billion in 3Q21, which includes R\$ 0.8 billion related to renegotiated operations due to the circumstances involving the Covid-19 pandemic.

For more information, see explanatory note 9.f of the ITR of 2Q21.



## 3Q21 – Renegotiated Loans

R\$ million

### Covid Renegotiated - 3Q21

Rating	Companies	Retail	Total	%
AA	112.0	-	112.0	14.5%
A	117.0	3.2	120.2	15.5%
B	279.5	39.9	319.4	41.3%
C	28.4	83.0	111.4	14.4%
D	24.4	33.8	58.2	7.5%
E	7.0	5.4	12.4	1.6%
F	3.8	2.7	6.5	0.8%
G	1.5	2.3	3.8	0.5%
H	18.3	11.3	29.6	3.8%
<b>Total</b>	<b>591.9</b>	<b>181.6</b>	<b>773.5</b>	<b>100.0%</b>

## 2Q21 – Renegotiated Loans

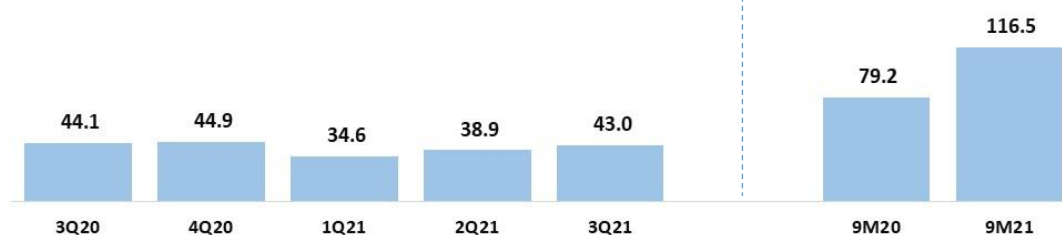
R\$ million

### Covid Renegotiated - 2Q21

Rating	Companies	Retail	Total	%
AA	118.0	-	118.0	13.1%
A	130.5	4.2	134.7	14.9%
B	328.9	48.8	377.7	41.9%
C	44.6	102.7	147.3	16.3%
D	22.7	46.5	69.2	7.7%
E	8.1	5.9	14.0	1.6%
F	3.7	3.9	7.6	0.8%
G	0.3	2.6	2.9	0.3%
H	20.7	9.4	30.1	3.3%
<b>Total</b>	<b>677.5</b>	<b>224.0</b>	<b>901.5</b>	<b>100.0%</b>

## Recovered Loans

R\$ million



### Recovered Loans (R\$ million)

	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
Companies Recovered Loans	25.6	21.8	17.4%	28.8	-11.1%	69.0	41.7	65.5%
Retail Recovered Loans	17.4	17.1	1.8%	15.3	13.7%	47.5	37.5	26.7%

