



# Earnings Presentation

4<sup>th</sup> Quarter | 2020



# Highlights

## 4<sup>th</sup> Quarter and FY'20



# Diversified business portfolio

Supported by the pillars of Efficiency & Financial Strength, Customer Centrality and Digital Maturity



## Retail

### auto finance

- Leader in the light and used segment (25% mkt share)
- Capilarity (+20,700 *dealers*)
- Innovation and digital transformation
- 100% digital contracting
- 97% automatic response

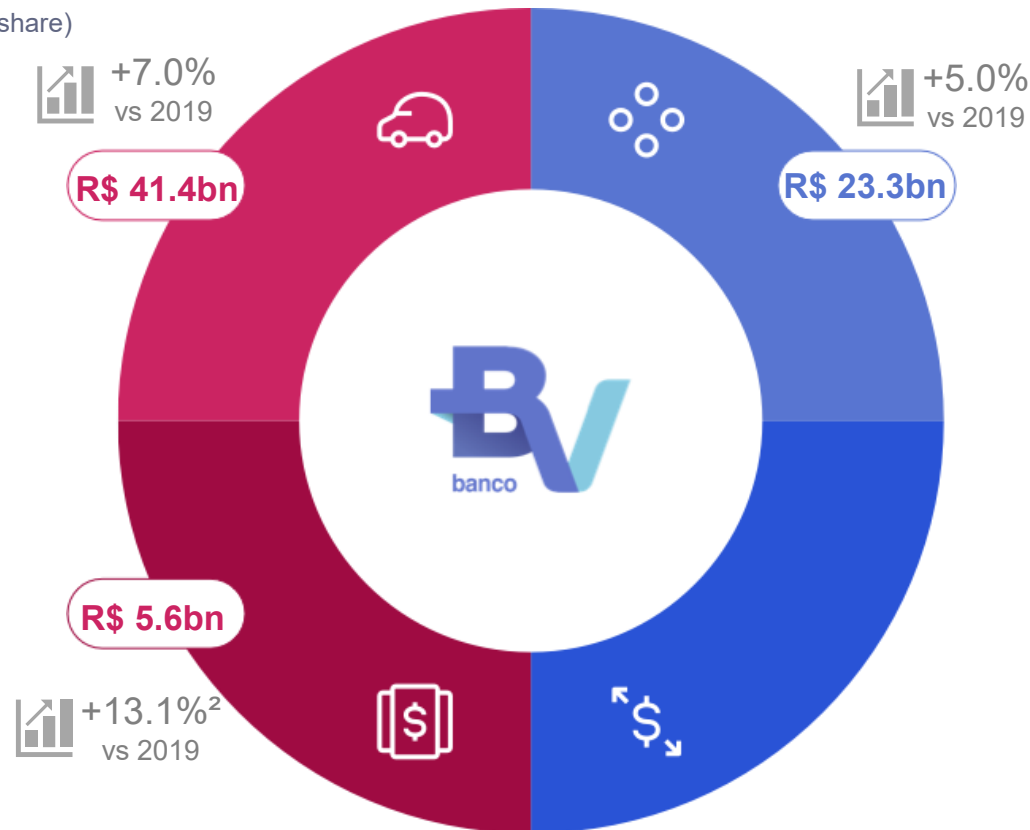
### other businesses

- **Credit Cards:** +1 million credit card accounts. Mastercard, Visa and Elo flags
- **Insurance brokerage:** Auto, credit protection, residential, life, dental, credit card and assistance (residential, funeral, pet)
- **Solar Energy:** 333% growth in the portfolio vs 4Q19 (R\$ 892M)
- **Loans:** Personal loans, private payroll loans, car equity, home equity, student loans, solar panels, tourism and medical procedures

## Credit portfolio<sup>1</sup>

R\$ 70 billion

+6% vs 2019



Innovation Business Unit

## Wholesale

### corporate & investment banking

#### Corporate Banking

- Corporate (> R\$ 300 million)
- Large Corporate (> R\$ 1,5 billion)

#### Banking as a Service (BaaS)

- Settling and custodian bank for startups

### wealth management

#### 19<sup>th</sup> largest asset in Brazil<sup>3</sup>

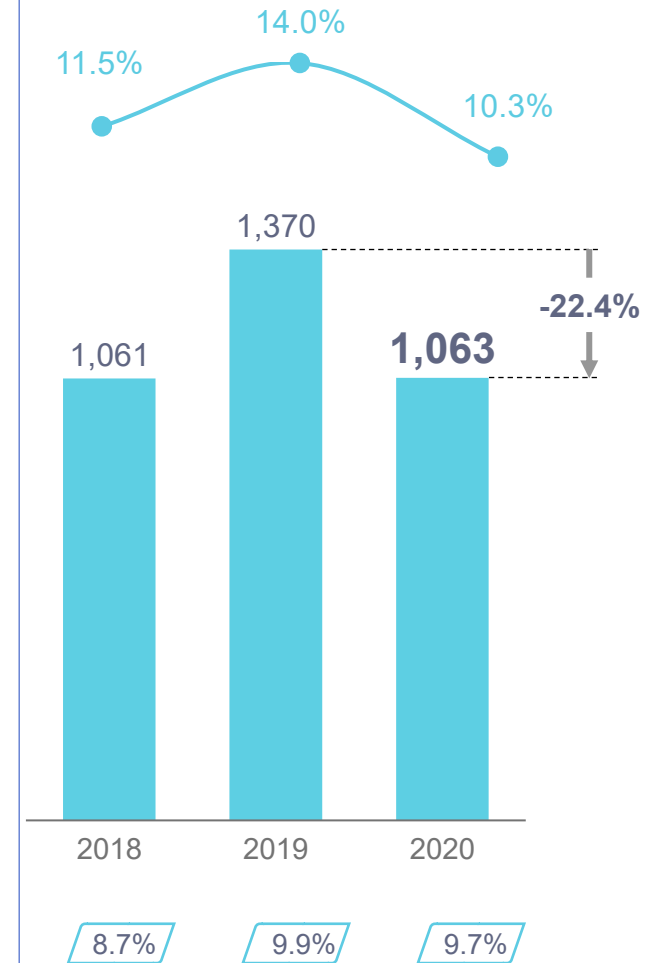
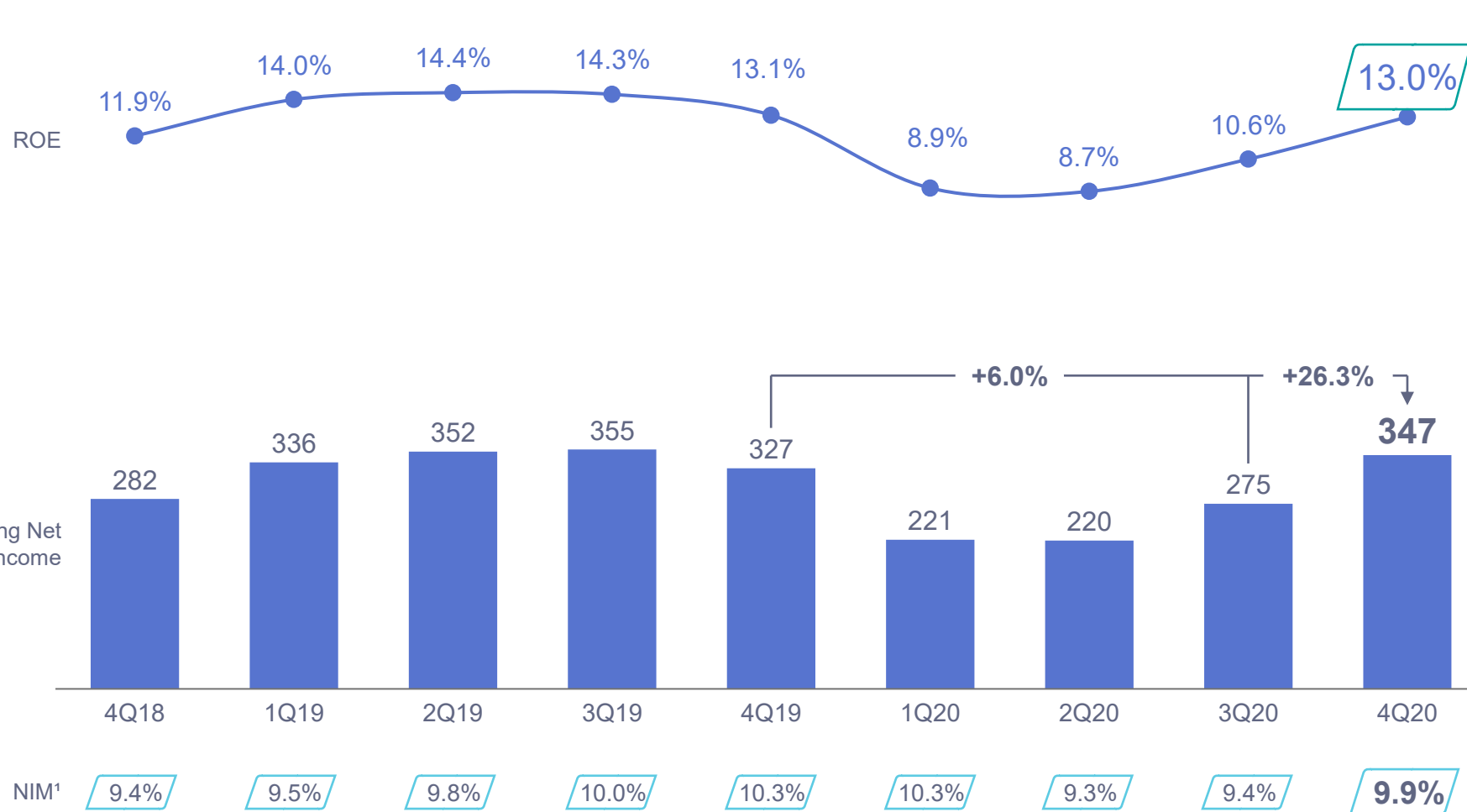
R\$ 49 billion under management (AuM)

39% of managed funds backed by **real economy assets**

**Private BV:** customized solutions for high-income customers

# Recurring net income for 4Q20 totaled R\$ 347M, with 13.0% ROE

## Evolution of Recurring Net Income (R\$M)

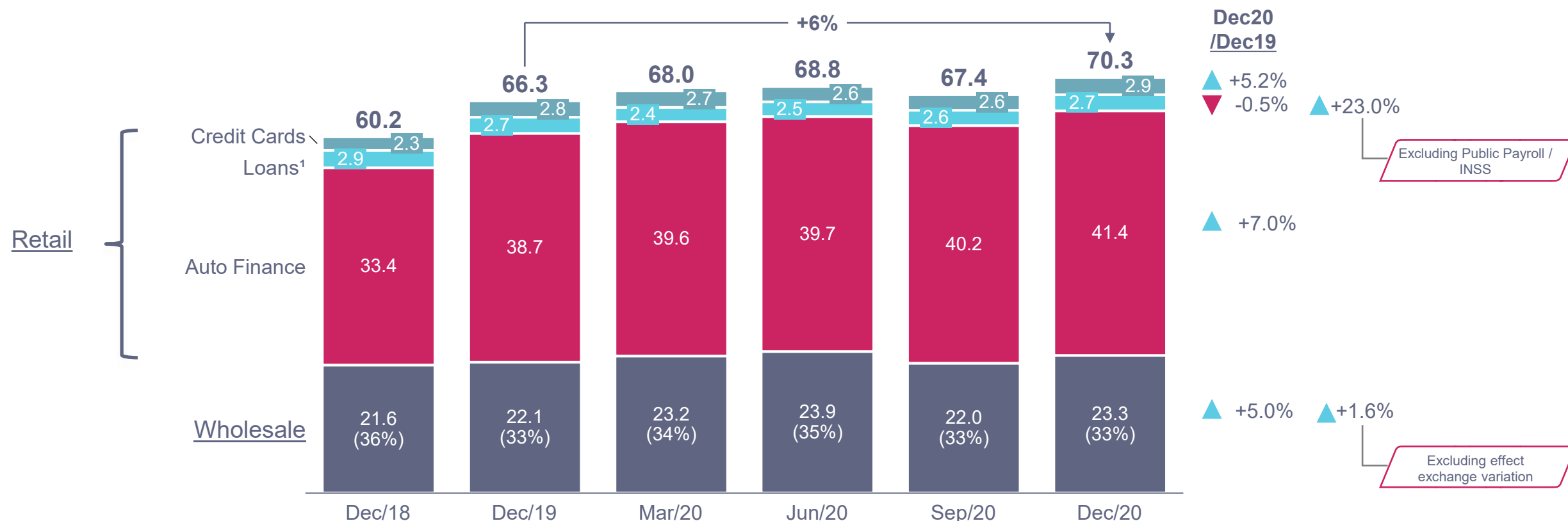


1. Net Interest Margin: Ratio between the gross financial margin with Customers and the average assets sensitive to spreads.

# Consistent growth of the Retail portfolio, with emphasis on diversification

Expanded portfolio grew 6% in 12 months, and the loan portfolio grew 23.0% (excluding Public Payroll / INSS)

## Expanded credit portfolio (R\$B) (includes guarantees provided and private securities)



Focus on profitability and asset quality

1. Portfolio composed of the products: payroll (private and public), financing of solar panels, personal credit (with and without guarantee), home equity and student credit.

