

# Earnings Release

1Q21

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## Our Strategic Pillars

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



### Efficiency and financial strength

#### Efficiency Ratio

**32.5%** <sup>^</sup>  
vs 32.3% in 4Q20

Indicator reflects the average of the last 12 months, therefore, still impacted by the effects of the pandemic, especially in 2Q20 and 3Q20

**Efficient and Light Business Model**

#### Coverage Ratio

**263%** <sup>^</sup>  
vs 252% in 4Q20

#### Basel Ratio

**14.7%** <sup>^</sup>  
vs 14.6% in 4Q20  
Core capital: 11.7%

**Solid Balance Sheet and Conservative Risk Management**



### Continuous improvement of our clients' experience

#### Reclame Aqui & Consumidor.gov

Reputation  
**GOOD<sup>1</sup>**



7.5/10

Solution index  
**77.5%**

**above average in the financial sector<sup>2</sup>**

**Customer Centrality**

#### Central Bank Rankings<sup>3</sup>

**Top 2**  
in the  
Ombudsman  
Quality Ranking

**Lowest number**  
of complaints per client  
among Brazil's largest  
banks

**Continuous Improvement**

#### Digital support

**82%**

Service *Minha BV* + app  
(vs. 67% in 1Q20)

Alternatives of self-service to better serve our clients

**Self-service**



### Digital maturity

#### BV<sup>x</sup> - New partnerships



**Google chooses banco BV as partner in Brazil**

BV joins Google in a partnership aiming at transforming the financial industry



**Investment in Trademaster**

The investment aims at strengthening our strategy in the SME segment

#### Other highlights

##### Digital account



**9x**  
growth in the  
number of  
accounts opened  
vs 4Q20

##### Banking as a Service

**# 27 million**  
transactions carried out  
in our BaaS platform  
**+194% vs 1Q20**

1 – Average 6 months. Source: <https://www.consumidor.gov.br/>

2 – Based on the amount of assets. Average 6 months (oct/20 to mar/21). Source: <https://www.reclameaqui.com.br/>

3 – Based on the amount of assets. It does not include credit firms and credit unions. Ranking of the 1st quarter of 2021. Source: <https://www.bcb.gov.br/>



## Executive Summary

Recurring Net Income  
**R\$ 357 million**  
ROE 13.0%

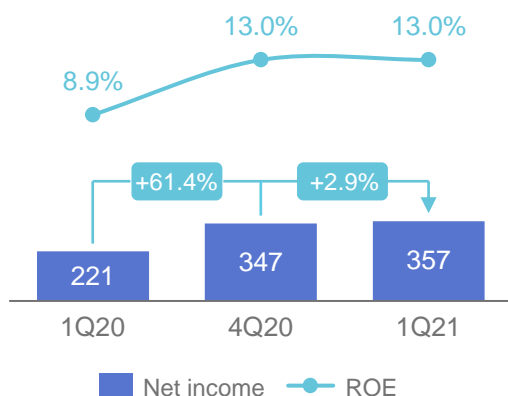
Credit Portfolio  
**R\$ 72 billion**  
+2.7% vs 4Q20

Liquidity (LCR)  
**230%**  
vs 226% in 4Q20

Basel Ratio  
**14.7%**  
core capital 11.7%

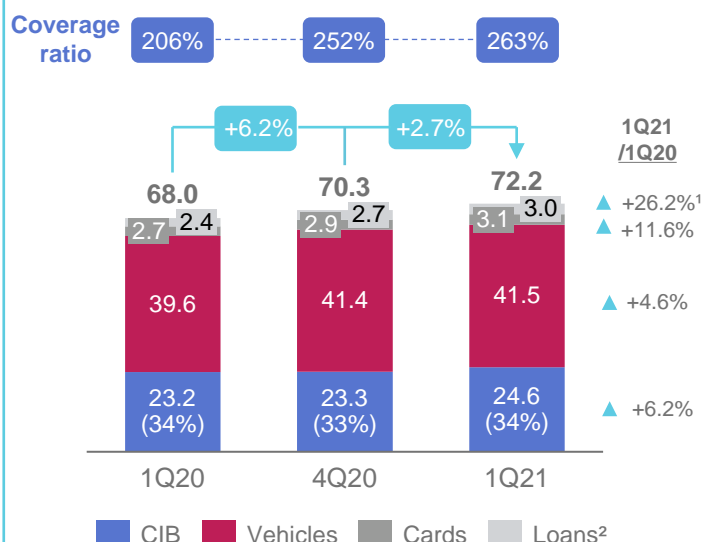
### Recurring Net Income (R\$ M) and ROE (%)

Recurring net income in 1Q21 reached R\$ 357 million, the highest quarterly profit since BV's strategic repositioning, growing 2.9% over 4Q20 and 61.4% compared to 1Q20. The improvement vs 1Q20 was mainly driven by the prudential provisions accrued in that quarter to deal with the potential effects of the Covid-19 pandemic. Return on equity (ROE) reached 13.0%, in line with 4Q20 and 4.1 p.p. above 1Q20 for the same reason stated above.



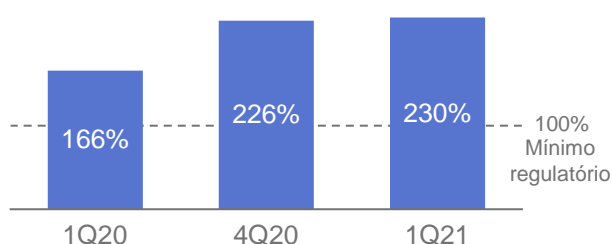
### Credit Portfolio (R\$ B)

Credit portfolio grew 6.2% vs 1Q20, to R\$ 72.2 billion, with an expansion of 6.1% in Retail and 6.2% in Wholesale. In comparison to the 4Q20, the portfolio grew 2.7%. Coverage Ratio remained at a very robust level, reaching 263% by the end of 1Q21.



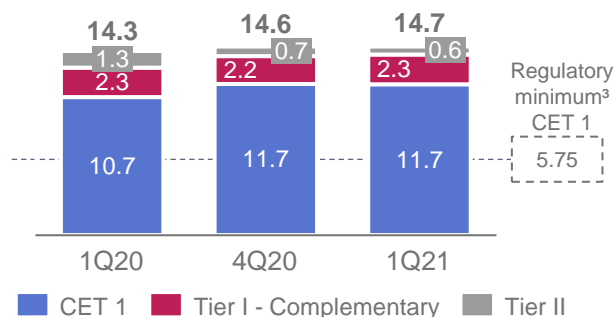
### Liquidity Coverage Ratio (LCR)

Liquidity Coverage Ratio (LCR) increased to 230% in 1Q21, from 226% in 4Q20, a very comfortable level, reinforcing BV's prudence during the adverse economic environment. The minimum ratio required by the Central Bank is 100%.



### Basel Ratio (%)

The Basel Ratio increased 0.1 p.p. in the quarter, to 14.7%, from 14.6% in the previous quarter. CET1 remained at 11.7%, though well above the regulatory minimum of 5.75% in the period.



1 - Excluding public payroll (run-off portfolio)

2 - Includes personal loans, consumer finance, private payroll

3 - On 03/16/2020, Central Bank's Resolution 4,783/2020 temporarily amended the minimum regulatory capital



## Supporting our clients during the pandemic

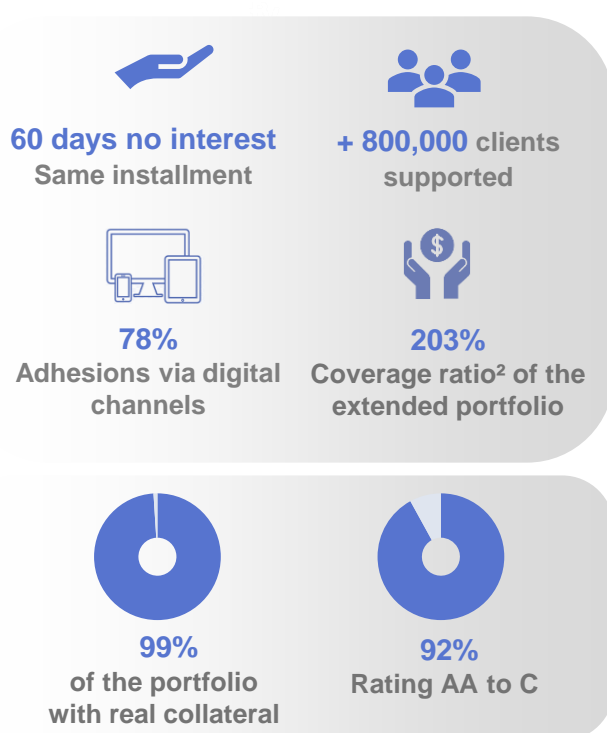
Since the beginning of the pandemic in Brazil, we have sought to support our clients with solutions to meet their needs. In March/20, we provided **installment extensions by 60 days**. In this initiative, non-overdue clients were able to postpone two installments to the end of their contract, **with no embedded interest** and maintaining the same installment value. At the end of the 60 days<sup>1</sup>, those clients who needed it, had an additional term through the renegotiation of their contract, which implied an additional extension of the term.