## Financial Performance

Income from Financial Intermediation (R\$ mn)	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
<b>Loans Operations</b>	<b>1,401.2</b>	<b>1,211.7</b>	<b>15.6%</b>	<b>1,081.2</b>	<b>29.6%</b>	<b>3,842.7</b>	<b>3,219.3</b>	<b>19.4%</b>
Companies Portfolio	809.1	652.5	24.0%	548.0	47.6%	2,167.5	1,596.2	35.8%
Payroll	447.8	429.4	4.3%	405.4	10.5%	1,273.6	1,243.9	2.4%
Auto/Other	93.9	83.0	13.1%	83.3	12.7%	265.2	247.0	7.4%
Direct Credit to Consumer	5.6	0.2	n.a.	0.1	n.a.	13.5	1.7	n.a.
Leasing Operation Result	44.8	46.6	-3.9%	44.4	0.9%	122.9	130.5	-5.8%
Securities Operations Result	116.9	65.9	77.4%	34.5	n.a.	220.3	117.8	87.0%
Derivatives result <sup>(1)</sup>	724.0	(1,159.0)	n.a.	299.1	n.a.	319.2	1,854.1	-82.8%
Operations linked to repurchase commitments and interbank deposits	19.3	19.0	1.6%	30.9	-37.5%	54.7	102.7	-46.7%
Foreign Exchange Operations	19.8	147.7	-86.6%	19.2	3.1%	121.4	49.9	n.a.
Sales or Transfer Financial Asset Operations	0.4	0.8	-50.0%	1.1	-63.6%	1.9	3.0	-36.7%
<b>Income from Financial Intermediation (A)</b>	<b>2,281.6</b>	<b>286.1</b>	<b>n.a.</b>	<b>1,466.0</b>	<b>55.6%</b>	<b>4,560.2</b>	<b>5,346.8</b>	<b>-14.7%</b>
Funding Operations <sup>(2)</sup>	(645.6)	31.4	n.a.	(295.2)	n.a.	(1,021.0)	(1,314.7)	-22.3%
Borrowings and Onlendings Operations <sup>(3)</sup>	(641.2)	705.4	n.a.	(229.0)	n.a.	(347.9)	(1,288.3)	-73.0%
Loan Loss Provision (LLP)	(137.3)	(161.4)	-14.9%	(188.8)	-27.3%	(400.3)	(448.7)	-10.8%
<b>Expenses on Financial Intermediation (B)</b>	<b>(1,424.1)</b>	<b>575.4</b>	<b>n.a.</b>	<b>(713.0)</b>	<b>99.7%</b>	<b>(1,769.2)</b>	<b>(3,051.7)</b>	<b>-42.0%</b>
<b>Gross Income from Financial Intermediation (A-B)</b>	<b>857.5</b>	<b>861.5</b>	<b>-0.5%</b>	<b>753.0</b>	<b>13.9%</b>	<b>2,791.0</b>	<b>2,295.1</b>	<b>21.6%</b>
Hedge MTM - Foreign Issues and Credit Operations	9.5	(22.0)	n.a.	(17.5)	n.a.	69.1	8.9	n.a.
<b>Adjusted Gross Income from financial intermediation</b>	<b>848.0</b>	<b>861.5</b>	<b>-0.5%</b>	<b>753.0</b>	<b>13.9%</b>	<b>2,791.0</b>	<b>2,295.1</b>	<b>21.6%</b>
(1) Foreign Exchange Variation without Foreign Issues	766.7	(1,207.0)		276.7		351.3	1,842.3	
(2) Foreign Exchange Variation without Borrowings abroad	(97.2)	861.5		(74.1)		(89.0)	(702.9)	
(3) Reclassified from other operating/expenses revenues.	(476.8)	(22.0)		(130.7)		(90.7)	(932.0)	

In 3Q21, income from loan operations reached R\$ 1.4 billion, 15.6% higher than 2Q21 and 29.6% higher than the last 12 months, driven by the maintenance of margins and growth in the loan portfolio.

The line of credit operations for Companies ended 3Q21 with revenue of R\$ 809.1 million, up 24.0% in the quarter and an increase of 47.6% *versus* 3Q20, driven by the growth that occurred during 2020 and 9M21. The Payroll Loan line ended the quarter with revenue of R\$ 447.8 million, an increase of 4.3% compared to 2Q21 and 10.5% in 12 months. The vehicles line closed 3Q21 with a balance of R\$ 93.9 million, an increase of 13.1% during the quarter.

The result of leasing operations ended the quarter with a balance of R\$ 44.8 million, 3.9% lower compared to 2Q21 and stable in the last 12 months.

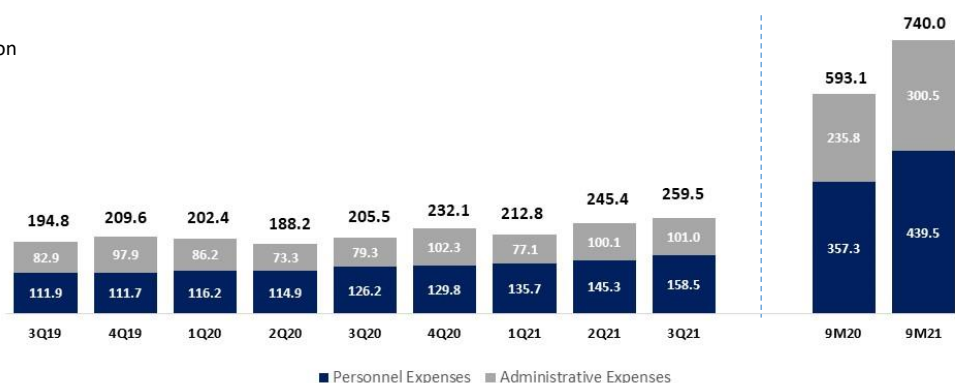
Expenses for market funding, borrowing and onlending totaled R\$ 1.3 billion in the quarter.