# Our Strategic Pillars in 2020

The strategic pillars guide and define our priorities in pursuit of our long-term goals



## Efficiency and financial strength



### Efficiency Ratio

**32.3%** —

vs 32.3% in 2019

Efficiency Shock ensured maintenance of the indicator in an adverse economic year



### Coverage Ratio

**252%** ^

vs 196%  
in Dec/19



### Basel Ratio

**14.6%** v

Core Capital: 11.7%  
vs 11.8% in Dec/19

- Efficient and Light Business Model
- Solid Balance Sheet and Conservative Risk Management



## Continuous improvement of our customers experience



### Reclame Aqui

Banco BV



EXCELLENT

**Best rating among the country's main banks**

(12-month reputation)



### Brazilian Central Bank Complaints Ranking<sup>2</sup>

**Top 2**  
in the Ombudsman  
Quality Ranking

**Lower number**  
of complaints per  
customer among the  
country's largest banks

- Customer Centrality
- Continuous improvement process



## Digital maturity



### Consider having a BV Account



**Launch of an App** that will bring together all BV products in one place: Account, credit card and auto financing.



### BV<sup>x</sup> – New Partnerships and Initiatives



Digital wallet  
(Banking as a Service)<sup>3</sup>



Financing  
solar panels  
(Credit as a Service)



BV led a new  
round of  
investment in  
the startup

- Solutions and Digital Channels
- Open Banking as a pillar for our innovation strategy

# During 2020 we maintained our commitment, divided into three fronts

## Care for People, Business Continuity and ESG schedule



### People

- **Support during a pandemic :**
  - In **partnership with Hospital Sírio Libanês**, we **guarantee 24-hour support** to all employees and their families
  - We launched “**BV Acolhe**”, an exclusive and confidential channel to assist our employees and their families with **psychological assistance**, financial, legal guidance and support in cases of domestic violence
- **Great Place to Work:**
  - **4<sup>th</sup> best company** to work for in the financial market, in the bank's category
  - **89 eNPS<sup>1</sup>**: evaluation of employee satisfaction with working at BV bank
- **Climate survey:**
  - **87% favorability**, an indicator that assesses the quality of BV's organizational climate
  - **97% of employees** declared pride in working at BV bank
- **ESG I Diversity:**
  - **Internship Program 2021** | They for them. Dedicated to those who identify with the female gender
  - **Young Apprentice Program 2021**. Exclusive for black people



### Business Continuity

- **Core business resilience:** rapid resumption in auto finance, 100% supported by the digital process. **In 3Q20, production reached pre-pandemic levels**
- **Increase use of digital channels :** has enabled business continuity. **Increase in customers who contacted us via digital channels reached 79% in Dec/20 vs 67% in Jan/20**
- **Fall in Delinquency:** as of august 2020 the numbers have dropped to pre-pandemic levels
- **Diversified business portfolio:** economic instability generated by the pandemic underscored the importance of business diversification.

1- employee Net Promoter Score is a metric to measure the level of employee satisfaction

# During 2020 we maintained our commitment, divided into three fronts

## Care for People, Business Continuity and ESG schedule



### ESG (Environmental, Social and Governance)

#### ENVIRONMENTAL



**Offsetting CO2 emissions from financed vehicles:**  
We have a public commitment to offset 100% of the CO2 emissions from cars that we will finance from 2021



**Carbon Free:** as of 2019, BV is offsetting its total direct GHG (greenhouse gas) emissions



**Green Bond:** 1<sup>ST</sup> Brazilian private bank to issue



**Clean energy :** 333% growth<sup>1</sup> in solar panel financing



#### Orchard Project :

we contributed to the environmental recovery of the marginal Pinheiros River (SP), planting around 200 trees in 2020.

#### We are signatories to:



**Global Compact (UN):** we joined the Global Compact Brazil Network, the focus will be on four SDGs<sup>2</sup>

#### Equator Principle

Since 2016, being the 5th Brazilian bank to sign the commitment

#### PRI

**Principles of Responsible Investment**  
BV Asset has been a signatory since 2019

#### SOCIAL



**Combating Coronavirus:** we developed a series of support initiatives and impacted more than 500,000 people:

- **Donation of R\$ 30 million:** aimed at supporting vulnerable families and hospital infrastructure
- **Vaccine factory:** donation<sup>3</sup> for the construction of the first vaccine factory against Covid-19 in Latin America
- **Social mobilization campaign:** collection of R\$ 2.6 million donated to combat Covid-19
- **Credit line:** R\$ 50 million at cost price for national suppliers of essential hospital equipment and services.



#### Social projects :

We continue to support sports projects (BV Sports platform) and distribute R\$ 12 million in tax incentive laws for culture, health, childhood and adolescence projects and the elderly.



#### Partnership valuing education:

Support to the program that was present in 5 states and 75 municipalities, with +1,900 schools benefited and impacting more than 387,000 students.

#### GOVERNANCE



**Policies:** credit policy with social and environmental restrictions



**Leadership goals:** from 2021, the executive board will have goals and incentives for businesses linked to ESG initiatives



**Sustainability Committee:** New committee defines the bank's ESG objectives and strategies



**Sustainable leaders schedule:** for the 2<sup>nd</sup> consecutive year we were awarded, this time in the category *"Leading Institution in Responsible Investment"*.



# Result Analysis






## 4<sup>th</sup> Quarter and FY'20



# Recurring net income for 4Q20 totaled R\$ 347M, with 13.0% ROE

BV bank operation remains solid and profitable, and has shown resilience in the face of the effects of the crisis

## Results Highlights

 <b>Net Income</b>	<p>▲ <b>+26.3%</b> (4Q20/3Q20)</p> <p>▼ <b>-22.4%</b> (2020/2019)</p>	<p><b>R\$ 347M</b></p> <p><b>R\$ 1,063M</b></p>	<p>▲ <b>Net Income of R\$ 347M in 4Q20</b>, compared to R \$ 275m in 3Q20, growth of 26.3%. In 2020, net income was R\$ 1,063 million, down 22.4% vs. 2019, due to the effects of the pandemic.</p> <p>▲ Return on Equity (ROE) of <b>13.0% y.y.</b> in 4Q20 (10.6% in 3Q20). In 2020, ROE was 10.3% (14% in 2019).</p>
 <b>Revenue</b>	<p>▲ <b>+6.9%</b> (4Q20/3Q20)</p> <p>▲ <b>+0.7%</b> (2020/2019)</p>	<p><b>R\$ 2,231M</b></p> <p><b>R\$ 8,506M</b></p>	<p>▲ Total revenue (gross margin + revenue from services and insurance) increased 6.9% in the 4Q20 / 3Q20 comparison, reflecting the diversification in Retail, an increase in revenue from services and insurance.</p> <p>▲ Net Interest Margin (NIM) increased 0.5 pp compared to the previous quarter (9.9% in 4Q20, compared to 9.3% in 3Q20), reflecting the drop in interest-free renegotiated portfolios in the context of the pandemic (pro-client shares )</p>
 <b>Cost of Risk<sup>1</sup></b>	<p>▼ <b>-16.3%</b> (4Q20/3Q20)</p> <p>▲ <b>+29.2%</b> (2020/2019)</p>	<p><b>R\$ 465M</b></p> <p><b>R\$ 2,807M</b></p>	<p>▲ Reduction of 16.3% in the comparison 4Q20 / 3Q20, reflecting the gradual improvement of default indicators. In the 2020/2019 comparison, we registered an increase of 29.2%, as a result of the impacts of the COVID-19 pandemic.</p> <p>▲ <b>90-day Coverage Ratio reached 252% in Dec/20 (Dec/19: 196%).</b></p>
 <b>Delinquency (NPL90)</b>	<p>▼ <b>-0.7 p.p.</b> (Dec20/Sep20)</p> <p>▼ <b>-1.0 p.p.</b> (Dec20/Dec19)</p>	<p><b>NPL 90</b></p> <p><b>3.5%</b></p>	<p>▲ 90-day NPL of 3.5% in Dec/20, <b>decreased of 1,0 p.p in th year.</b></p> <ul style="list-style-type: none"> <li>○ <u>Retail</u>: NPL 90 of 4.3%, decreased of 0.6 p.p in comparison with Dec/19</li> <li>○ <u>Atacado</u>: NPL 90 decreased to 0.5%, comparable to 2.8% in Dec/19.</li> </ul>
 <b>Efficiency Ratio<sup>2</sup></b>	<p><b>- p.p</b> (Dec/20/Dec19)</p>	<p><b>ER</b></p> <p><b>32.3%</b></p>	<p>▲ <b>Efficiency Ratio of 32.3%</b> in Dec/20, in line with the indicator of Dec / 19, showing the resilience in the results, pressured by the effects of the crisis generated by the pandemic of COVID-19.</p>

1. Includes credit recovery revenues, provisions for guarantees provided, discounts granted and Wholesale impairments; 2. Last 12 months.

# In a challenging year, the result proved to be resilient

Net Financial Margin increase 16.8% in 4Q20 vs 3Q20

## Managerial Income Statment

(R\$ Millions)	4Q19	3Q20	4Q20	2019	2020	Δ 4Q20/3Q20	Δ 4Q20/4Q19	Δ 2020/2019
<b>Net Interest Income (A)</b>	<b>1,626</b>	<b>1,573</b>	<b>1,653</b>	<b>6,412</b>	<b>6,518</b>	<b>5.1%</b>	<b>1.7%</b>	<b>1.7%</b>
Cost of Risk <sup>1</sup> (B)	(591)	(556)	(465)	(2,173)	(2,807)	-16.3%	-21.3%	29.2%
<b>Net Financial Margin (A+B)</b>	<b>1,035</b>	<b>1,017</b>	<b>1,188</b>	<b>4,239</b>	<b>3,711</b>	<b>16.8%</b>	<b>14.8%</b>	<b>-12.5%</b>
<b>Income/Expenses</b>	<b>(538)</b>	<b>(591)</b>	<b>(676)</b>	<b>(2,070)</b>	<b>(2,202)</b>	<b>14.5%</b>	<b>25.7%</b>	<b>6.3%</b>
Income from Services and Baking Fees	540	513	578	2,035	1,988	12.6%	7.0%	-2.3%
Personnel <sup>2</sup> and Administrative Expenses	(575)	(609)	(582)	(2,140)	(2,194)	-4.4%	1.2%	2.5%
Tax Expenses	(158)	(134)	(144)	(578)	(538)	7.4%	-9.0%	-7.0%
Other Income/Expenses	(344)	(361)	(528)	(1,387)	(1,458)	46.5%	53.4%	5.1%
<b>Income before taxes</b>	<b>497</b>	<b>427</b>	<b>511</b>	<b>2,168</b>	<b>1,509</b>	<b>19.8%</b>	<b>2.9%</b>	<b>-30.4%</b>
Income Tax and Profit Sharing	(170)	(152)	(165)	(798)	(446)	8.1%	-3.0%	-44.1%
<b>Recurring Net Income</b>	<b>327</b>	<b>275</b>	<b>347</b>	<b>1,370</b>	<b>1,063</b>	<b>26.3%</b>	<b>6.0%</b>	<b>-22.4%</b>

**Our core business once again proved resilient in period of crisis, with a quick resumption and with consistent improvement in results**

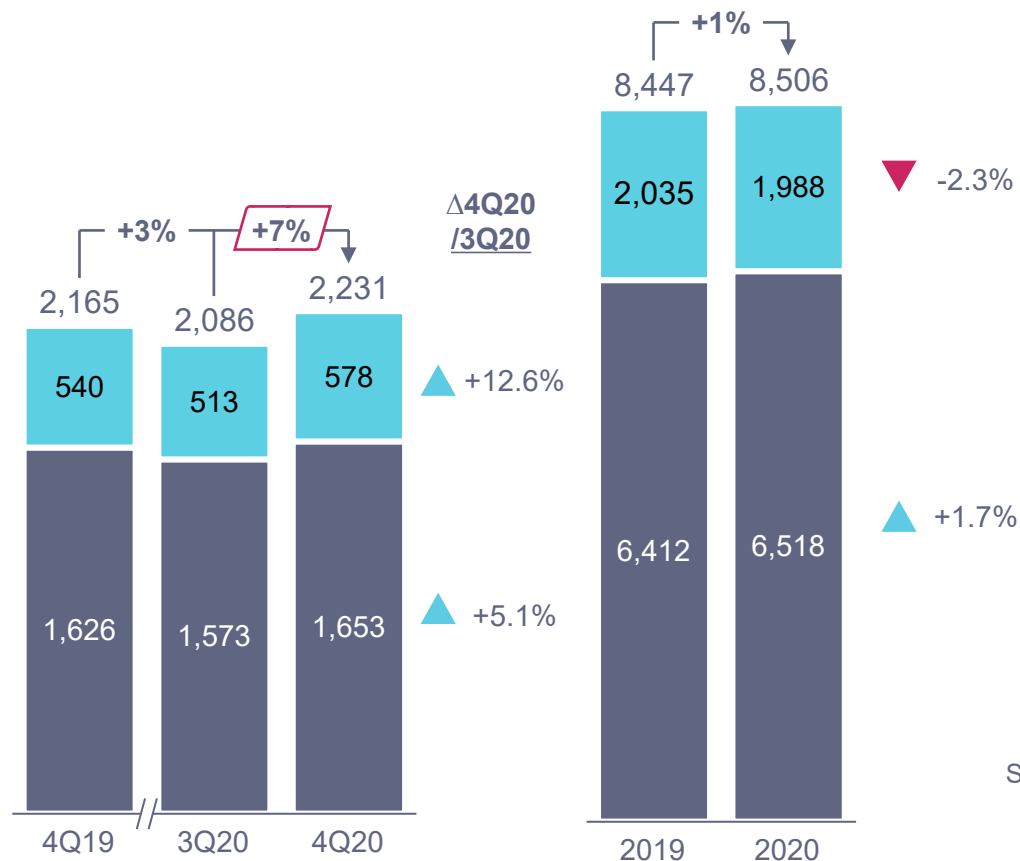
# Revenue generation demonstrates rapid business recovery