This measure is in line with our **customer centricity** strategy. The initiative provided greater financial strength to clients, allowing greater flexibility and conditions to reorganize their finances amid the economic crisis generated by the pandemic. Such initiative impacted over 800,000 clients with approximately R\$ 18 billion renegotiated, being 78% through our digital channels.

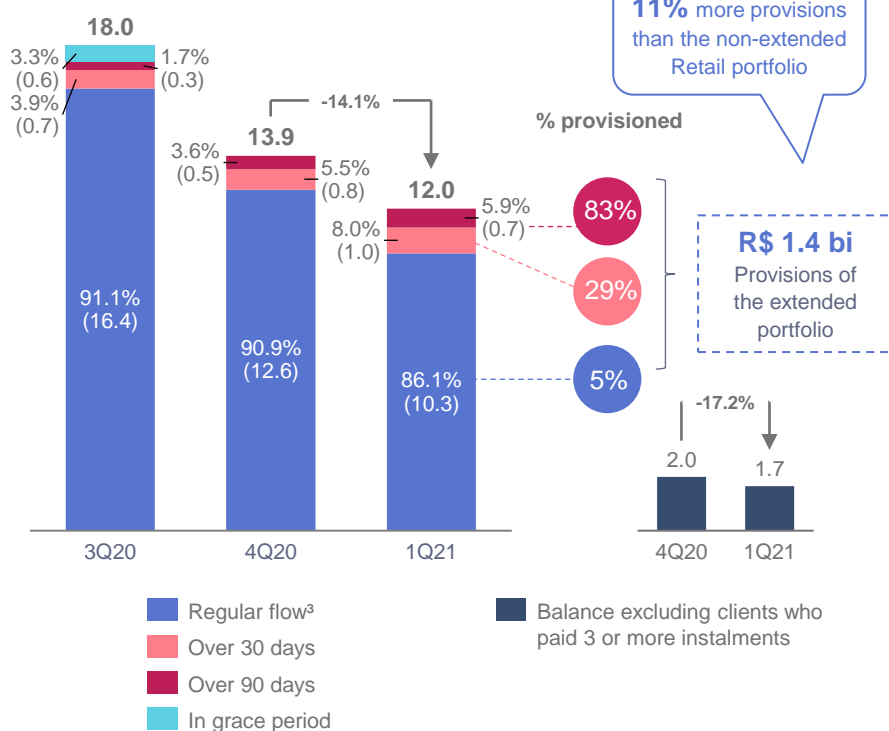
To efficiently serve and empathize with clients who came to us during this difficult time, we provided training for our state-of-the-art business and credit collection staff. Our efforts have yielded results and most client requests were solutioned during their first interaction with the bank. In addition to the extensions through Minha BV, the client area on our website, we developed an application through which clients could renegotiate their contracts, thereby enhancing our digital channels to support our clients.

## Extended portfolio

By the end of the 1Q21, the balance of the extended portfolio was R\$ 12.0 billion, from R\$ 13.9 billion in the previous quarter, being 86.1% of this balance in normal course (up-to-date or up to 30 days overdue), of which 100% of the clients in normal course have already paid 3 or more installments of the contract after renegotiation. The outstanding balance included 8.0% with delinquency up to 90 days and 5.9% with delinquency above 90 days, totaling R\$ 1.7 billion, or 13.9% of the extended portfolio.



### Extended portfolio (Retail) (R\$ B)



1 - After 60 days, there was no interest exemption

2 - Coverage Ratio of the over 90 days

3 - Non-overdue and overdue up to 30 days



## Main Financial Information

The table below shows the information and management indicators selected from banco BV in order to allow analysis on the same comparison basis.

Main Financial Information	1Q20	4Q20	1Q21	Variation %	
				1Q21/4Q20	1Q21/1Q20
INCOME STATEMENT (R\$ M)					
Revenues – Total (i + ii)	2,177	2,231	2,288	2.6%	5.1%
Gross financial margin (i)	1,663	1,653	1,783	7.9%	7.2%
Income from services and brokerage fees (ii)	513	578	504	-12.7%	-1.8%
Cost of Risk	(916)	(465)	(577)	24.0%	-37.0%
Personnel and administrative expenses	(517)	(582)	(540)	-7.2%	4.4%
Recurring Net Income	221	347	357	2.9%	61.4%
BALANCE SHEET (R\$ M)					
Total Assets	107,400	116,277	120,960	4.0%	12.6%
Expanded loan portfolio	67,976	70,280	72,168	2.7%	6.2%
Wholesale Segment	23,186	23,264	24,631	5.9%	6.2%
Consumer Finance Segment	44,791	47,015	47,537	1.1%	6.1%
Funding Sources	69,359	80,576	78,855	-2.1%	13.7%
Shareholders' equity	10,014	10,754	11,201	4.2%	11.9%
Basel ratio (%)	14.3%	14.6%	14.7%	0.0 p.p.	0.4 p.p.
Tier I Capital Ratio (%)	13.0%	13.9%	14.0%	0.1 p.p.	1.0 p.p.
Common Equity Tier I (%)	10.7%	11.7%	11.7%	0.0 p.p.	1.0 p.p.
MANAGERIAL INDICATORS (%)					
Return on Average Equity <sup>1</sup> (ROAE)	8.9%	13.0%	13.0%	0.0 p.p.	4.1 p.p.
Return on Average Assets <sup>2</sup> (ROAA)	0.9%	1.2%	1.2%	0.0 p.p.	0.3 p.p.
Net Interest Margin <sup>3</sup> (NIM) - Clients	10.3%	9.9%	10.0%	0.1 p.p.	-0.3 p.p.
Net Interest Margin <sup>3</sup> (NIM) - Clients + Market	7.4%	6.7%	7.1%	0.4 p.p.	-0.4 p.p.
Efficiency Ratio (ER) - accumulated of 12 months <sup>4</sup>	31.7%	32.3%	32.5%	0.1 p.p.	0.8 p.p.
90-day NPL	4.5%	3.5%	3.3%	-0.2 p.p.	-1.2 p.p.
Coverage Ratio (90-day NPL)	206%	252%	263%	10.4 p.p.	56.3 p.p.
ADDITIONAL INFORMATION					
Employees <sup>7</sup> (quantity)	3,959	3,914	3,969	1.4%	0.3%
Assets under Management (R\$ Million)	51,011	49,494	49,855	0.7%	-2.3%

1. Ratio between net income and average equity for the period. Annualized; 2. Ratio between net income and average total assets for the period. Annualized; 3. Ratio between gross financial margin with clients and average assets sensitive to spreads in the period. Annualized; 4. Ratio between gross financial margin and average profitable assets for the period. Annualized; 5. ER = personnel (excluding labor claims) and administrative expenses / (gross financial margin + income from rendered services and banking fees + other operational income + other operational expenses – tax expenses – income from the real state activity); 6. It does not consider interns and statutory employees; 7. It includes onshore funds (ANBIMA criteria) and private client funds (fixed income, variable income and offshore funds).



## Accounting versus Managerial Reconciliation

In order to better understand and analyze the Bank's financial performance, the explanations of this report are based on the Managerial Income Statement, which considers some managerial reallocations carried out in the audited Financial Statement, with no impact on the net income. These reallocations refer to :

- Expenses related to provisions (civil, labor and tax) reallocated from "(Provision) / reversal for contingent liabilities" and from "Personnel Expenses" to "Other Income (Expenses)"
- "Operational costs of subsidiary Promotiva S.A. reallocated from "Other income (Expenses)" to "Income from rendered Services"
- "Discounts granted" reallocated from "Gross Financial Margin" to "Cost of Risk"
- Costs directly related to business generation reallocated from "Administrative Expenses" to "Other Income (Expenses)"
- Taxation effects of the hedge operations related to foreign currency exchange variations on investments abroad that are accounted in "Tax Expenses" (PIS and COFINS) and "Income Tax and Social Contribution" were reallocated to "Income from Derivative Financial Instruments".

The strategy of managing the foreign currency exchange risk of investments abroad aims at avoiding the effects of exchange rate variation on the result and, for this purpose, the foreign exchange risk is neutralized by using derivative financial instruments.