Gross Income from Financial Intermediation ended the quarter with a balance of R\$ 857.5 million. Excluding the effect of the MTM adjustment of the hedge of the overseas issues and credit operations, the gross result of the adjusted financial intermediation was R\$ 848.0 million in 3Q21.

The result from derivatives was R\$724.0 million in 3Q21, including R\$766.7 million from hedge. Excluding this last effect, the result from derivatives was R\$42.0 million negative in 3Q21 versus R\$48 million positive in 2Q21.

## Administrative and Personnel Expenses

R\$ million



Personnel and Administrative Expenses (R\$ mn)	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
Personnel Expenses	(158.5)	(145.3)	9.1%	(126.2)	25.6%	(439.5)	(357.3)	23.0%
Administrative Expenses	(101.0)	(100.1)	0.9%	(79.3)	27.4%	(300.5)	(235.8)	27.4%
<b>Personnel and Administrative Expense</b>	<b>(259.5)</b>	<b>(245.4)</b>	<b>5.7%</b>	<b>(205.5)</b>	<b>26.3%</b>	<b>(740.0)</b>	<b>(593.1)</b>	<b>24.8%</b>
<b>Commission Expenses (Total)</b>	<b>(90.7)</b>	<b>(93.5)</b>	<b>-3.0%</b>	<b>(51.2)</b>	<b>77.1%</b>	<b>(227.4)</b>	<b>(148.8)</b>	<b>52.8%</b>
Payroll	(75.0)	(81.5)	-8.0%	(43.9)	70.8%	(211.7)	(124.6)	69.9%
Auto Loans	(15.2)	(11.7)	29.9%	(7.0)	117.1%	(15.2)	(23.8)	-36.1%
Home Equity	(0.5)	(0.3)	66.7%	(0.3)	n.a.	(0.5)	(0.4)	25.0%
<b>Total</b>	<b>(350.2)</b>	<b>(338.9)</b>	<b>3.3%</b>	<b>(256.7)</b>	<b>36.4%</b>	<b>(967.4)</b>	<b>(741.9)</b>	<b>30.4%</b>
Recurring Efficiency Ratio (%)	33.3%	30.0%	3.3 p.p	24.7%	8.6 p.p	29.6%	25.6%	4.0 p.p
Recurring Efficiency Ratio (considering Profit Sharing) (%)	37.2%	33.3%	3.9 p.p	21.8%	15.4 p.p	33.2%	22.6%	10.6 p.p

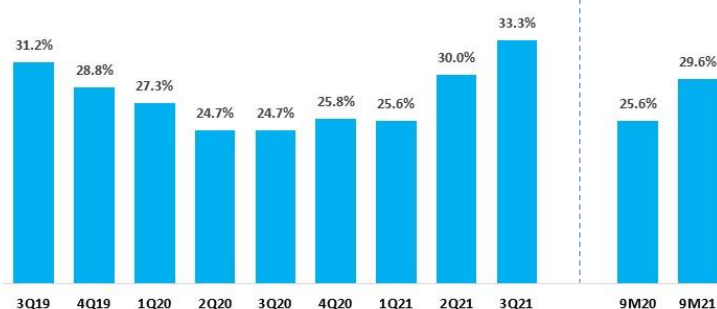
Administrative and personnel expenses totaled R\$ 259.5 million in the quarter, an increase of 5.7% for the period.

In 3Q21, personnel expenses grew 9.1%, mainly impacted by the collective bargaining agreement and the constant growth of the workforce. Administrative expenses rose 0.9% during the quarter.