NIM with strong recovery with the dilution of the effects of renegotiations without additional interest charges

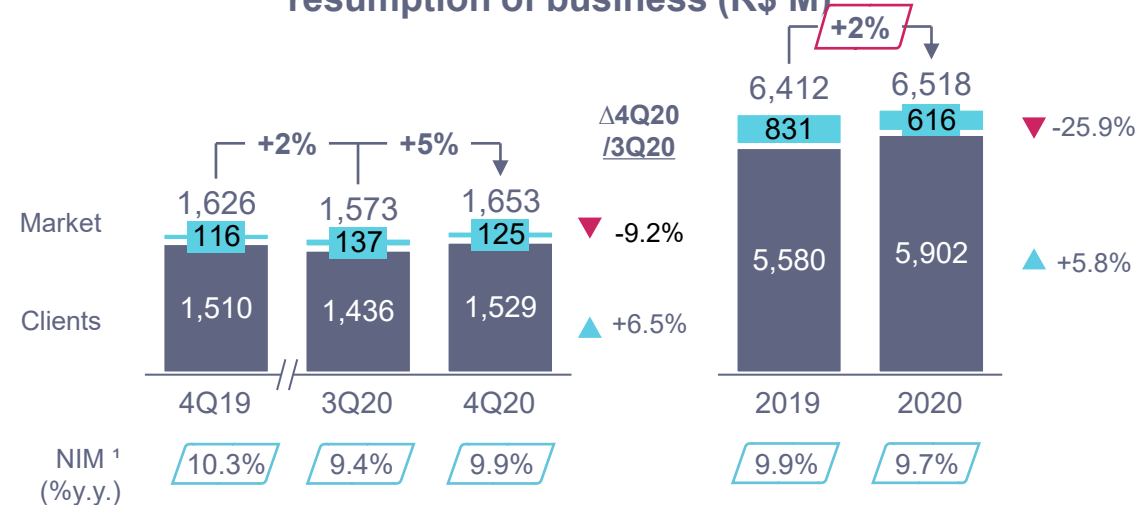
## Revenue (R\$ M)

Services and Insurance

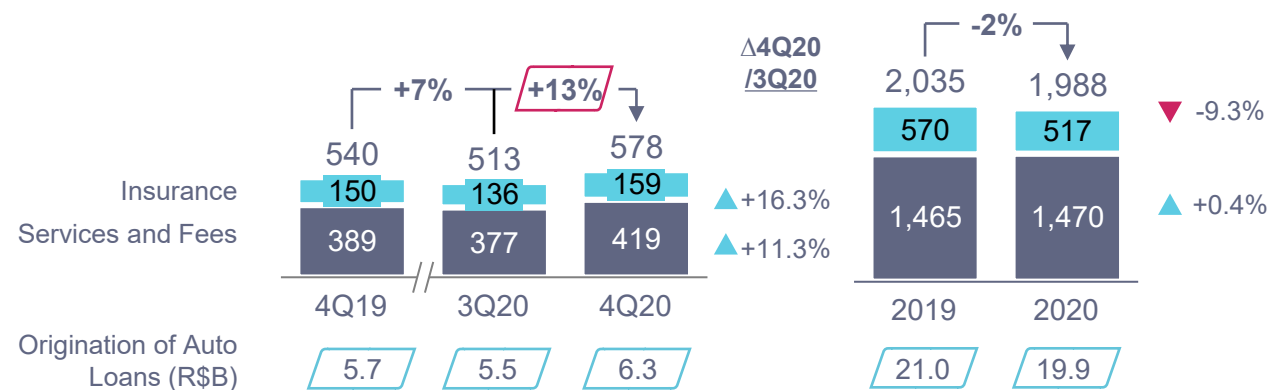
Net Interest Income



## NIM increase to 9.9% in 4Q20, reflection the gradual resumption of business (R\$ M)



## Services and insurance revenue increased by 12.6% in 4Q20 vs 3Q20 (R\$ M)

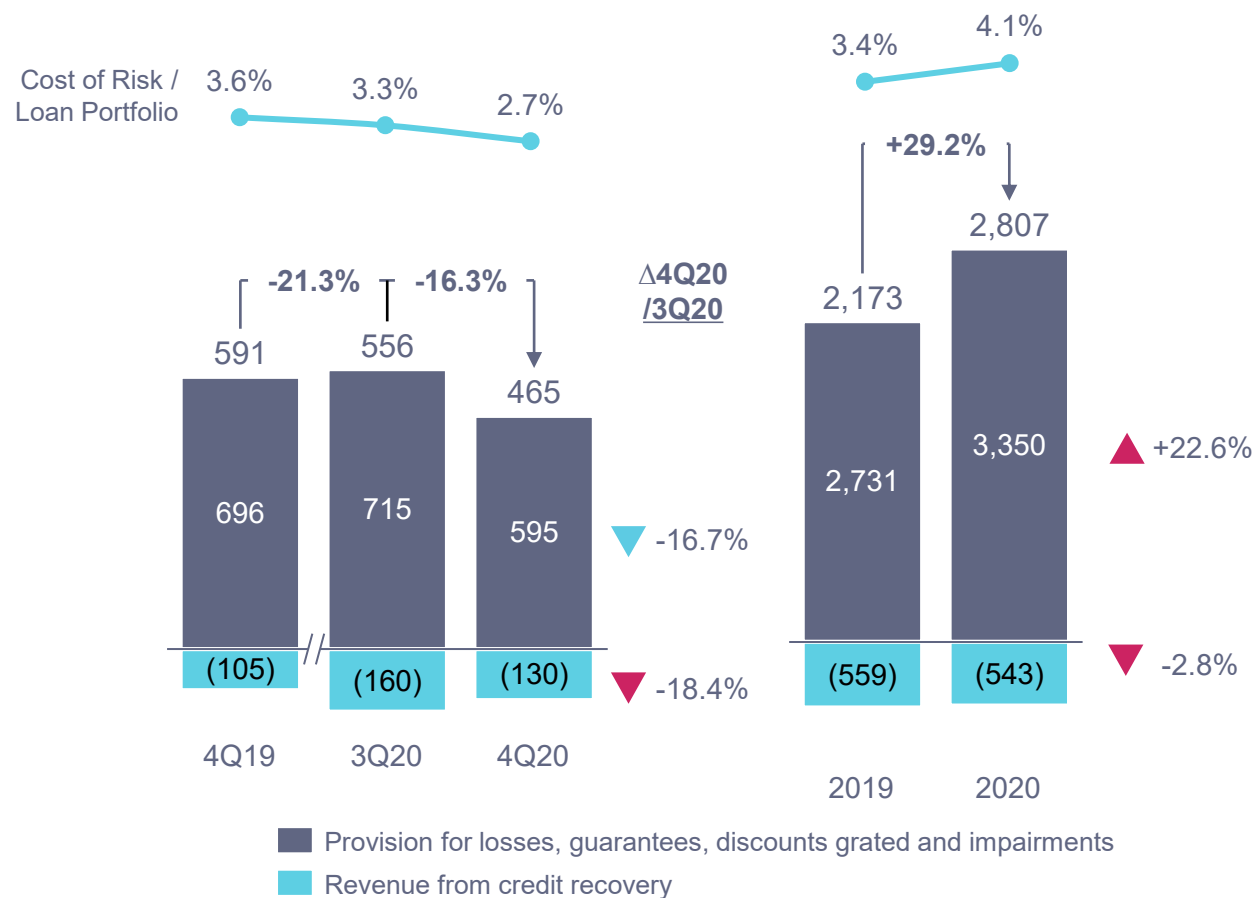


1. Net Interest Margin: Ratio between the gross financial margin with Customers and the average assets sensitive to spreads.

# Cost of Risk in 4Q20 reflects the gradual improvement in delinquency indicators, with coverage ratio reaching 252%

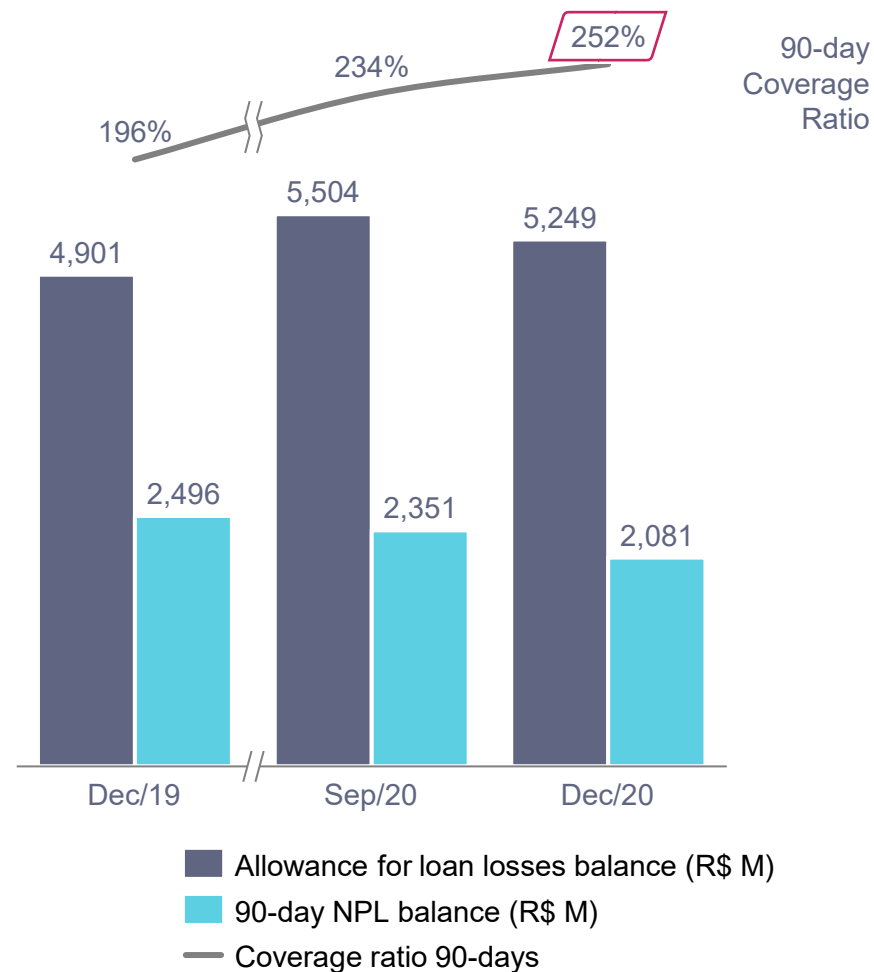
## Cost of Risk decreased of 16.3% vs 3Q20 (R\$ M)

Provision for losses<sup>1</sup>, guarantees, discounts grated and impairments -(R\$M)



## 90-day Coverage Ratio remains in a robust level

90-day Coverage Ratio<sup>2</sup>



1. Net of credit recovery revenues; 2. Ratio between the PDD balance and the balance of credit operations overdue for more than 90 days; includes provisions for guarantees provided.



# Retail Renegotiated Portfolio: Supporting our customers during the pandemic

Our approach to negotiations has enabled us to take care of our customers and mitigate credit risk



## Solutions to fulfill the needs of our clients



**60 days no interest**  
Same installment value



**+ de 800,000** clients  
benefited

**248%**

Coverage Ratio<sup>2</sup> of the  
Renegotiated Portfolio



After 60 days, we offer  
additional terms<sup>1</sup>



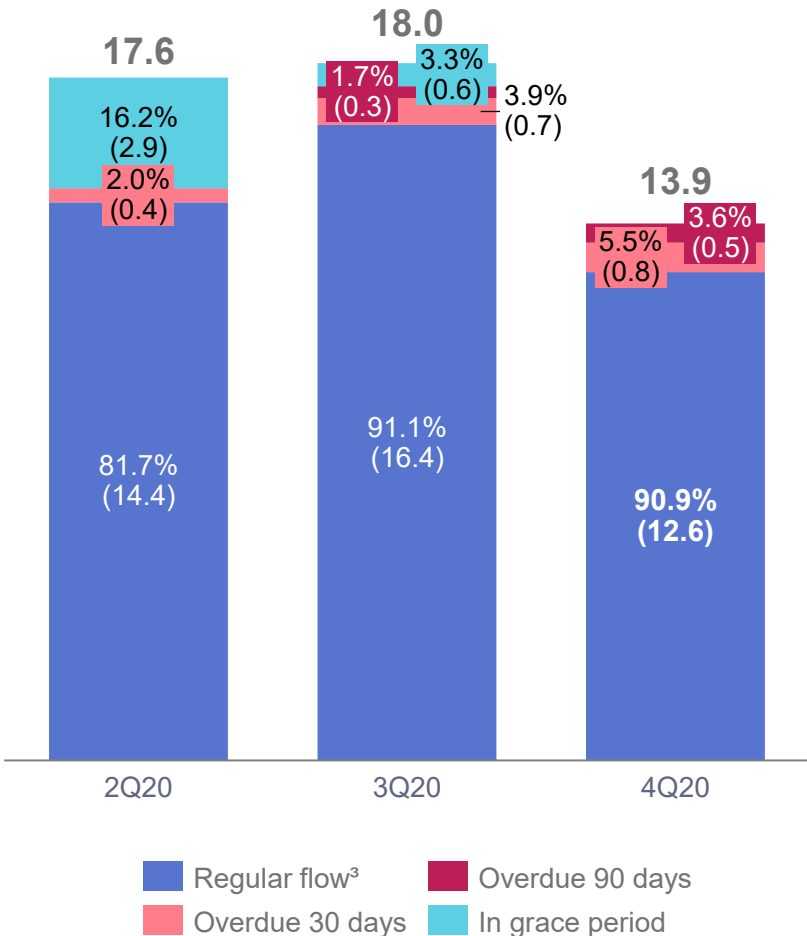
**78%**  
Sign-up through digital  
channels