INCOME STATEMENT (R\$ M)	1Q21 Accounting	Non-recurring events	Managerial Adjustments	1Q21 Managerial
<b>Revenues – Total (i + ii)</b>	<b>2,188</b>	<b>0</b>	<b>100</b>	<b>2,288</b>
Gross financial margin (i)	1,626	0	157	1,783
Income from services and brokerage fees (ii)	562	0	(58)	504
<b>Cost of risk</b>	<b>(498)</b>	<b>0</b>	<b>(78)</b>	<b>(577)</b>
<b>Operating expenses</b>	<b>(1,111)</b>	<b>3</b>	<b>48</b>	<b>(1,060)</b>
Personnel and administrative expenses	(685)	3	142	(540)
Tax expenses	(129)	0	(19)	(148)
Other expenses (income)	(298)	0	(74)	(372)
<b>Result before taxes and contributions</b>	<b>578</b>	<b>3</b>	<b>69</b>	<b>651</b>
Provision for income tax and social contribution	(223)	(2)	(69)	(294)
<b>Recurring Net Income</b>	<b>355</b>	<b>2</b>	<b>0</b>	<b>357</b>

## Non-recurring events

	1Q20	4Q20	1Q21
<b>Net Income - Accounting</b>	<b>221</b>	<b>347</b>	<b>355</b>
(-) Non-recurring events	-	-	(2)
Expenses related to the BV' IPO process <sup>1</sup>	-	-	(2)
<b>Recurring Net Income</b>	<b>221</b>	<b>347</b>	<b>357</b>

1 - According to the Material Fact released on 04/13/2021, the IPO process was canceled due to the current market conditions.





## Analysis of Managerial Results

The **recurring net income in 1Q21 reached R\$ 357 million**, the highest quarterly profit since BV's strategic repositioning, growing 2.9% compared to the previous quarter and 61.4% vs 1Q20. **Return on equity (ROE) in 1Q21 was 13.0%**, in line with 4Q20 and 4.1 p.p. above 1Q20 (8.9%). In the quarter, we continued observing the strong resilience in the light used vehicles business, which since the 2<sup>nd</sup> half of last year had already recovered the pre-pandemic origination levels.

The 1<sup>st</sup> quarter usually presents a seasonal drop in comparison to the 4<sup>th</sup> quarter, even so, the 1Q21 presented a good demand for auto financing, despite the impact of the new restrictive measures adopted to contain the advance of the pandemic. When comparing the origination of auto finance in 1Q21 vs 1Q20, there was a 18.5% increase, with light used vehicles recording a 22.6% growth.

The new escalation of the pandemic and consequent change in the macroeconomic scenario and its potential impacts on the credit quality were captured in our provisioning methodology. Notwithstanding, cost of risk in 1Q21 resumed the pre-pandemic levels (3.2% in 1Q21 vs. 5.5% in 1Q20), although above the previous quarter (2.7% in 4Q20).

It is important to highlight that this effect was offset by lower levels of expenses explained by the bank's strict cost control and its efficiency agenda. The Efficiency Ratio closed at 32.5%, emphasizing that the indicator reflects the average of the last 12 months and therefore, still impacted by the effects of the pandemic, particularly in 2Q20 and 3Q20.

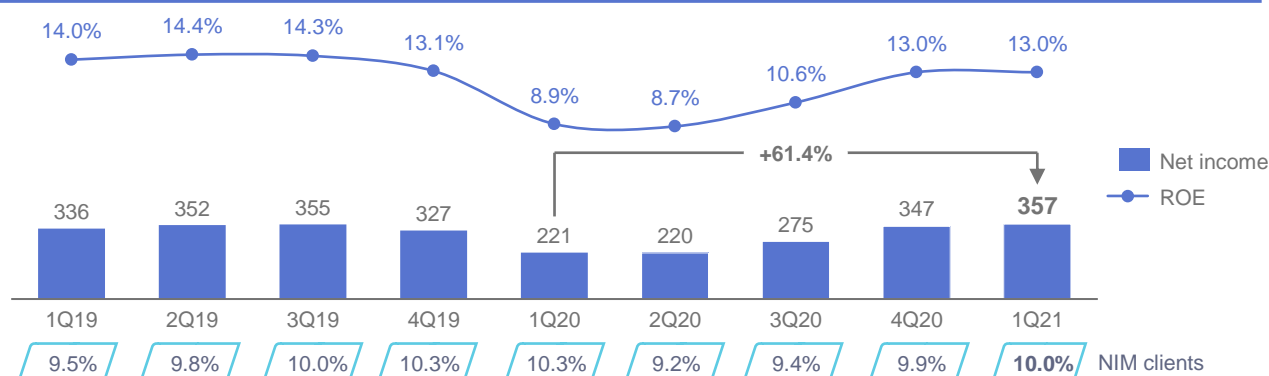
Total revenues (gross financial margin + income from services and brokerage fees) totaled R\$ 2.3 billion in 1Q21, a 2.5% over the 4Q20 and 5.1% against 1Q20.

Gross financial margin recorded an increase of 7.9% in comparison to 4Q20 and 7.2% over 1Q20, with growth in both the financial margin with clients, as well as in the financial margin with the market.

Income from services and brokerage reached R\$ 504 million in the period, with a 12.7% drop compared to the previous quarter, also due to the seasonal effect, with higher demand for auto financing in the 4<sup>th</sup> quarter. Compared to 1Q20, there was a slight drop of 1.8%, mainly due to lower fees from registration and appraisal of assets and fees from security placements.

INCOME STATEMENT (R\$ M)	1Q20	4Q20	1Q21	Variation %	
				1Q21/4Q20	1Q21/1Q20
<b>Total Revenue (i + ii)</b>	<b>2,177</b>	<b>2,231</b>	<b>2,288</b>	<b>2.6</b>	<b>5.1</b>
<b>Gross financial margin (i)</b>	<b>1,663</b>	<b>1,653</b>	<b>1,783</b>	<b>7.9</b>	<b>7.2</b>
Financial margin with clients	1,534	1,529	1,598	4.6	4.2
Financial margin with the market	129	125	185	48.6	42.9
<b>Income from services and banking fees (ii)</b>	<b>513</b>	<b>578</b>	<b>504</b>	<b>-12.7</b>	<b>-1.8</b>
<b>Cost of risk</b>	<b>(916)</b>	<b>(465)</b>	<b>(577)</b>	<b>24.0</b>	<b>-37.0</b>
<b>Operating expenses</b>	<b>(974)</b>	<b>(1,254)</b>	<b>(1,060)</b>	<b>-15.5</b>	<b>8.9</b>
Personnel and administrative expenses	(517)	(582)	(540)	-7.2	4.4
Tax expenses	(135)	(144)	(148)	2.8	9.4
Other expenses (income)	(321)	(528)	(372)	-29.6	15.8
<b>Result before taxes and contributions</b>	<b>287</b>	<b>511</b>	<b>651</b>	<b>27.2</b>	<b>126.4</b>
Income tax and social contribution	(66)	(165)	(294)	78.5	343.9
<b>Recurring Net Income</b>	<b>221</b>	<b>347</b>	<b>357</b>	<b>2.9</b>	<b>61.4</b>
<b>Return on Average Equity (ROAE)</b>	<b>8.9%</b>	<b>13.0%</b>	<b>13.0%</b>	<b>0.0 p.p.</b>	<b>4.1 p.p.</b>
<b>Efficiency Ratio (ER) - accumulated of 12 months</b>	<b>31.7%</b>	<b>32.3%</b>	<b>32.5%</b>	<b>0.1 p.p.</b>	<b>0.8 p.p.</b>

Recurring Net Income (R\$ M) and ROE (%)







## Gross Financial Margin

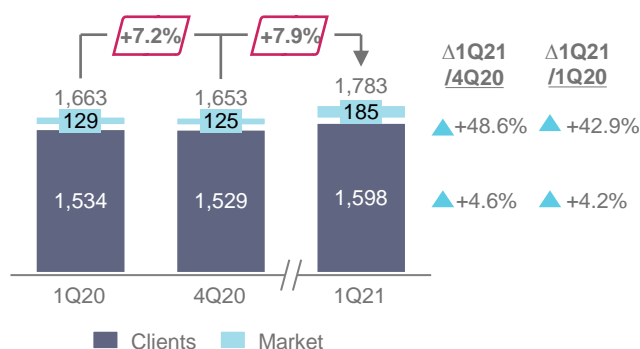
**Gross Financial Margin** reached R\$ 1,783 million in 1Q21, a growth of 7.9% in comparison to 4Q20 and 7.2% over 1Q20. In comparison with both periods, there was growth in both the financial margin with clients, as well as in the financial margin with the market.

**Financial Margin with Clients** in 1Q21 was R\$ 1,598 million, 4.2% higher than the 1Q20 margin, mainly driven by the growth in the credit portfolio, both in Retail, with greater diversification, as well as in Wholesale, with greater penetration in the Growing Corporate segment. In comparison to the previous quarter, there was an expansion of 4.5% in the margin with clients. This growth also reflects the credit portfolio's expansion, in addition to the gradual dilution of the impact from the pro-client initiatives adopted by BV in 2020 in the context of the pandemic, which included the extension of 2 installments to the end of the contract, without additional interest.