## Recurring Efficiency Ratio

**33.3%** in 3Q21

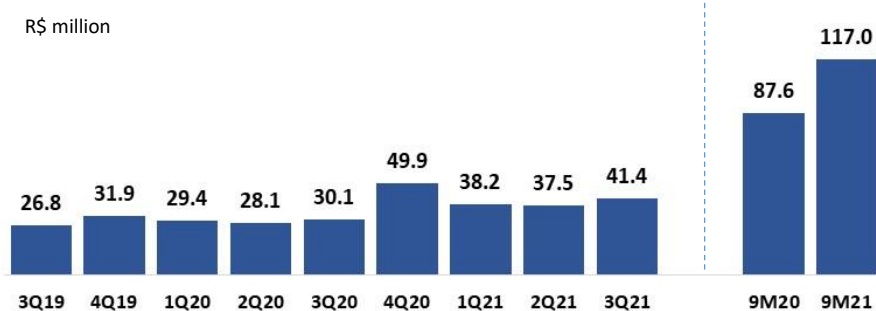
**+3.3 p.p** in 3 months  
**+8.5 p.p** in 12 months



Recurring Efficiency Ratio (R\$ mn)	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
(+) Personnel	(158.5)	(145.3)	9.1%	(126.2)	25.6%	(439.5)	(357.3)	23.0%
(+) Administrative Expenses	(101.0)	(100.1)	0.9%	(79.3)	27.4%	(300.5)	(235.8)	27.4%
(+) Commissions	(90.7)	(93.5)	-3.0%	(51.2)	77.1%	(227.4)	(148.8)	52.8%
<b>Total Expenses (A)</b>	<b>(350.2)</b>	<b>(338.9)</b>	<b>3.3%</b>	<b>(256.7)</b>	<b>36.4%</b>	<b>(967.4)</b>	<b>(741.9)</b>	<b>30.4%</b>
(+) Income from Recurring Financial Intermediation - LLP	975.7	1,062.8	-8.2%	972.5	0.3%	3,063.9	2,727.1	12.4%
(+) Income from Services Provided	78.7	68.2	15.4%	65.1	20.9%	207.7	172.1	20.7%
<b>Total Income (B)</b>	<b>1,052.9</b>	<b>1,130.2</b>	<b>-6.8%</b>	<b>1,037.6</b>	<b>1.5%</b>	<b>3,269.3</b>	<b>2,898.7</b>	<b>12.8%</b>
<b>Recurring Efficiency Ratio (A/B) (%)</b>	<b>33.3%</b>	<b>30.0%</b>	<b>3.3 p.p</b>	<b>24.7%</b>	<b>8.6 p.p</b>	<b>29.6%</b>	<b>25.6%</b>	<b>4.0 p.p</b>
Profit Sharing	(41.4)	(37.5)	10.4%	30.1	n.a.	(117.0)	87.6	n.a.
Recurring Efficiency Ratio (considering Profit Sharing) (%)	37.2%	33.3%	3.9 p.p	21.8%	15.4 p.p	33.2%	22.6%	10.6 p.p

## Profit Sharing Program

Expenses related to the provision for PPR and PLR payments totaled R\$ 41.4 million in 3Q21 and R\$ 117.0 million in 9M21.