**98%**  
of the portfolio with real  
collateral

**Renegotiation initiative focused on non-overdue or up to 30 days overdue clients**

## Renegotiated Retail Portfolio

R\$ B

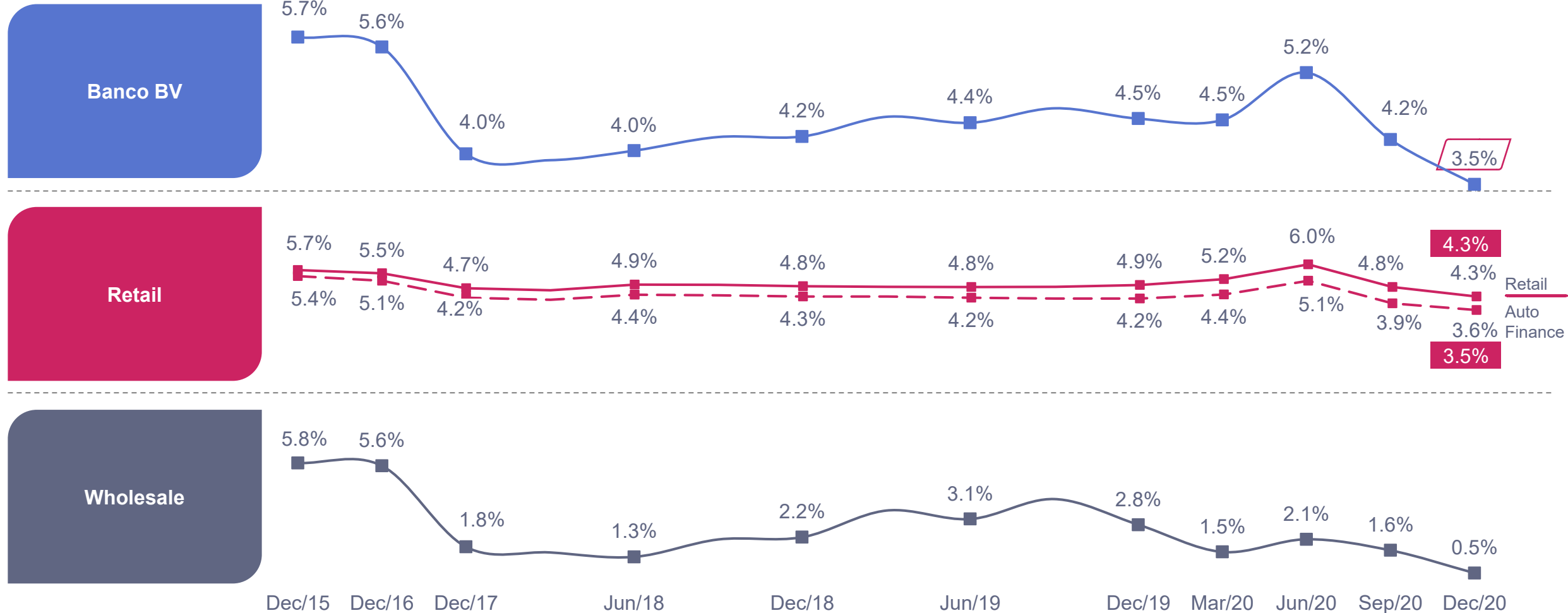


1 - After 60 days, there was no interest exemption 2 - Coverage ratio on the overdue portfolio over 90 days 3 - Defaulting and non-performing up to 30 days

# NPL 90 of 3.5% in Dec/20, decrease of 1.0 p.p. vs. Dec/19

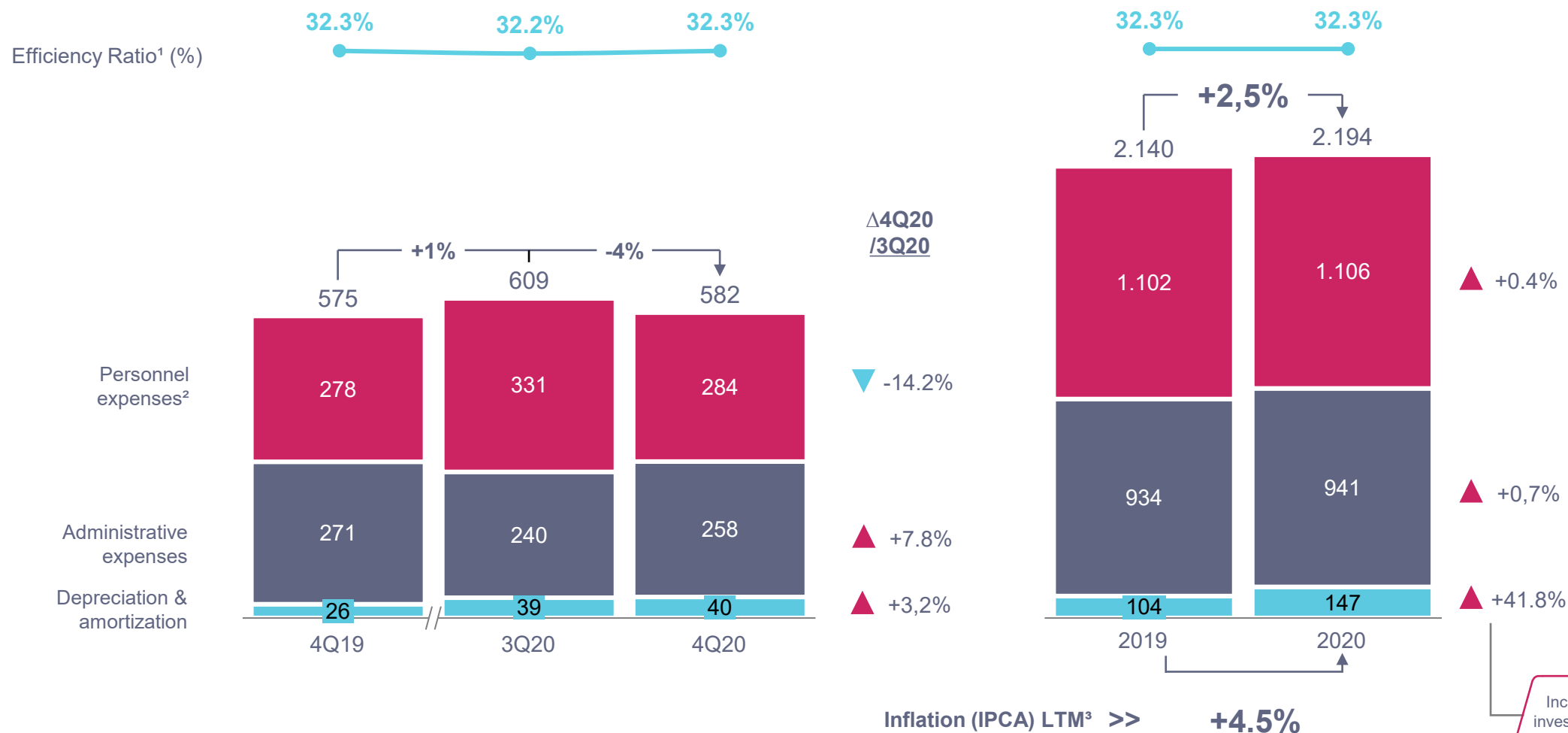
Retail: decrease of 0.6 p.p vs. Dec/19 Wholesale: decrease of 2.3 p.p

## 90-day NPL ratio of the loan portfolio (%)



# Growth in expenses below inflation in the period allowed the Efficiency Ratio to remain in a very healthy level

## Personnel and administrative expenses (R\$M)



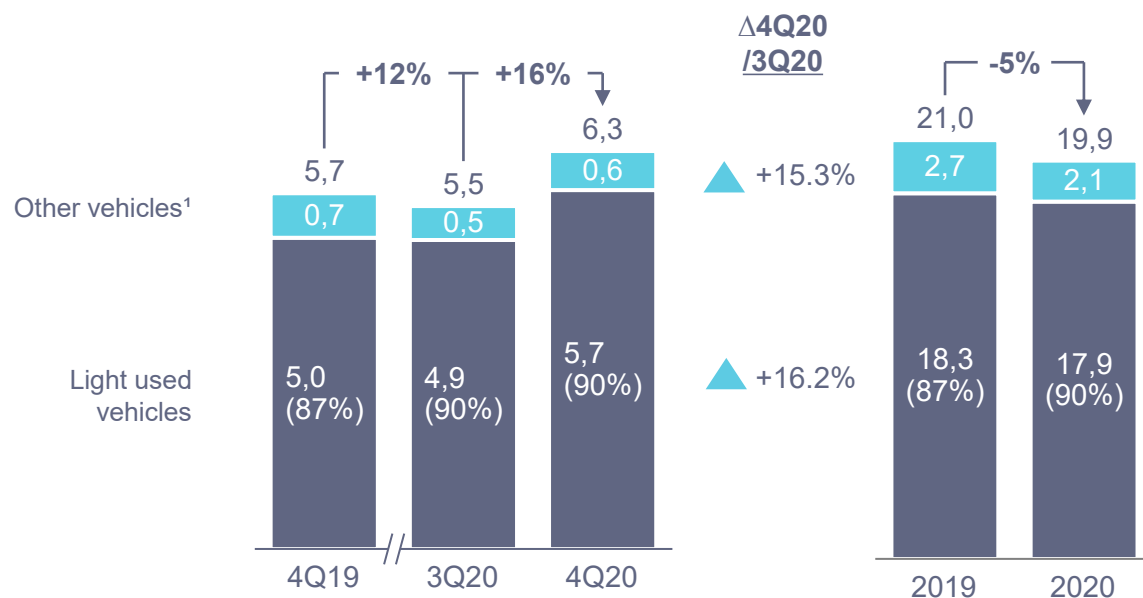
1. Does not consider labor claims, last 12 months. Change in the historical indicator due to the adoption of recurring earnings; 2. Consider PLR expenses; 3. Accumulated, last 12 months, IBGE source.



# Auto Finance: origination grew by 16% in 4Q20, exceeding pre-pandemic levels

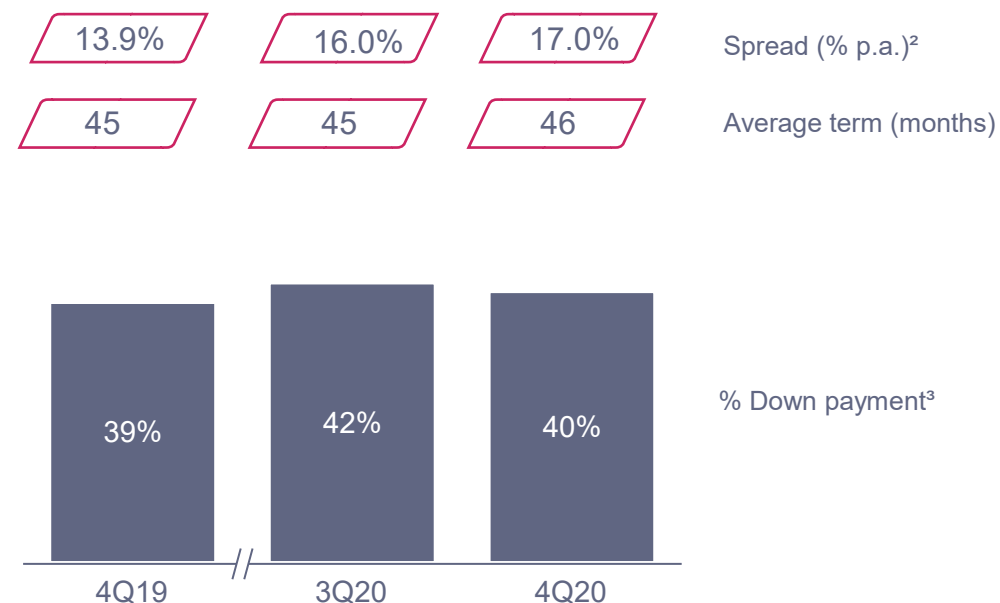
Focus on used auto loans, which accounted for 90% of 4Q20 origination

Origination of auto loans (R\$B)