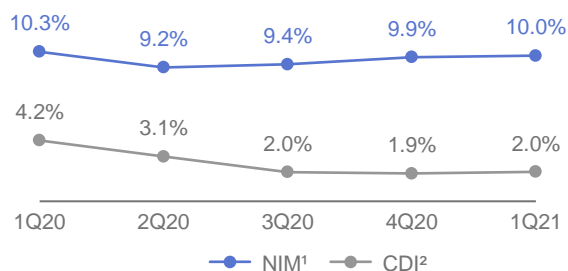
**Net interest margin (NIM) of clients** ended the quarter at 10.0%, +0.1 p.p. against 4Q20 and -0.3 p.p. vs 1Q20. Such dynamics also reflect the impacts of pro-client initiatives as described above, as such initiative did not impact the 1Q20 margin (extensions were initiated during 2Q20), and the effects are being diluted overtime as the extended portfolio has been gradually matured and new funding originations have been incorporated in the ratio.

**Financial Margin with the Market** in 1Q21 was R\$ 185 million, expansion of 48.6% and 42.9% compared to 4Q20 and 1Q20, respectively. This variation was mainly explained by the positive result from the structural hedge positions, in addition to the results from the investment of the shareholder's equity.

Gross Financial Margin (R\$ M)



NIM<sup>1</sup> (%) vs CDI<sup>2</sup>



1. Net Interest Margin: Ratio between Gross Margin with clients and Average Assets sensitive to spread.

2. Average annualized quarterly CDI (Brazilian benchmark interest rate) (source: Cetip)

## Cost of Risk

Cost of risk (R\$ M)	1Q20	4Q20	1Q21	Variação %	
				1Q21/4Q20	1Q21/1Q20
Provision expenses (managerial)	(945)	(580)	(666)	14.9	-29.5
Recovery of credit written-off	133	130	171	31.4	28.4
<b>Net Provision expenses</b>	<b>(812)</b>	<b>(450)</b>	<b>(495)</b>	<b>10.1</b>	<b>-39.0</b>
Discounts granted	(102)	(109)	(75)	-31.4	-26.6
Reversal (provision) for guarantees provided	(2)	93	(7)	-107.8	308.9
<b>Cost of risk</b>	<b>(916)</b>	<b>(465)</b>	<b>(577)</b>	<b>24.0</b>	<b>-37.0</b>
<b>Cost of risk / credit portfolio<sup>1</sup></b>	<b>5.5%</b>	<b>2.7%</b>	<b>3.2%</b>	<b>0.5 p.p.</b>	<b>-2.2 p.p.</b>

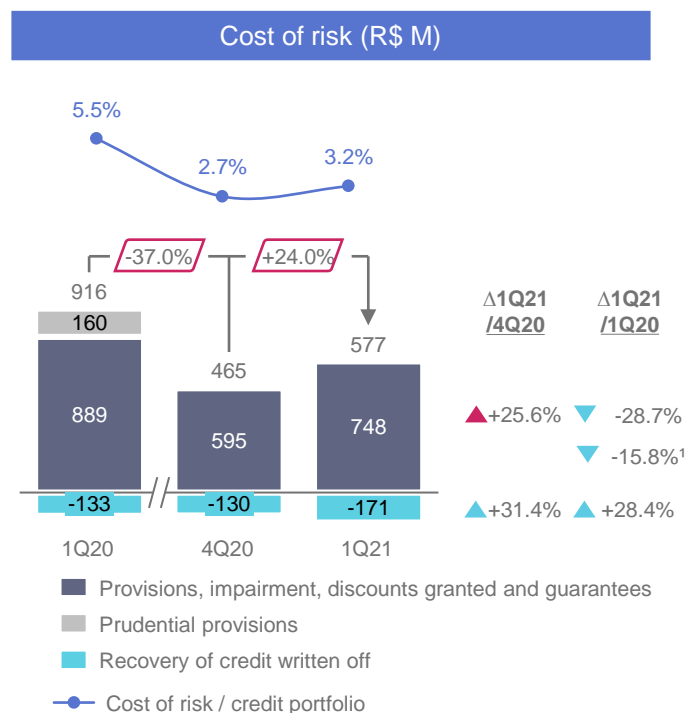
1 – expanded portfolio



## Cost of risk

Cost of risk closed the 1Q21 at R\$ 577 million, +24.0% over 4Q20. Despite the decline in the delinquency indicators over 90 days, the highest level of provision reflects the change in the macroeconomic scenario captured in our provisioning methodology, with the recent Covid-19 developments and its impacts on the credit quality and consequent clients' rating reviews, especially our clients who had their contracts extended in 2020 in the context of the pandemic. Despite the increase in comparison to 4Q20, cost of risk/ credit portfolio converged to the pre-pandemic levels, fluctuating from 2.7% to 3.2% between 4Q20 and 1Q21.

Compared to 1Q20, cost of risk declined 37.0%, reflecting mainly the prudential provisions of R\$160 million constituted in that quarter to deal with the scenario of higher uncertainty after the beginning of the pandemic. Improvement on the cost of risk was also driven by better delinquency ratios. NPL 90-days dropped both in Retail and Wholesale, ending the quarter at 3.3%, from 4.5% in 1Q20, a 1.2 p.p. decline in the period.



<sup>1</sup> excluding Prudential provisions of the 1Q20

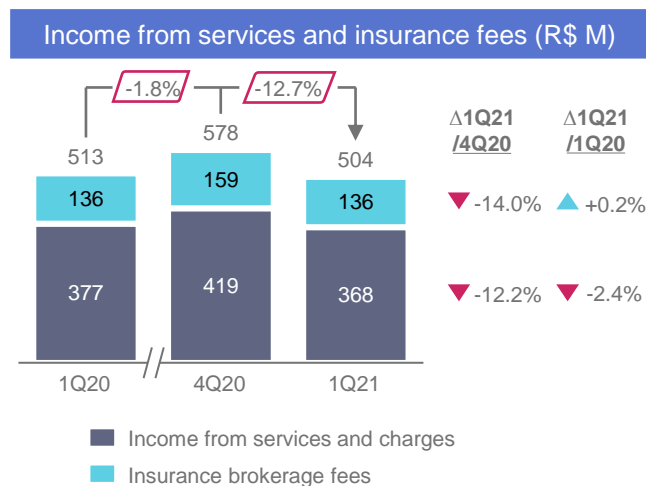
## Income from services and insurance brokerage fees

Income from services and insurance fees (R\$ M)	1Q20	4Q20	1Q21	Variation %	
				1Q21/4Q20	1Q21/1Q20
Master file registration and appraisal of assets	188	205	180	-12.2	-4.0
Insurance brokerage fees	136	159	136	-14.0	0.2
Credit cards	65	84	72	-14.2	10.1
Income from guarantees provided	29	26	28	7.8	-5.8
Management of investment funds	32	32	28	-12.7	-14.2
Commissions on securities placement	22	21	15	-27.6	-28.5
Banking correspondent (Promotiva)	20	22	22	1.2	11.7
Other <sup>1</sup>	21	29	23	-21.5	9.0
<b>Total Income From Services and Insurance</b>	<b>513</b>	<b>578</b>	<b>504</b>	<b>-12.7</b>	<b>-1.8</b>

<sup>1</sup> includes custody services, stock exchange brokerage, financial advisory, among others

Income from services and insurance brokerage totaled R\$ 504 million in 1Q21, a 12.7% decline QoQ, mainly reflecting the 12.2% decline of income from registration and appraisal of assets, driven by lower origination of auto finance in comparison to 4Q20, reflecting the seasonality of the 4<sup>th</sup> quarter (origination of used vehicles in Brazil decreased 15.1% in 1Q21 vs 4Q20). The lower origination also impacted the insurance brokerage fees, which dropped 14.0% in the period.

Compared to 1Q20, there was a slight drop of 1.8% mainly due to lower income from registration and appraisal of assets and commissions on security placements.





## Personnel and Administrative Expenses

Personnel and Administrative Expenses (R\$M)	1Q20	4Q20	1Q21	Variation %	
				1Q21/4QT20	1Q21/1Q20
Salaries and Profit sharing	(140)	(190)	(198)	4.4	41.8
Benefits e Social Charges	(119)	(89)	(90)	1.6	-24.0
Training	(2)	(5)	(2)	-53.4	-2.9
<b>Personnel Expenses</b>	<b>(261)</b>	<b>(284)</b>	<b>(291)</b>	<b>2.5</b>	<b>11.4</b>
Specialized technical services	(83)	(105)	(85)	-19.3	1.7
Data processing	(45)	(63)	(47)	-25.0	5.5
Judicial and Notary public fees	(23)	(20)	(17)	-16.0	-28.9
Marketing	(15)	(10)	(5)	-49.3	-63.7
Services of the financial system	(6)	1	0	-46.7	-107.5
Other	(52)	(61)	(59)	-3.3	12.9
<b>Subtotal</b>	<b>(224)</b>	<b>(258)</b>	<b>(212)</b>	<b>-17.8</b>	<b>-5.2</b>
Depreciation and Amortization	(32)	(40)	(37)	-7.2	14.3
<b>Administrative Expenses</b>	<b>(256)</b>	<b>(298)</b>	<b>(249)</b>	<b>-16.4</b>	<b>-2.7</b>
<b>Total</b>	<b>(517)</b>	<b>(582)</b>	<b>(540)</b>	<b>-7.2</b>	<b>4.4</b>
<b>Total excluding depreciation and amortization</b>	<b>(485)</b>	<b>(542)</b>	<b>(503)</b>	<b>-7.2</b>	<b>3.8</b>