## Annex I – Income Statement – in R\$ thousand

Income Statement	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
<b>Income from Financial Intermediation</b>	<b>2,281.6</b>	<b>286.1</b>	<b>697.5%</b>	<b>1,466.0</b>	<b>55.6%</b>	<b>4,560.2</b>	<b>5,346.8</b>	<b>-14.7%</b>
Lending Operation	1,401.2	1,211.7	15.6%	1,081.2	29.6%	3,842.8	3,219.3	19.4%
Securities Operations and Derivatives	840.9	(1,093.1)	-176.9%	333.6	152.1%	539.4	1,972.0	-72.6%
Operations linked to repurchase commitments and interbank deposits	19.4	19.0	2.1%	30.9	-37.2%	54.7	102.6	-46.7%
Foreign Exchange Operations	19.7	147.7	-86.7%	19.2	2.6%	121.4	49.9	143.3%
Operations Sale or Transfer of Financial Assets	0.4	0.8	-50.0%	1.1	-63.6%	1.9	3.0	-36.7%
<b>Expenses of Financial Intermediation</b>	<b>(1,286.8)</b>	<b>736.8</b>	<b>n.a.</b>	<b>(524.2)</b>	<b>145.5%</b>	<b>(1,368.9)</b>	<b>(2,603.1)</b>	<b>-47.4%</b>
Interbank and time deposits	(176.1)	(104.8)	68.0%	(59.8)	194.5%	(351.0)	(198.9)	76.5%
Bond issues in Brazil and abroad	(469.5)	136.2	-444.7%	(235.3)	99.5%	(670.0)	(1,115.9)	-40.0%
Borrowing and Onlendings	(641.2)	705.4	-190.9%	(229.1)	179.9%	(347.9)	(1,288.3)	-73.0%
<b>Gross Profit from Financial Intermediation</b>	<b>994.8</b>	<b>1,022.9</b>	<b>-2.7%</b>	<b>941.8</b>	<b>5.6%</b>	<b>3,191.3</b>	<b>2,743.7</b>	<b>16.3%</b>
<b>Expenses with Allowance for Loan Losses</b>	<b>(137.3)</b>	<b>(161.4)</b>	<b>-14.9%</b>	<b>(188.8)</b>	<b>-27.3%</b>	<b>(400.2)</b>	<b>(448.7)</b>	<b>-10.8%</b>
<b>Net Result from Financial Intermediation</b>	<b>857.5</b>	<b>861.5</b>	<b>-0.5%</b>	<b>753.0</b>	<b>13.9%</b>	<b>2,791.1</b>	<b>2,295.0</b>	<b>21.6%</b>
<b>Other Operating Income (Expenses)</b>	<b>(320.2)</b>	<b>(319.9)</b>	<b>0.1%</b>	<b>(256.8)</b>	<b>24.7%</b>	<b>(901.3)</b>	<b>(703.7)</b>	<b>28.1%</b>
Income from Services Provided	78.7	68.2	15.4%	65.1	20.9%	207.7	172.1	20.7%
Personnel Expenses	(158.5)	(145.3)	9.1%	(126.2)	25.6%	(439.5)	(357.3)	23.0%
Other Administrative Expenses	(191.7)	(193.6)	-1.0%	(130.6)	46.8%	(527.9)	(384.6)	37.3%
Tax Expenses	(62.0)	(57.3)	8.2%	(52.6)	17.9%	(176.7)	(148.1)	19.3%
Other Operating Income and expenses	21.7	(41.6)	-152.2%	(3.0)	-823.3%	(3.2)	27.4	-111.7%
Depreciation and amortization expenses	(3.4)	(3.2)	6.2%	(2.9)	17.2%	(9.6)	(8.5)	12.9%
Income from insurance operations	-	-	n.a.	-	n.a.	-	0.2	-100.0%
Expenses Loan Loss Provisions	(5.0)	52.9	-109.5%	(6.6)	-24.2%	47.9	(4.9)	n.a.
<b>Operating Result</b>	<b>537.3</b>	<b>541.6</b>	<b>-0.8%</b>	<b>496.2</b>	<b>8.3%</b>	<b>1,889.8</b>	<b>1,591.3</b>	<b>18.8%</b>
<b>Non-operating Result</b>	<b>7.3</b>	<b>29.4</b>	<b>-75.2%</b>	<b>13.5</b>	<b>-45.9%</b>	<b>38.4</b>	<b>9.6</b>	<b>n.a.</b>
<b>Income before Taxes and Minority Interest</b>	<b>544.6</b>	<b>571.0</b>	<b>-4.6%</b>	<b>509.7</b>	<b>6.8%</b>	<b>1,928.2</b>	<b>1,600.9</b>	<b>20.4%</b>
<b>Income and Social Contribution Taxes</b>	<b>(168.5)</b>	<b>(236.9)</b>	<b>-28.9%</b>	<b>(191.4)</b>	<b>-12.0%</b>	<b>(743.1)</b>	<b>(570.1)</b>	<b>30.3%</b>
Provision for Income Tax	(129.1)	(158.6)	-18.6%	(154.5)	-16.4%	(468.0)	(332.8)	40.6%
Provision for Social Contribution Tax	(135.3)	(132.7)	2.0%	(129.3)	4.6%	(416.0)	(264.4)	57.3%
Deferred Taxes	95.9	54.4	76.3%	92.4	n.a.	140.9	27.1	419.9%
Profit-Sharing	(41.4)	(37.5)	10.4%	(30.1)	37.5%	(117.0)	(87.6)	33.6%
Minority Interest	-	-	n.a.	-	n.a.	-	-	n.a.
<b>Net Income</b>	<b>334.7</b>	<b>296.6</b>	<b>12.8%</b>	<b>288.2</b>	<b>16.1%</b>	<b>1,068.1</b>	<b>943.2</b>	<b>13.2%</b>