Maintaining prudence in credit standards

% Down payment, average term and spread

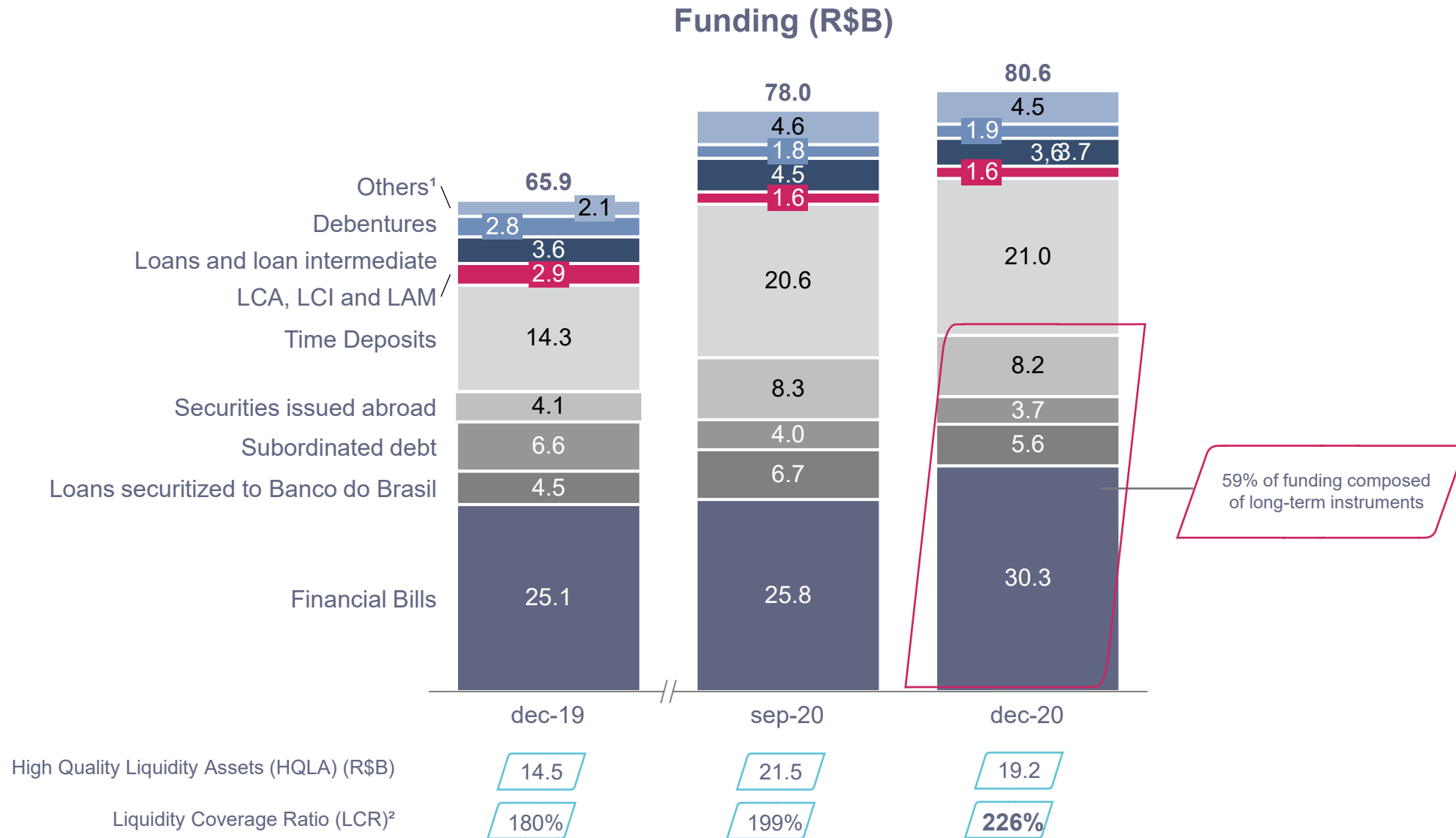


Leader in the light used vehicles segment with 25% market share

1. New cars, trucks and motorcycles; 2. Spread between the weighted average rate and the SELIC accrued over the period; 3. Calculated on the informed value of the asset.  
Note: In the 4Q20, the average ticket size was R\$26,100 and the average vehicle age was 6.0 years (portfolio).

# Funding volume amounted to R\$ 80.6 billion in Dec/20

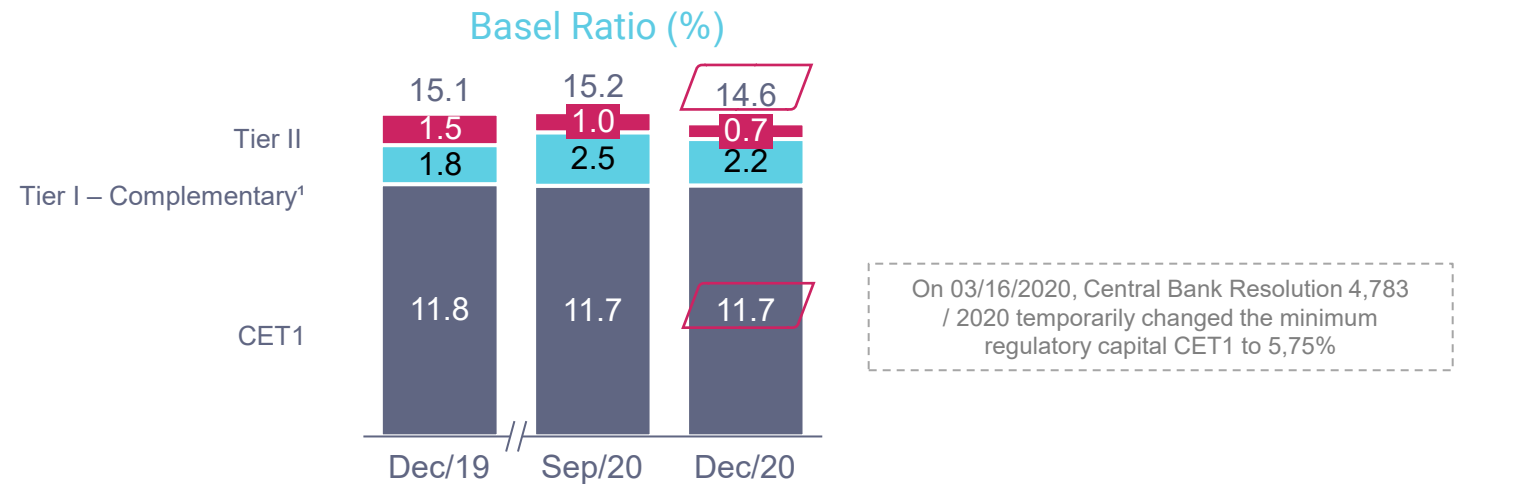
Stable funding instruments accounted for 59% of total funding and reaching LCR of 226%



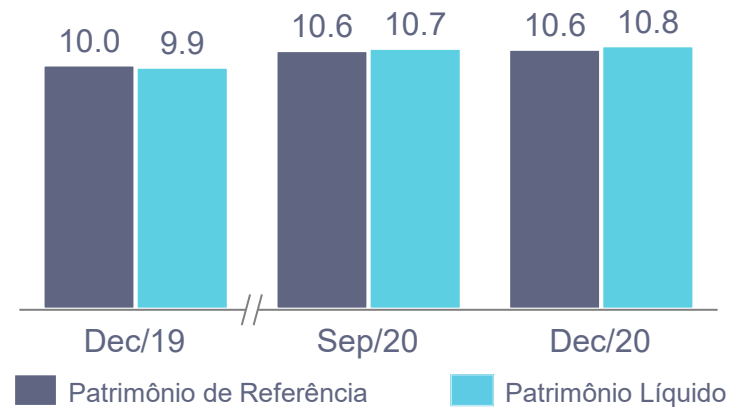
1. Includes cash and interbank deposits. 2. Ratio of total high quality liquid assets (HQLA) and the total cash inflows for a 30 days period in a stress scenario, being the minimum regulatory of 100%. Does not consider standby credit facility with Banco do Brasil.

# Basel ratio of 14.6% in Dec/20

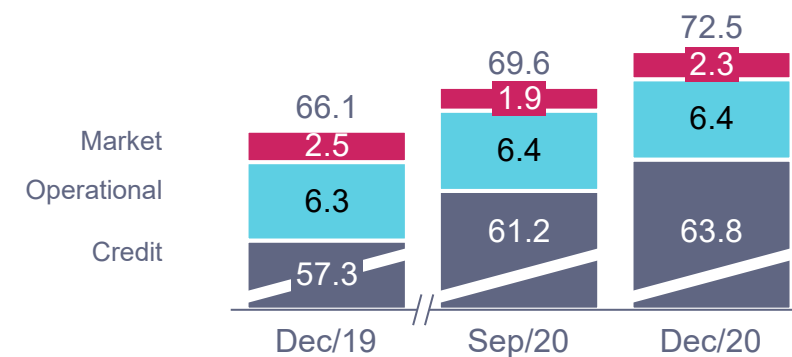
Tier I Capital of 13.9%, with 11.7% of CET1



## Total Capital and Shareholders Equity (R\$B)



## Risk-weighted assets – RWA (R\$B)

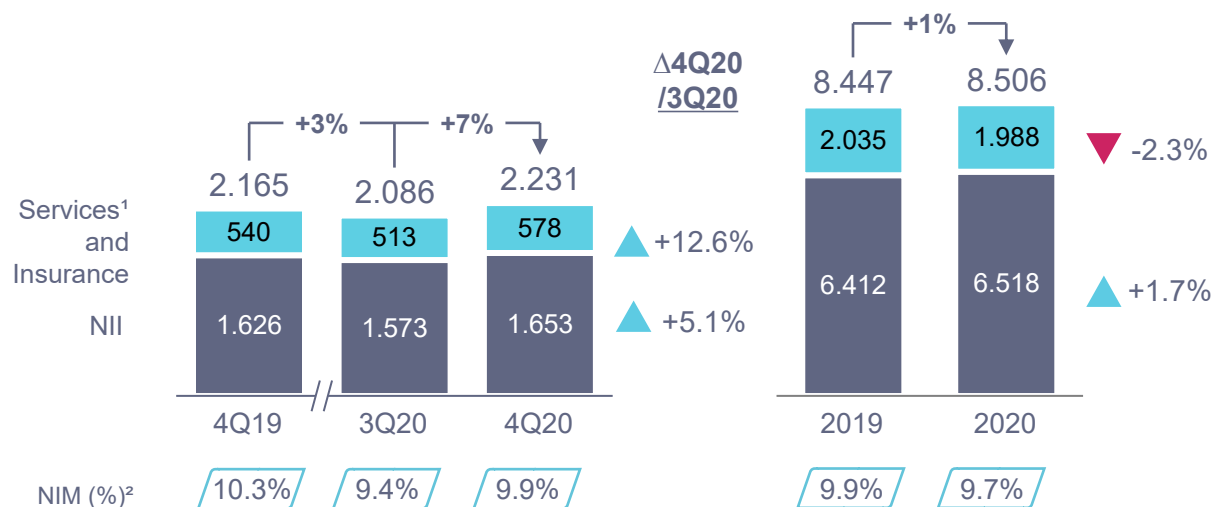


**Capital base remained solid despite the impacts of the strong market volatility generated by the pandemic crisis**

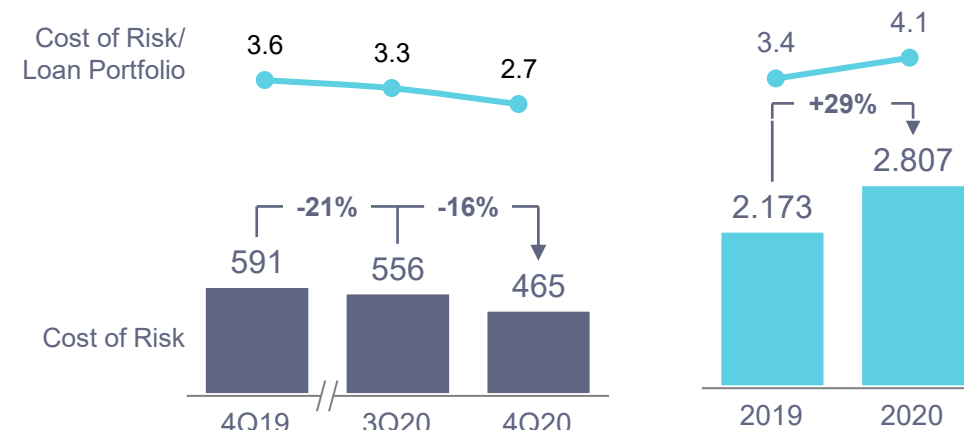
1. On Nov / 17 the Bank issued USD 300M in perpetual bonds, which were approved in Mar/18 to compose complementary CET1. Note: In 2020, the minimum regulatory capital requirement was 9.25% for the Basel Ratio, 7.25% for Tier I Capital Ratio and 5.75% for CET1

# Recurring Net Income totaled R\$1.1 billion, with ROE of 10.3% in 2020

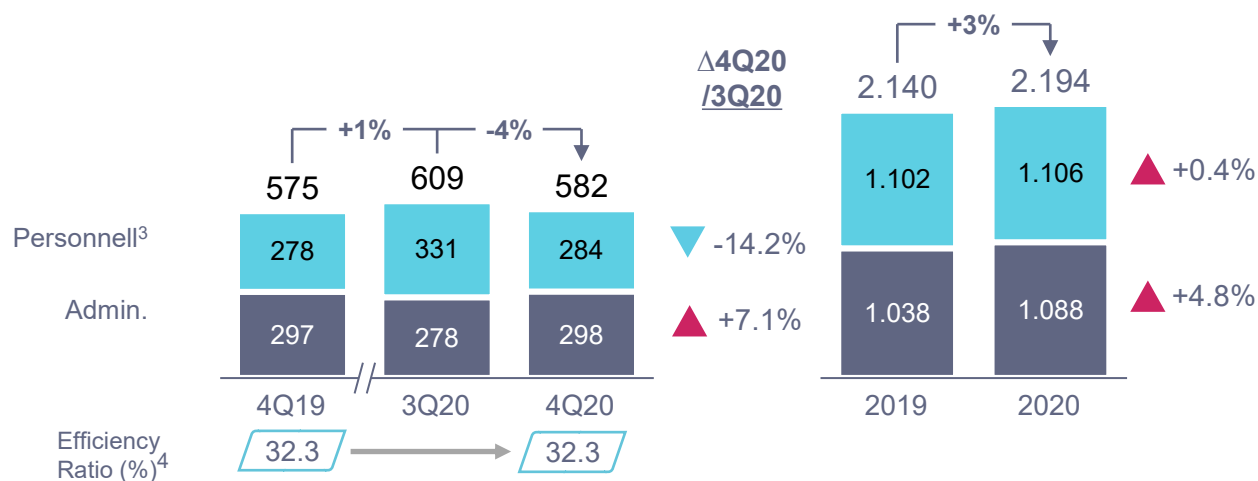
## NII and Income from Service<sup>1</sup> and Insurance (R\$ M)