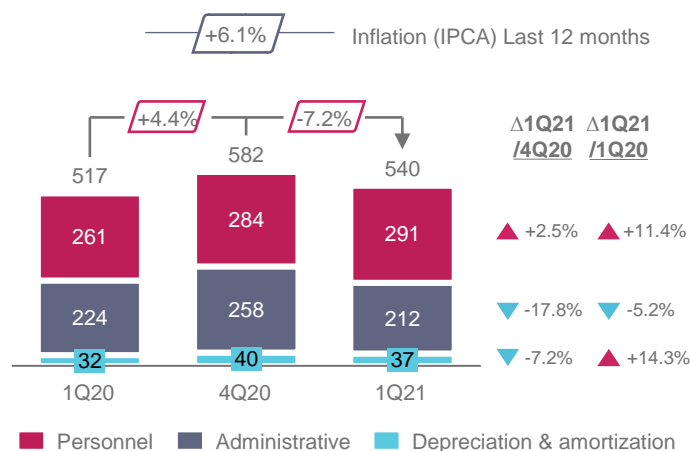
**Personnel and administrative expenses** (excluding depreciation and amortization) amounted to R\$ 503 million in 1Q21, a drop of 7.2% over 4Q20. In comparison with 1Q20, there was an increase of 3.8%, whereas the official inflation (IPCA) accumulated over the last 12 months was 6.1%.

**Personnel expenses** totaled R\$ 291 million in 1Q21, +11.4% over the 1Q20. Such increase was driven mainly by the adjustment in provisions for variable remuneration, reflecting the improvement on the bank's results in this quarter. In comparison with 4Q20, personnel expenses increased by 2.5%.

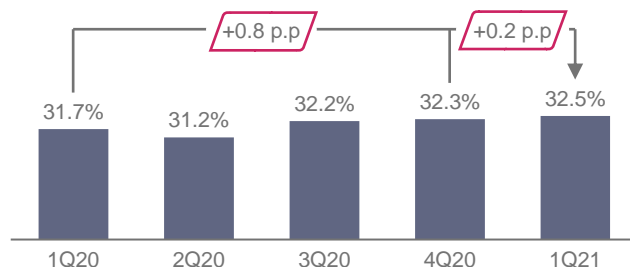
**Administrative expenses** (excluding depreciation and amortization) amounted to R\$ 212 million in 1Q21, a 5.2% drop over the 1Q20. In comparison with 4Q20, there was a 17.8% decline, mainly driven by higher expenses related to legal and financial advisory during that quarter, in addition to higher investments in technology also in the 4Q20.

**Efficiency Ratio (ER)** ended the quarter at 32.5%, +0.2 p.p. against 4Q20 and +0.8 p.p. vs 1Q20. Despite such increase, we registered an improvement in the ratio between revenues and expenses in the 1Q21 compared to 4Q20. It is worth noting that the calculation of the ratio considers the revenue and expenses over the last 12 months, therefore, the ER for the 1Q21 is still impacted by the quarters more impacted by the pandemic effects, especially the 2Q20 and 3Q20.

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



### Efficiency Ratio (%)



**Number of employees<sup>1</sup>** at the end of 1Q21 was 3,969 vs 3,959 in 1Q20.

1 - Excluding interns and statutory employees.



## Other income and (expenses) and result from subsidiaries

Other income and (expenses) and result from subsidiaries (R\$ M)	1Q20	4Q20	1Q21	Variation %	
				1Q21/4Q20	1Q21/1Q20
Costs associated with the production	(324)	(340)	(368)	8.2	13.7
Civil and fiscal lawsuits	(39)	(39)	(38)	-2.2	-2.9
Labor lawsuits	(49)	(32)	(24)	-25.7	-52.2
Results from Real estate subsidiaries	(6)	14	1	-90.5	-122.0
Other	97	(132)	56	-142.8	-41.8
<b>Total</b>	<b>(321)</b>	<b>(528)</b>	<b>(372)</b>	<b>-29.6</b>	<b>15.8</b>

Other income and (expenses) added to the result of subsidiaries totaled R\$ 372 million in 1Q21, 29.6% down over 4Q20 and 15.8% up compared to 1Q20. With regards to 4Q20, the 29.6% decline was mainly driven by the impact of accounting write-offs (projects of technology, following the internal management policies for this type of asset) carried out in that quarter. The 15.8% increase over 1Q20 was mainly explained by higher costs associated with the production, reflecting the growth in origination of consumer finance.



## Balance Sheet Analysis

### Balance Sheet

Total assets amounted to R\$ 121 billion by the end of 1Q21, a 4.0% increase over the 4Q20 and +12.6% compared to 1Q20. The growth over the 1Q20 is mainly related to the increase in liquidity (cash, liquidity investments and securities) and the credit portfolio growth in the period. The increase in the "other financial assets" line is explained by the position taken in foreign currency aimed at providing a structural hedge for the balance sheet. It is important to note that the positions related to the exchange fluctuation are mostly linked to hedge objects in order to have low exposure to exchange rate variations.

Shareholders' equity totaled R\$ 11.2 billion by the end of the quarter, compared to R\$ 10.8 billion in the previous quarter and R\$ 10.0 billion in 1Q20.

Balance Sheet   Assets (R\$ M)	1Q20	4Q20	1Q21	Variation %	
				1Q21/4Q20	1Q21/1Q20
<b>Cash and cash equivalents</b>	<b>2,240</b>	<b>4,808</b>	<b>4,723</b>	<b>-1.8</b>	<b>110.9</b>
<b>Financial assets</b>	<b>95,634</b>	<b>101,583</b>	<b>106,830</b>	<b>5.2</b>	<b>11.7</b>
Interbank funds applied	4,614	4,991	6,590	32.0	42.8
Securities and derivative financial instruments	29,595	34,198	34,062	-0.4	15.1
Derivative financial instruments	8,092	3,621	5,462	50.8	-32.5
Interbank accounts or relations	133	984	831	-15.5	523.8
Loan Portfolio	56,618	59,444	60,803	2.3	7.4
Allowance for loan losses	(5,034)	(5,015)	(4,973)	-0.8	-1.2
Other financial assets	1,616	3,359	4,055	20.7	151.0
<b>Tax assets</b>	<b>7,695</b>	<b>8,036</b>	<b>7,684</b>	<b>-4.4</b>	<b>-0.1</b>
<b>Investments in subsidiaries, associates and joint ventures</b>	<b>42</b>	<b>19</b>	<b>6</b>	<b>-68.7</b>	<b>-85.6</b>
<b>Property for use</b>	<b>94</b>	<b>95</b>	<b>91</b>	<b>-4.9</b>	<b>-3.5</b>
<b>Intangible assets</b>	<b>392</b>	<b>463</b>	<b>478</b>	<b>3.3</b>	<b>21.9</b>
<b>Other assets</b>	<b>1,304</b>	<b>1,272</b>	<b>1,147</b>	<b>-9.9</b>	<b>-12.0</b>
<b>TOTAL ASSETS</b>	<b>107,400</b>	<b>116,277</b>	<b>120,960</b>	<b>4.0</b>	<b>12.6</b>

Balance Sheet   Liabilities (R\$ M)	1Q20	4Q20	1Q21	Variation %	
				1Q21/4Q20	1Q21/1Q20
<b>Financial liabilities</b>	<b>94,760</b>	<b>102,518</b>	<b>106,932</b>	<b>4.3</b>	<b>12.8</b>
Deposits	20,318	25,510	25,234	-1.1	24.2
Money market repurchase commitments	16,411	15,029	19,674	30.9	19.9
Securities issued	32,318	40,155	38,324	-4.6	18.6
Interbank accounts	1,518	1,888	1,976	4.7	30.2
Borrowings and domestic onlendings	5,594	3,745	3,707	-1.0	-33.7
Derivative financial instruments	7,596	3,606	4,645	28.8	-38.8
Subordinated debts and debt instruments eligible as capital	3,889	3,693	3,673	-0.5	-5.6
Other financial liabilities	7,115	8,892	9,698	9.1	36.3
<b>Tax liabilities</b>	<b>381</b>	<b>606</b>	<b>427</b>	<b>-29.6</b>	<b>12.1</b>
<b>Provisions for contingencies</b>	<b>939</b>	<b>819</b>	<b>806</b>	<b>-1.5</b>	<b>-14.2</b>
<b>Other liabilities</b>	<b>1,307</b>	<b>1,581</b>	<b>1,595</b>	<b>0.9</b>	<b>22.0</b>
<b>SHAREHOLDER'S EQUITY</b>	<b>10,014</b>	<b>10,754</b>	<b>11,201</b>	<b>4.2</b>	<b>11.9</b>
<b>TOTAL LIABILITIES</b>	<b>107,400</b>	<b>116,277</b>	<b>120,960</b>	<b>4.0</b>	<b>12.6</b>



## Credit portfolio

Credit portfolio reached R\$ 72.2 billion at the end of 1Q21, a 6.2% growth over 1Q20, with an expansion of 6.1% in Retail and 6.2% in Wholesale. In comparison with the previous quarter, the portfolio grew by 2.7%, with an expansion of 1.1% in Retail and 5.9% in Wholesale.

The **Retail** portfolio grew by 6.1% against 1Q20 to R\$ 47.5 billion, with expansion in all segments. The vehicles portfolio registered a 4.6% increase, highlighting the light used vehicles segment, which BV has sustained its leadership. The Loans portfolio, which includes solar panels financing, car equity, personal loans, student loans, in addition to other types of consumer finance, grew by 26.2%, highlighting the 263% growth in the solar panel financial portfolio, reaching R\$ 1.2 billion. Finally, the credit card portfolio registered a 11.6% increase in the period, after new commercial initiatives and enhancements in the portfolio were implemented.

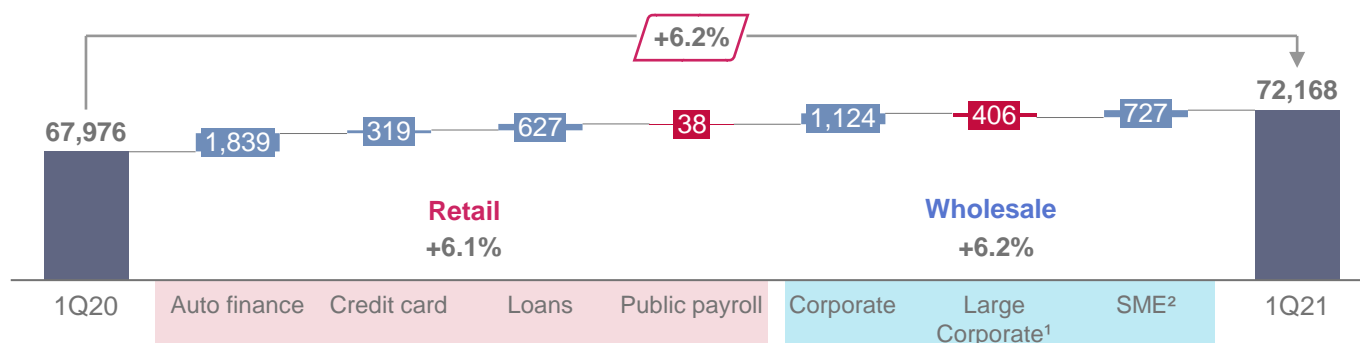
In comparison to 4Q20, the **Retail** portfolio grew 1.1%, highlighting the solar panel financing (+31.9%) and credit card (+5.3%) portfolios.

The **Wholesale** portfolio grew 6.2% over 1Q20, highlighting the Growing Corporate segment (companies with annual revenues between R\$ 300 million and R\$ 1.5 billion), which showed an increase of 22.8% and already represents 40.2% of the expanded Wholesale portfolio (vs. 37.9% in 1Q20 and 27.2% in 1Q19). During the quarter, we also highlight the SME segment (Small and mid-size enterprise) which we started to tap the prepayment of receivables market in 2020 and we ended 1Q21 with a R\$ 727 million portfolio. Both movements are in line with our strategy of pulverization of risk and increase of profitability of the Wholesale portfolio.

In comparison to 4Q20, the **Wholesale** portfolio grew 5.9%, also highlighting the Growing Corporate segment which recorded a 9.4% growth.

Credit portfolio (R\$ M)	1Q20	4Q20	1Q21	Variation %	
				1Q21/4Q20	1Q21/1Q20
<b>Retail segment (a)</b>	<b>44,791</b>	<b>47,015</b>	<b>47,537</b>	<b>1.1</b>	<b>6.1</b>
Auto finance	39,611	41,376	41,450	0.2	4.6
Personal Loans	2,391	2,722	3,018	10.9	26.2
Credit Cards	2,746	2,910	3,065	5.3	11.6
Public Payroll Loan / INSS (run-off)	43	7	5	-29.0	-87.9
<b>Wholesale segment (b)</b>	<b>11,827</b>	<b>12,429</b>	<b>13,266</b>	<b>6.7</b>	<b>12.2</b>
Growing Corporate	5,280	5,927	6,484	9.4	22.8
Large corporate + financial institutions	6,547	5,886	6,055	2.9	-7.5
Small and mid-size enterprise (SME)	0	616	727	18.1	n/a
<b>On-balance loan portfolio (a+b)</b>	<b>56,618</b>	<b>59,444</b>	<b>60,803</b>	<b>2.3</b>	<b>7.4</b>
<b>Wholesale segment (b+c+d)</b>	<b>23,186</b>	<b>23,264</b>	<b>24,631</b>	<b>5.9</b>	<b>6.2</b>
Guarantees provided (c)	7,095	6,916	7,279	5.3	2.6
Private securities (d)	4,264	3,920	4,085	4.2	-4.2
<b>Retail segment (a)</b>	<b>44,791</b>	<b>47,015</b>	<b>47,537</b>	<b>1.1</b>	<b>6.1</b>
<b>Expanded credit portfolio (a+b+c+d)</b>	<b>67,976</b>	<b>70,280</b>	<b>72,168</b>	<b>2.7</b>	<b>6.2</b>

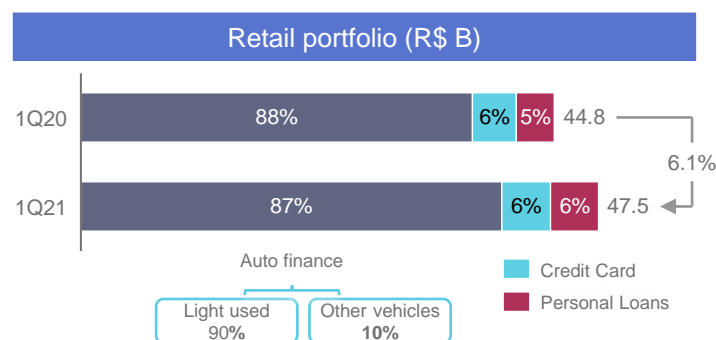
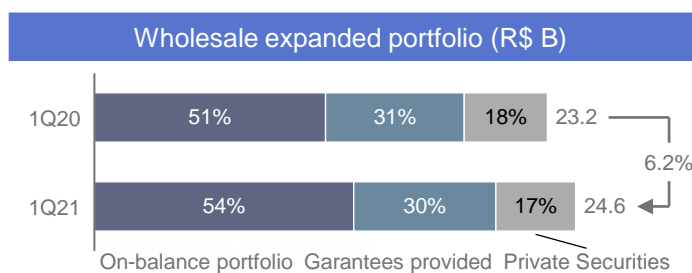
### Credit portfolio (expanded) bridge evolution 1Q21 vs 1Q20 (R\$ M)



<sup>1</sup> Includes Financial institutions

<sup>2</sup> Small and mid-size enterprise





## Loan Portfolio Quality

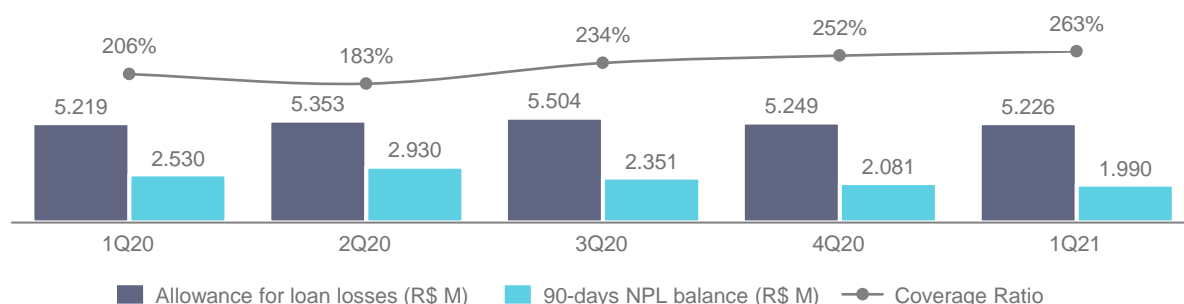
The credit portfolio risk segmentation in this section refers to the classified portfolio following Resolution No. 2,682/99 from CMN (National Monetary Council of Brazil), unless otherwise indicated. Banco BV maintains a consistent process of assessing and monitoring credit risk in transactions with clients.