## Cost of Risk (R\$ M)



## Personnel and Administrative Expenses (R\$ M)



## Net Income (R\$ M) and ROE



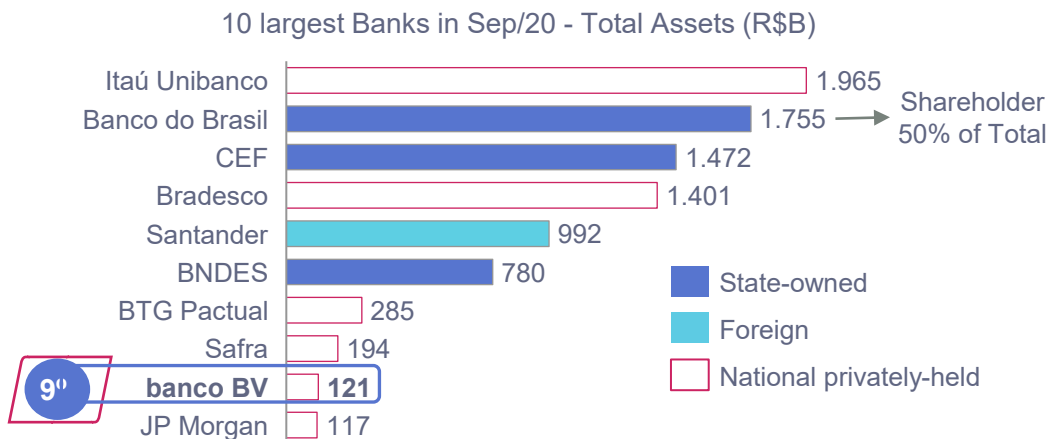
1 - Income from services and banking fees; 2 - Net Interest Margin: Ratio between Financial Margin with clients and the average assets sensitive to spread. 3 - Includes profit sharing expenses. 4 - Last 12 months. Excludes expenses with labor lawsuits. 5- Donation of R\$ 30M made by BV to support the fight against the Covid-19 pandemic, net of taxes.

# Appendix

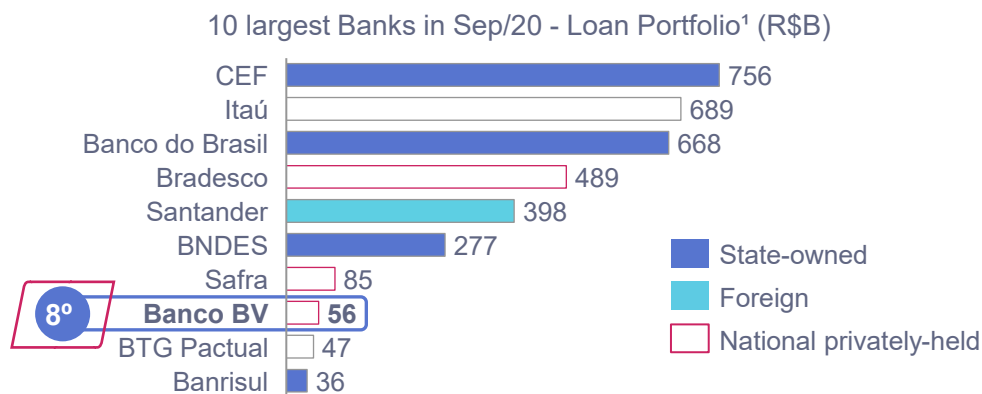
# Banco BV is one of the leading banks in Brazil

Top 10 in total assets, with strong shareholders and corporate governance practices

Banco BV is one of the largest privately-held Brazilian banks in total assets...

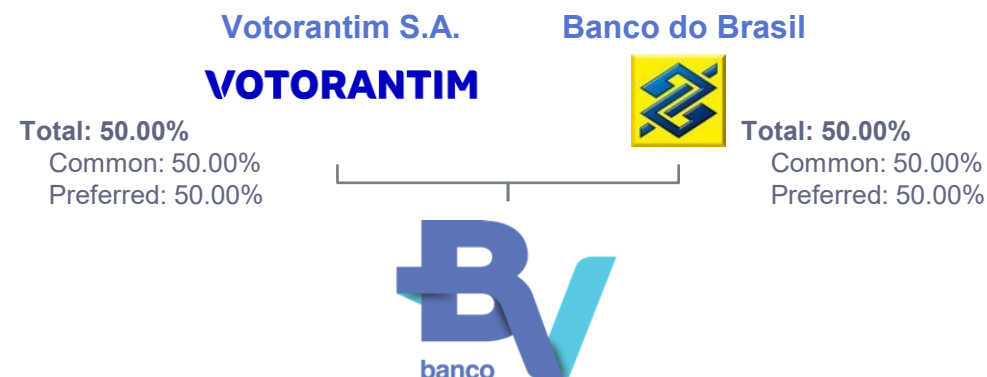


... and also in terms of loan portfolio

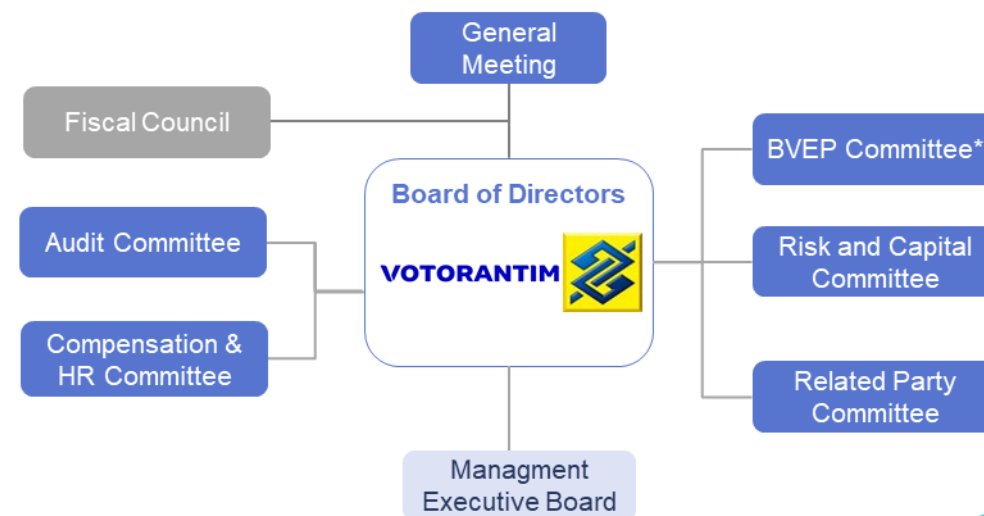


1. On-balance loan portfolio according to Central's Bank Resolution 2.682.

## Ownership Structure



## Corporate Governance Structure



\* BV Empreendimentos e Participações

## Balance sheet

BALANCE SHEET   Assets (R\$ M)	dec/19	sep/20	dec/20
<b>Cash and cash equivalents</b>	<b>1,052</b>	<b>3,683</b>	<b>4,808</b>
<b>Financial Assets</b>	<b>86,703</b>	<b>106,365</b>	<b>101,583</b>
Interbank funds applied	2,532	7,159	4,991
Securities and derivative financial instruments	27,720	33,348	34,198
Derivative financial instruments	2,737	6,739	3,621
Interbank accounts or relations	1,772	870	984
Loan Operation	55,676	56,396	59,444
Allowance for loans losses	(4,716)	(5,279)	(5,015)
Other financial assets	982	7,132	3,359
<b>Tax assets</b>	<b>7,229</b>	<b>8,101</b>	<b>8,036</b>
<b>Investments and interests in associates and subsidiaries</b>	<b>49</b>	<b>19</b>	<b>19</b>
<b>Fixed asset</b>	<b>94</b>	<b>96</b>	<b>95</b>
<b>Intangible</b>	<b>334</b>	<b>471</b>	<b>463</b>
<b>Other assets</b>	<b>1,400</b>	<b>1,298</b>	<b>1,272</b>
<b>TOTAL ASSETS</b>	<b>96,862</b>	<b>120,033</b>	<b>116,277</b>

BALANCE SHEET   Liabilities (R\$ M)	dec/19	sep/20	dec/20
<b>Financial Liabilities</b>	<b>84,001</b>	<b>106,453</b>	<b>102,518</b>
Deposits	16,356	25,198	25,510
Money Market borrowings	15,206	16,067	15,029
Acceptances and endorsements	32,066	35,713	40,155
Interbank accounts	1,642	1,572	1,888
Borrowings and onlendings	3,578	4,517	3,745
Derivative financial instruments	2,935	5,630	3,606
Subordinated debts and debt instruments eligible for equity	6,597	4,024	3,693
Other financial liabilities	5,621	13,730	8,892
<b>Tax liabilities</b>	<b>567</b>	<b>432</b>	<b>606</b>
<b>Provisions for contingencies</b>	<b>906</b>	<b>868</b>	<b>819</b>
<b>Other liabilities</b>	<b>1,502</b>	<b>1,629</b>	<b>1,581</b>
<b>Shareholders equity</b>	<b>9,886</b>	<b>10,652</b>	<b>10,754</b>
<b>TOTAL LIABILITIES</b>	<b>96,862</b>	<b>120,033</b>	<b>116,277</b>

## Managerial Income Statement

INCOME STATEMENT (R\$ M)	4Q19	3Q20	4Q20
<b>Net Interest income - NII</b>	<b>1,626</b>	<b>1,573</b>	<b>1,653</b>
Cost of Risk	(591)	(556)	(465)
<b>Net financial margin</b>	<b>1,035</b>	<b>1,017</b>	<b>1,188</b>
<b>Other income / expenses</b>	<b>(538)</b>	<b>(591)</b>	<b>(676)</b>
Fee income	540	513	578
Personnel <sup>1</sup> and administrative expenses	(575)	(609)	(582)
Tax expenses	(158)	(134)	(144)
Other income/expenses	(344)	(361)	(528)
<b>Income before taxes and contributions</b>	<b>497</b>	<b>427</b>	<b>511</b>
Provision for income tax and social contribution	(170)	(152)	(165)
<b>Net Income</b>	<b>327</b>	<b>275</b>	<b>347</b>

## Key Indicators

%	4Q19	3Q20	4Q20
<b>Return on Average Equity (ROAE) - linear</b>	<b>13.1</b>	<b>10.6</b>	<b>13.0</b>
<b>Return on Average Assets (ROAA)</b>	<b>1.3</b>	<b>0.9</b>	<b>1.2</b>
<b>Net Interest Margin<sup>2</sup> (NIM)</b>	<b>10.3</b>	<b>9.4</b>	<b>9.9</b>
<b>Efficiency Ratio – accumulated 12 months<sup>3</sup></b>	<b>32.3</b>	<b>32.2</b>	<b>32.3</b>

1. Includes profit sharing expenses; 2. - Net Interest Margin: Ratio between Financial Margin with clients and the average assets sensitive to spread. 3. IE = personnel, profit sharing expenses and administrative expenses / (gross financial margin + service and fee income + other operating income + other operating expenses + tax expenses), excludes labor claims.