Credit Portfolio Quality Indicators (R\$ M, except where indicated)	1Q20	4Q20	1Q21
90-day NPL balance	2,530	2,081	1,990
90-day NPL ratio – Total	4.5%	3.5%	3.3%
90-day NPL ratio – Retail	5.2%	4.3%	4.1%
90-day NPL ratio – Auto finance	4.4%	3.6%	3.5%
90-day NPL ratio – Wholesale	1.5%	0.5%	0.4%
Write-off (a)	(636)	(655)	(683)
Credit recovery (b)	133	130	171
Net Loss (a+b)	(503)	(525)	(512)
Net Loss / Credit portfolio - annualized	3.6%	3.6%	3.4%
New NPL	669	385	592
New NPL / Credit portfolio <sup>1</sup> - quarter	1.20%	0.68%	1.00%
ALL balance <sup>2</sup>	5,219	5,249	5,226
ALL balance / Credit portfolio	9.2%	8.8%	8.6%
ALL balance / 90-day NPL balance	206%	252%	263%
AA-C balance	49,566	51,662	53,387
AA-C / Credit portfolio	87.5%	86.9%	87.8%

1.  $\Delta$  NPL quarterly + write-offs for the period) / Credit Portfolio of the immediately previous quarter; 2. Includes provisions for financial guarantees provided and the balance of the provision for generic credit recorded in liabilities in the line "Sundry".

## Coverage Ratio (90-days)

Reflecting the solid risk management model and the robustness of the balance sheet, Coverage Ratio for the nonperforming loans above 90 days (NPL 90-days) remained at a comfortable level, reaching 263% in 1Q21, +11 p.p. vs 4Q20 and +56 p.p. vs 1Q20. In addition to the decline in the delinquency levels observed in the quarter, the highest level of provision also contributed to the increase in the Ratio, reflecting the change in the macroeconomic scenario captured in our provisioning methodology, with the recent developments of the Covid-19 pandemic and its impacts on the credit quality and consequent clients' rating reviews, especially our clients who extended contracts in 2020 in the context of the pandemic.



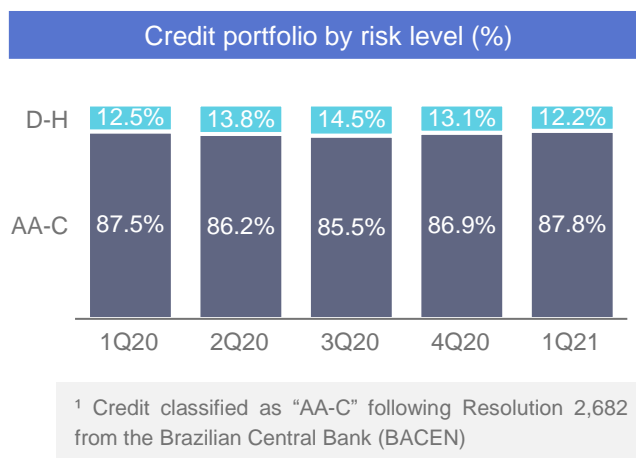




## Credit Portfolio by Risk Level (%)

The management of the credit risk by BV aims at maintaining the quality of the credit portfolio at appropriate levels for each segment. In comparison with 4Q20, there was a decline of 0.9 p.p. in the D-H range portfolio. Remembering that the increase in the D-H range recorded in 2020 was mainly driven by the prudential provisions accrued in that quarter to face the higher uncertain economic scenario due to the pandemic. Such effect has been gradually declining since 4Q20.

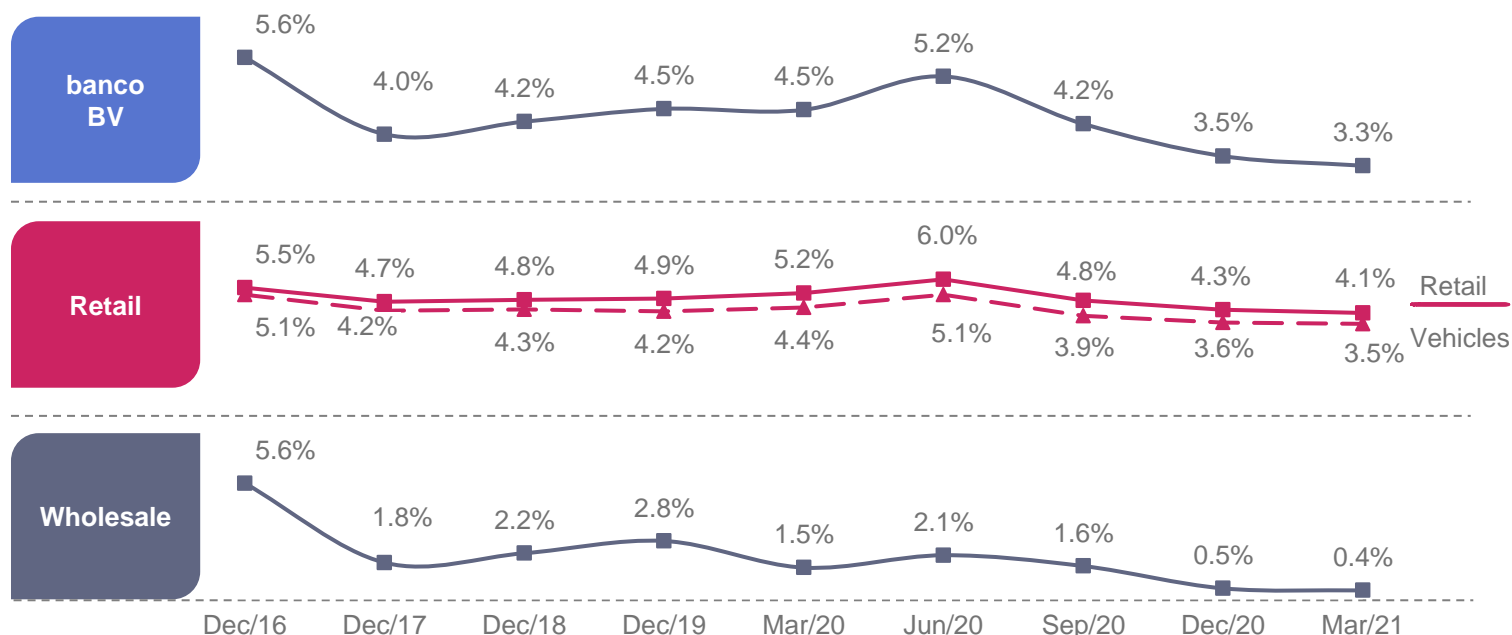
Credits classified in the range AA-C accounted for 87.8% of the credit portfolio at the end of 1Q21, compared to 86.9% in 4Q20 and 87.5% in 1Q20



## Nonperforming Loans - NPL Ratio | Over 90 days

The main delinquency indicator (over-90) declined to 3.3% in 1Q21, a reduction of 0.2 p.p. against 4Q20, driven by a reduction of 0.2 p.p. in Retail and 0.1 p.p. in Wholesale.

- Retail** - The over-90 of Retail closed the 1Q21 at 4.1%, a drop of 0.2 p.p. in comparison to 4Q20. Such movement is in line with our expectations and mainly reflects the adjustments in the concession policies performed in 2020, due to the pandemic, besides the emergency aid from the government and the positive effect of lower spending of families as a result of restrictions imposed by governments in order to control the pandemic. We believe that, with the gradual return of concession policies and the spending of families to pre-pandemic levels, in addition to the end of the emergency aid, the delinquency indicators should gradually return to the historical levels. Over-90 for the **Vehicles portfolio** closed the 1Q21 at 3.5%, a 0.1 p.p. drop in comparison to 4Q20, also explained by the reasons above.
- Wholesale** – Over-90 for the Wholesale portfolio dropped to 0.4% by the end of 1Q21, compared to 0.5% in 4Q20. The fall of the indicator reflects the resilience of the Wholesale portfolio, which has not recorded new delinquency cases, despite the still adverse economic scenario presented in the 1Q21.

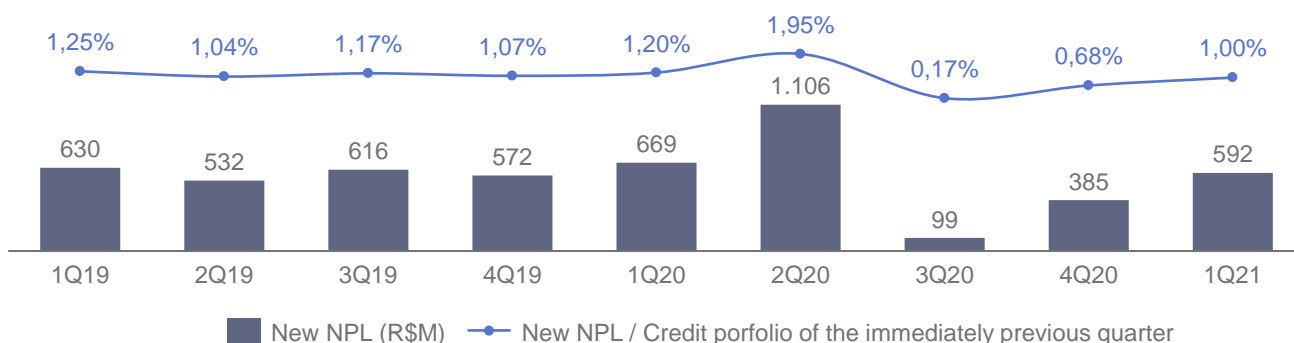




## New NPL

The New NPL, which accounts for the volume of nonperforming loans over 90 days in the quarter reached R\$ 592 million in 1Q21, +53.8% against 4Q20. This indicator presented a significant improvement in 2020 after the initiatives of extension and adjustments in the concession policies, in addition to the effects of the emergency aid from the government. With the end of such measures, the New NPL has gradually resumed the historical levels. In comparison to the portfolio, the New NPL ratio was 1.00%, against 0.68% in 4Q20 and 1.20% in 1Q20.