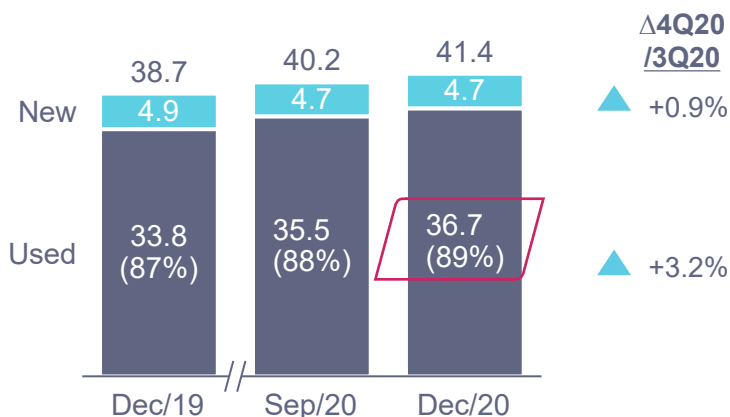
# Consumer Finance: focus on used light vehicles and strong presence in insurance brokerage



## Consumer finance business

### Auto Finance

Credit portfolio (R\$ B)



Active dealers<sup>1</sup> 19.0 mil 19.7 mil 20.7 mil

Among the main competitive advantages in the segment, we highlight:

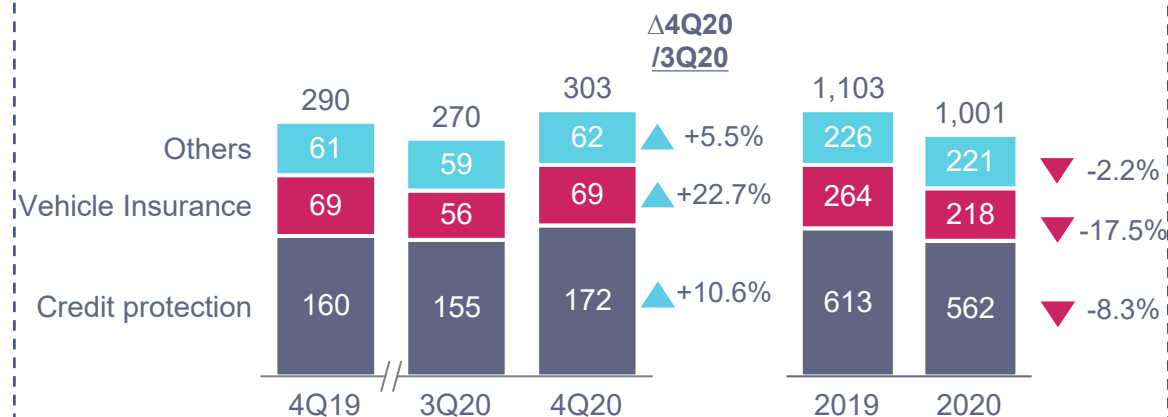
- Capillarity: presence in ~20,700 car dealers nationwide; 20 own stores; 33 virtual stores
- Agility: 97% of proposals with automatic credit decision
- Digital transformation: digitalization of the whole financing treadmill, end-to-end from the simulation to the contract signature and payment.
- Expertise: continuous improvement of management tools with Strong use of data science (analytics, data modeling, etc.) e innovation (OCR, biometry, etc.)

1. Dealers with transactions carried out in the last 6 months;



### Insurance Brokerage

Insurance premiums (R\$ M)



Diversified portfolio of insurance products:

- Lender
- Auto
- Residential
- Others (life+ personal accident, dental, etc)

**New Auto Insurance Marketplace:** More options for clients with the offer of 4 insurance partners



9,100 policies and R\$ 24.1 million in premiums

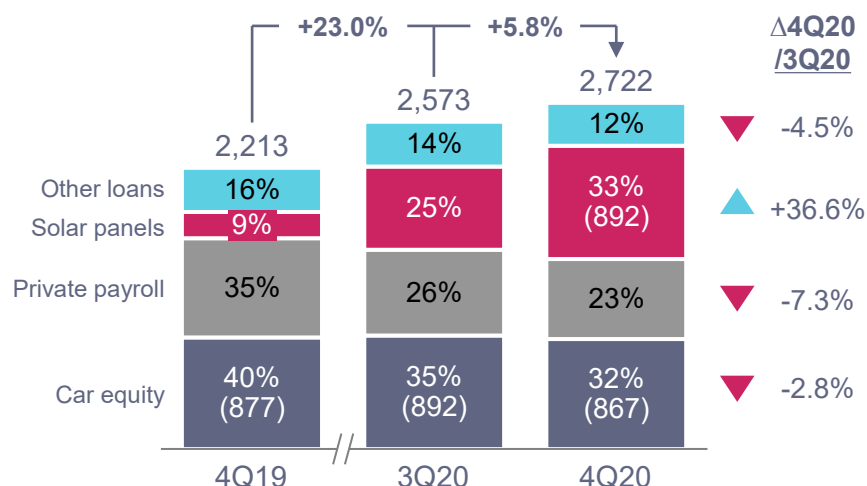


# Loans and Credit Card: diversification of revenue sources, leveraging the Vehicle customer base



## Consumer Finance Business

### Other Loan<sup>1</sup> Portfolio (R\$ B)



#### Wide range of products for individuals:

- Solar panel
- Car equity (credit with vehicle as collateral)
- Private payroll
- Personal loan, student loan, medical procedures, etc

#### digital partners

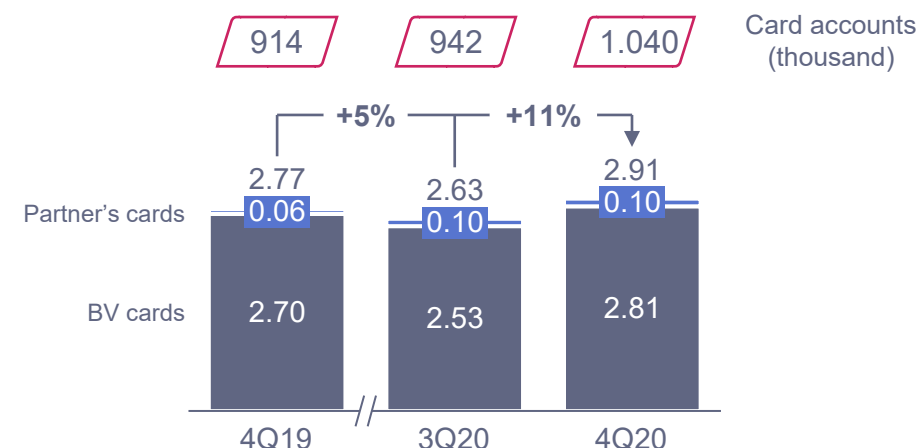
for online credit origination



#### Partners in offering other products



### Credit Card Portfolio (R\$ B)



#### BV offers several credit card options such as Mastercard, Visa and Elo

- Expansion also through new partnerships, such as Dotz
- Investments to improve the App, digital customer service and new features such as virtual card.

#### New app BV

In order to provide more convenience to our clients, we completed the integration of the Meu Cartão BV App to the BV App in dec/20.

#### Digital Evolution – App Meu Cartão BV



**+5.9 million**  
visits/month on the  
Meu Cartão BV  
**+28% vs 4Q19**

1. Exclude public payroll portfolio in run off



## Wholesale Business

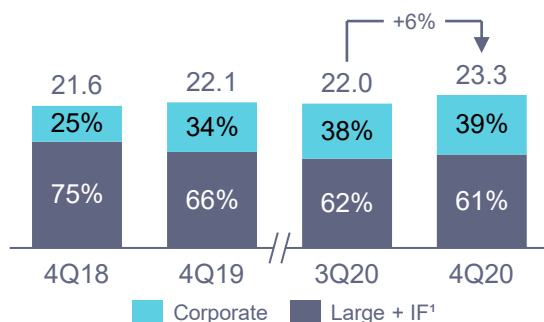
### Corporate Banking (CIB)



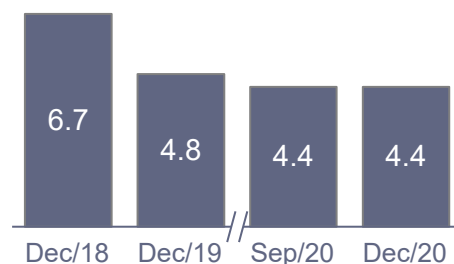
- Large Corporate (>R\$ 1,500mln)
  - ✓ **Strategic Focus:** Selective performance, leveraging products where we have a recognized competitive advantage as DCM local (capital market).
- Corporate (R\$ 300M - R\$ 1,500mln):
  - ✓ **Strategic Focus:** Expansion of the portfolio

Wide variety of products as cash management operations, financial structuring, guarantees, working capital, hedge, FX, capital markets and M&A

Expanded Portfolio CIB (R\$ B)



10 largest customers / Total credit portfolio



### Private Bank – BV Private



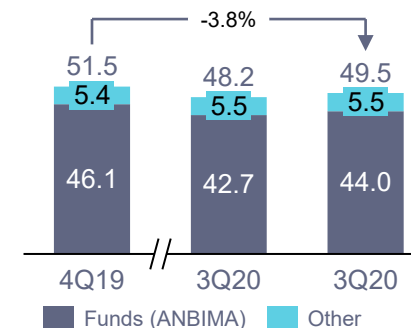
- Advisory approach focused on client's objectives
- Differentiated access to BV Asset and products linked to the Real economy (FII and FIDC)
- Expertise in estate and succession planning

### Asset Management – BV Asset

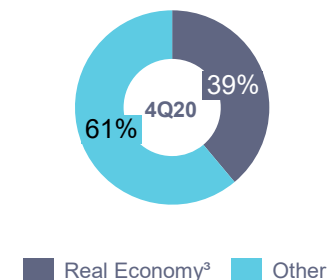


- R\$ 49.5 billion under management (AuM)²
- Development of solutions appropriate to customer needs
- 19th position in the ANBIMA ranking
- 239 active funds under management and a strong focus on funds **backed by real economy assets**

Asset management² (R\$ B)



Funds backed by real economy assets



1. Financial Institutions; 2. Total assets under management include BV Asset and BV Private; 3. Includes real estate, energy, infrastructure and others



## Sector diversification portfolio

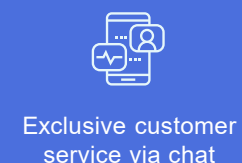
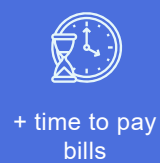
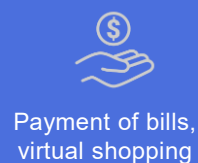
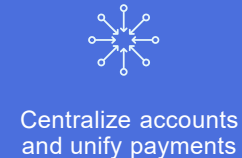
Wholesale – Sectorial Concentration	Sep/20		Dec/20	
	R\$M	% of total	R\$M	% of total
Financial Institution	2,643	12.0%	2,832	12.2%
Civil Construction	1,904	8.7%	1,927	8.3%
Industry	1,873	8.5%	1,710	7.4%
Retail	1,459	6.6%	1,772	7.6%
Sugar and Ethanol	1,543	7.0%	1,593	6.8%
Electricity Generation	751	3.4%	1,288	5.5%
Project Finance	988	4.5%	879	3.8%
Telecom	925	4.2%	932	4.0%
Oil & Gas	785	3.6%	793	3.4%
Cooperatives	801	3.6%	563	2.4%
Automotive/Autoparts/Cardealers	611	2.8%	734	3.2%
Services	600	2.7%	688	3.0%
Health	417	1.9%	498	2.1%
Sanitation	433	2.0%	314	1.3%
Mining	529	2.4%	491	2.1%
Car Rental	481	2.2%	649	2.8%
Other	5,211	23.7%	5,600	24.1%
<b>Total Geral</b>	<b>21,954</b>	<b>100%</b>	<b>23,264</b>	<b>100%</b>

## Expanded credit portfolio (R\$B)



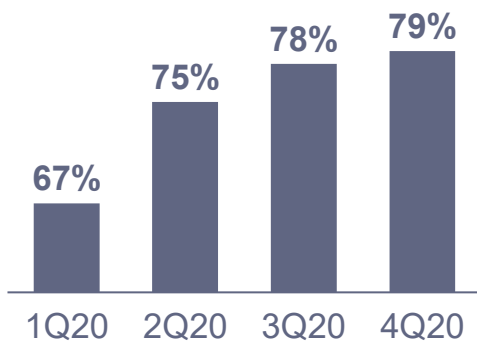
## BV Digital Account

conceived to help clients organize their financial life in order to facilitate daily goals.

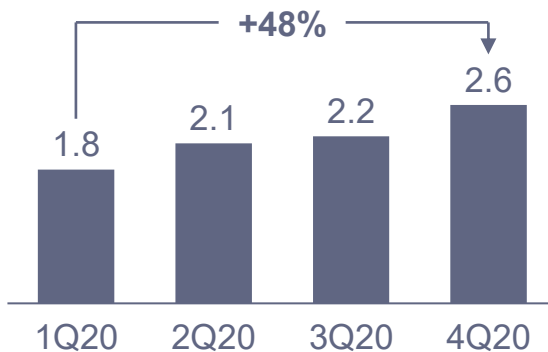


## Increased engagement of our customers on digital channels

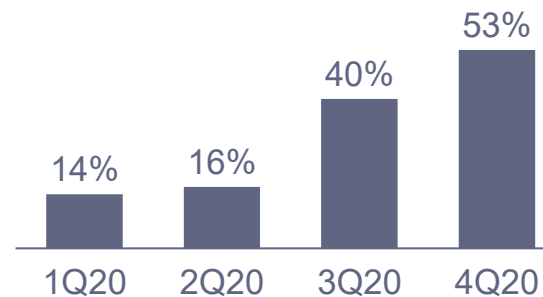
% of customers who contacted us via digital channels



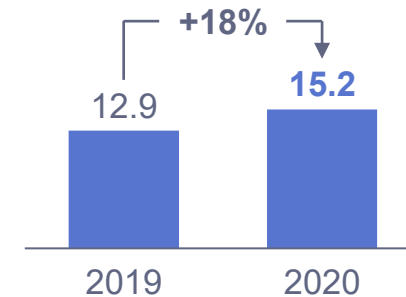
Customers who logged into “Minha BV” or/and in App (millions)



Card sales through digital channels



Simulation of auto loans in the digital channels (millions)



# BVx: Innovation unit focused on generating value through connection with the ecosystem of fintechs and startups



## Innovation Business Unit



The mission of **BVx** is to drive value through a connection with the startup ecosystem by means of co-creation, proprietary developments and investments in strategic partnerships. Between direct investments and partnerships for co-creating and distributing products, we had approximately 30 innovative companies that were enriching our ecosystem at the end of 2020.

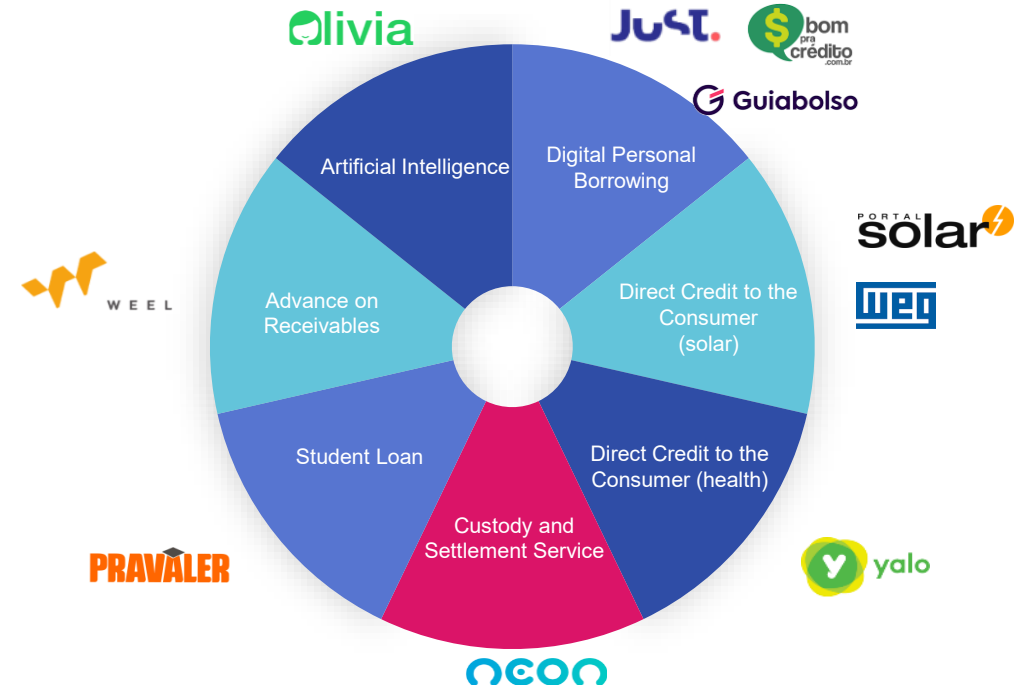
BVx has three operating fronts :

- I. **Corporate Venture Capital (Corporate VC):** investments and partnerships with fintechs and other startups that have synergies with BV and that complement the portfolio of solutions for bank clients;
- II. **BV Open:** plays an essential role in Banco BV's income diversification strategy, acting as a distribution channel for our services. We offer our partners and clients our BaaS (Banking as a Service), CaaS (Credit as a Service) and IaaS (Investment as a Service) solutions;
- III. **BV Lab:** our innovation laboratory that employs technology, data and the power of the ecosystem to create prototypes and test out new solutions

**+ 48**  
millions 

in transactions made on our  
**Banking as a Service (BaaS)**  
platform

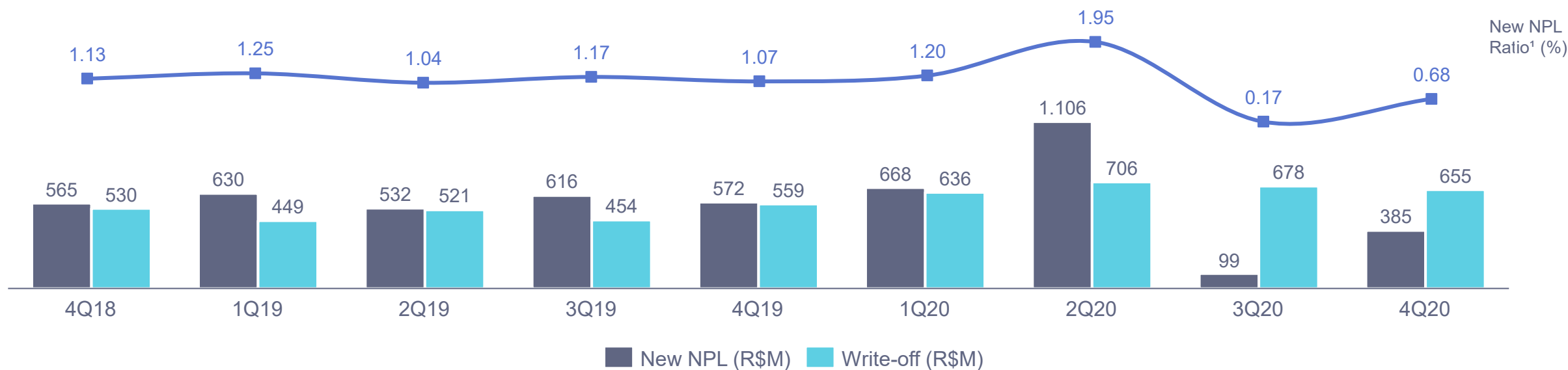
## Examples of partnerships in our ecosystem



**+30 partnerships for co-creation and distribution of products**  
that accelerate our diversification into new segments, enriching  
our ecosystem

# Credit portfolio quality – New NPL rate

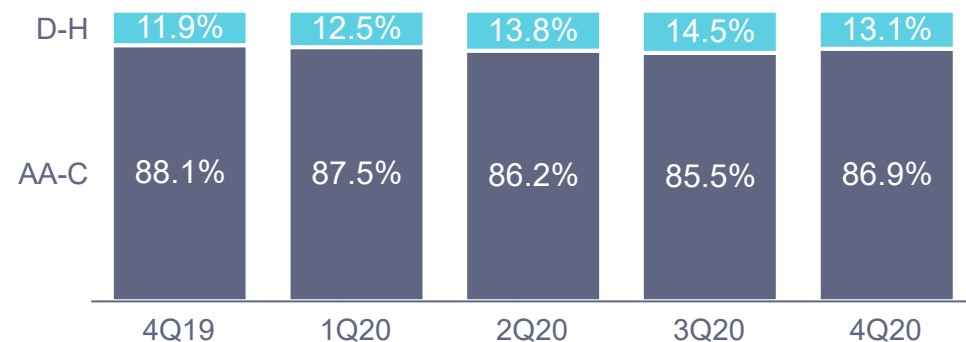
NEW NPL (R\$ M)	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20
Managed loan portfolio (A)	50,478	51,199	52,480	53,519	55,676	56,618	56,655	56,396	59,436
90-day NPL Balance (NPL)	2,128	2,310	2,320	2,483	2,496	2,530	2,930	2,351	2,081
Quarterly NPL variation (B)	34	181	11	162	14	33	400	(579)	(270)
Write-off (C)	531	449	521	454	559	636	706	678	655
New NPL (D=B+C)	565	630	532	616	572	669	1,106	99	385
New NPL Rate <sup>1</sup> (D/A)	1.13%	1.25%	1.04%	1.17%	1.07%	1.20%	1.95%	0.17%	0.68%



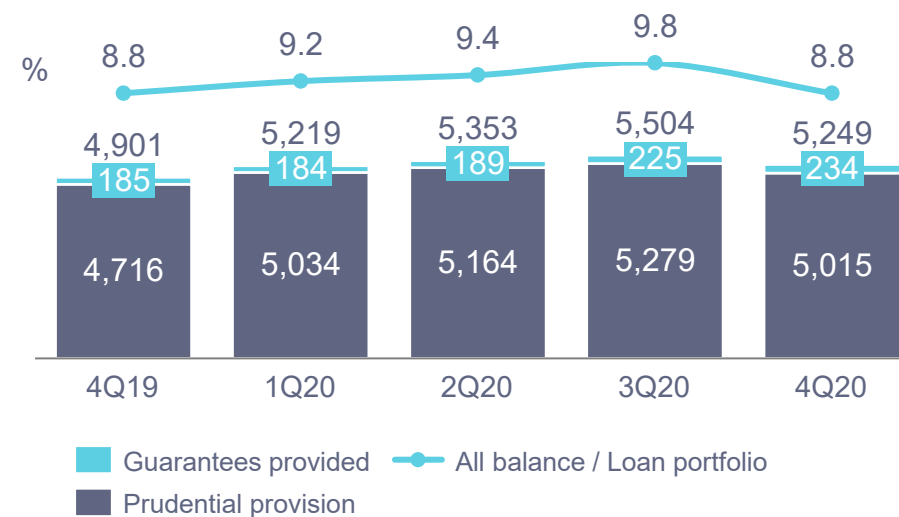
1. Change in overdue balance over 90 days (NPL) + write-offs for loss in the quarter (write-off), divided by the final portfolio of the previous quarter.

# Credit quality indicators

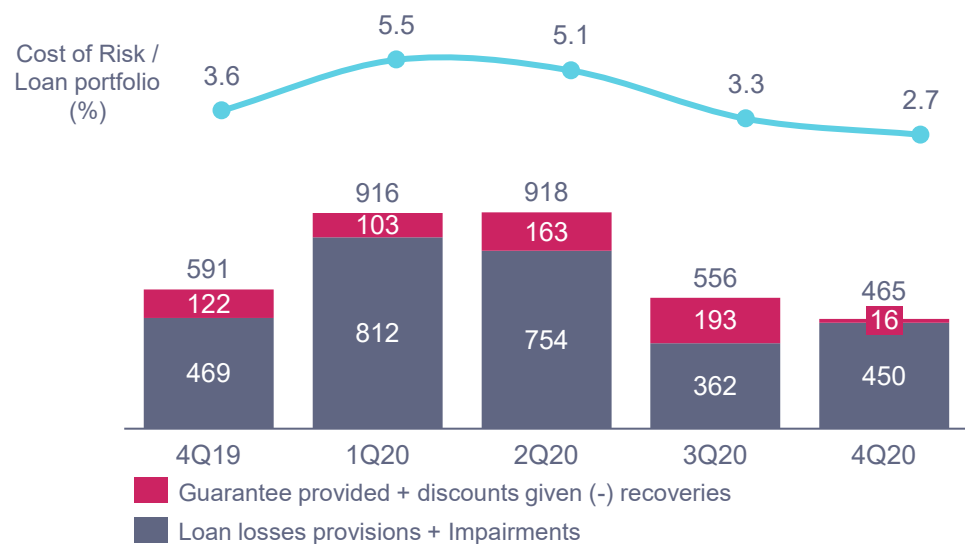
## Loan portfolio rated by risk level (%)



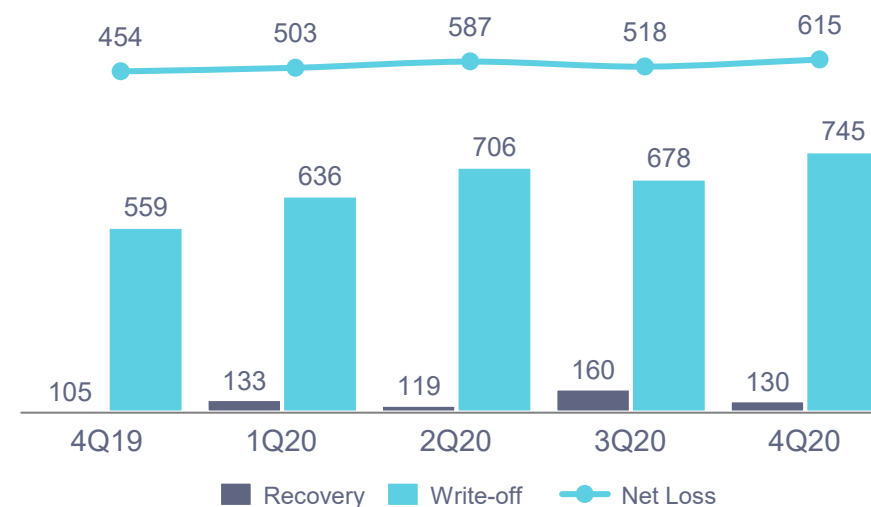
## Allowance for loan losses balance (R\$M)



## Result of loan losses<sup>1</sup>, guarantees and impairments (R\$M)



## Net Loss<sup>2</sup> (R\$M)



1. Considers credit provisions recognized as Liabilities in the "Other" line (see Note #22d of Financial Statements); 2. Net loss = loans written-off to losses in the quarter + revenues from credit recovery.

RATING AGENCIES		Global		Local	Brazil
		Local currency	Foreign currency	Moeda Local	
Moody's	Long-Term	Ba2 (stable)	Ba2	Aa3.br	Sovereign rating (outlook)
	Short-Term	NP	NP	BR-1	
Standard & Poor's	Long-Term	BB- (stable)		brAAA	Ba2 (stable)
	Short-Term	B		brA-1+	
					BB- (stable)

On December 11, 2020, Moody's changed the sovereign rating methodology, combining the deposit and debt ceilings. As a result of this change, Banco BV's rating on the Global Scale – Foreign Currency was raised from Ba3 to Ba2, the same level on the Global Scale – Local Currency. Both the rating and the outlook are in line with the sovereign rating.

On April 7, 2020, S&P changed the outlook for Brazil's sovereign rating from positive to stable, reflecting the updated expectations of the country's fiscal and economic situation due to the crisis caused by Covid-19. Thus, BV's outlook also received the same modification. The rating has not changed.



## Earnings Presentation

# 4Q20

Disclaimer: This presentation may include references and statements on expectations, planned synergies, growth estimates, projections of results, and future strategies for banco BV, its associated and affiliated companies, and subsidiaries. Although these references and statements reflect the management's belief, they also involve imprecision and risks that are highly difficult to be foreseen. Consequently, they may conduct to different results from those anticipated and discussed here. These expectations are highly dependent on market conditions, on Brazil's economic and banking system performances, as well as on international market conditions. banco BV is not responsible for bringing up to date any estimate in this presentation.