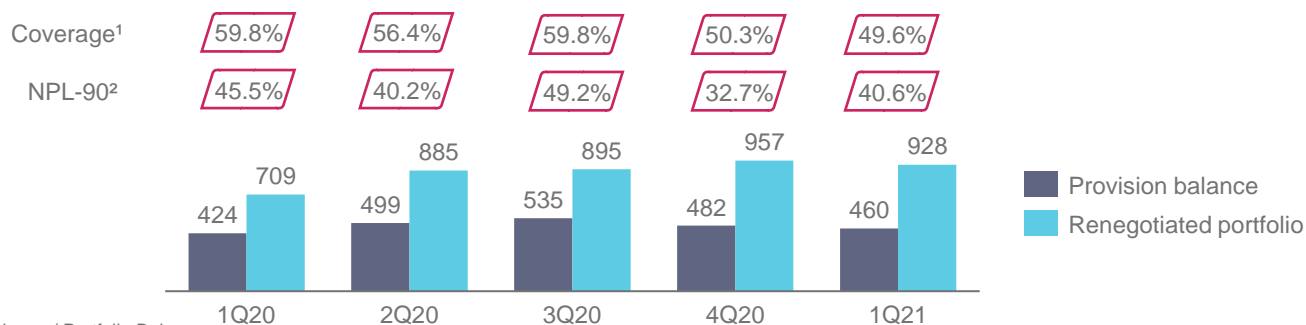
New NPL (R\$ M)	1Q20	4Q20	1Q21	Variation %	
				1Q21/4Q20	1Q21/1Q20
Managed loan portfolio (A)	56,618	59,444	60,803	2.3	7.4
90-day NPL Balance (NPL)	2,530	2,081	1,990	-4.4	-21.3
Quartely NPL variation (B)	33	-270	-91	-66.3	-372.0
Write-off (C)	636	655	683	4.3	7.4
New NPL (D=B+C)	669	385	592	53.8	-11.6
<b>New NPL ratio (D/A)</b>	<b>1.20%</b>	<b>0.68%</b>	<b>1.00%</b>	<b>0.31 p.p.</b>	<b>-0.21 p.p.</b>



## Overdue Credit Renegotiated

The chart below shows information about the renegotiated loan portfolio due to late payment.

Overdue credit portfolio renegotiated (R\$ M)



1. Provision balance / Portfolio Balance

2. NPL 90 days of the renegotiated portfolio.

The balance of the overdue renegotiated credit totaled R\$ 928 million in 1Q21. In comparison with 4Q20, there was a 3.1% drop in the balance of the renegotiated portfolio. Over the same period, NPL 90-days of this portfolio were 40.6%, compared to 32.7% in 4Q20, while the coverage ratio for such portfolio varied from 50.3% in 4Q20 to 49.6% in 1Q21.

The increase in the renegotiated portfolio compared to 1Q20 primarily reflects the pro-client initiatives implemented by BV in the midst of the pandemic and its impacts on the economy, with measures such as extending terms and reduction of the value of installments aiming to adjust the contract conditions to the financial capacity of our clients.

More information can be found in the Financial Statements of the quarter ended on March 31, 2021, Note 12-k

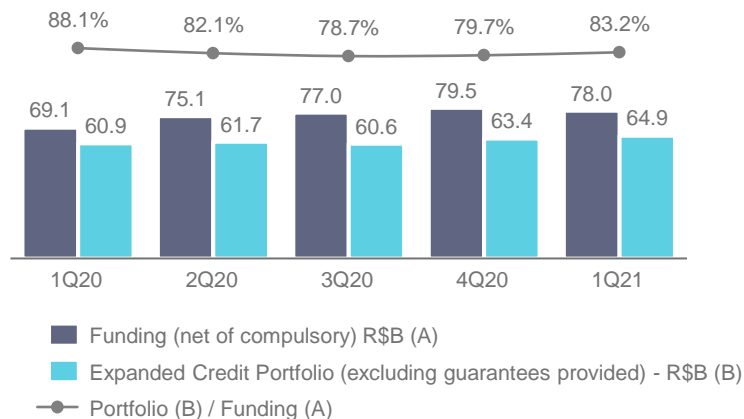


## Funding and Liquidity

Total funding reached R\$ 78.9 billion in 1Q21, 2.1% below the 4Q20 and 13.7% above the 1Q20. The variation in comparison to the previous quarter was mainly due to the prepayment of some Financial Bills with Guarantee during the quarter. Compared to 1Q20, the increase was driven by the strategy of increasing the robustness of the bank's liquidity in the context of the more adverse economic scenario. By the end of 1Q21, the stable funding instruments accounted for 58.8% of the total funding sources.

The ratio between the expanded loan portfolio (excluding guarantees provided) and the funding net of compulsory reserves reached 83.2% in 1Q21, against 79.7% in 4Q20 and 88.1% in 1Q20.

Credit portfolio / Funding (%)



Funding sources (R\$ B)	1Q20	4Q20	1Q21	Variation %		% of total 1Q21
				1Q21/4Q20	1Q21/1Q20	
<b>Debentures</b>	<b>1.7</b>	<b>1.9</b>	<b>2.1</b>	<b>10.6</b>	<b>27.7</b>	<b>2.7</b>
<b>Deposits</b>	<b>20.3</b>	<b>25.5</b>	<b>25.2</b>	<b>-1.1</b>	<b>24.2</b>	<b>32.0</b>
Time deposits	16.3	21.0	20.6	-1.9	26.9	26.2
Deposits on demand and interbank	4.1	4.5	4.6	2.9	13.5	5.8
<b>Subordinated debts (1)</b>	<b>3.9</b>	<b>3.7</b>	<b>3.7</b>	<b>-0.5</b>	<b>-5.6</b>	<b>4.7</b>
Subordinated Financing bills	2.3	2.1	1.9	-10.0	-16.3	2.4
Others subordinated debts	1.6	1.6	1.8	12.3	9.8	2.2
<b>Borrowings and onlendings</b>	<b>5.6</b>	<b>3.7</b>	<b>3.7</b>	<b>-1.0</b>	<b>-33.7</b>	<b>4.7</b>
<b>Bills</b>	<b>27.0</b>	<b>31.9</b>	<b>29.4</b>	<b>-7.8</b>	<b>8.9</b>	<b>37.3</b>
Financing bills (1)	24.7	30.3	28.0	-7.7	13.1	35.5
Agribusiness credit bills ("LCA") and real estate credit bills ("LCI")	1.9	1.6	1.5	-10.7	-24.8	1.8
Financial lease bills ("LAM")	0.4	0.0	0.0	-	-100.0	0.0
<b>Securitization with recourses (1)</b>	<b>5.6</b>	<b>5.6</b>	<b>5.8</b>	<b>4.3</b>	<b>3.9</b>	<b>7.4</b>
<b>Securities abroad (1)</b>	<b>5.2</b>	<b>8.2</b>	<b>8.9</b>	<b>8.2</b>	<b>69.6</b>	<b>11.3</b>
<b>Other</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-90.0</b>	<b>0.0</b>
<b>Total funding</b>	<b>69.4</b>	<b>80.6</b>	<b>78.9</b>	<b>-2.1</b>	<b>13.7</b>	<b>100.0</b>
(-) Compulsory deposits	0.1	1.0	0.8	-15.3	528.9	
(-) Cash & equivalents in local currency	0.1	0.1	0.0	-14.0	-66.7	
<b>Total funding net of compulsory</b>	<b>69.1</b>	<b>79.5</b>	<b>78.0</b>	<b>-2.0</b>	<b>12.9</b>	

(1) Stable funding instruments

Stable funding instruments/Total funding	56.9%	59.3%	58.8%	-0.5 p.p.	1.9 p.p.
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In terms of liquidity, BV maintained its cash balance at a very conservative level. Liquidity Coverage Ratio\* (LCR), which aims to measure the banks' short-term liquidity in stress scenarios, reached 230% in 1Q21, compared to 226% in 4Q20 and 166% in 1Q20. It is important to point out that the regulatory minimum stipulated by the Central Bank is 100%.

Moreover, banco BV has maintained a credit line with Banco do Brasil since 2009, which represents a significant liquidity reserve, and it has never been tapped.

Liquidity Coverage Ratio (LCR)	1Q20	4Q20	1Q21
High-quality liquid assets (HQLA) <sup>1</sup> R\$ M	11,992	19,227	17,229
Total cash inflows – R\$ M	7,216	8,513	7,506
<b>LCR*</b>	<b>166%</b>	<b>226%</b>	<b>230%</b>

1. Mainly federal government bonds and bank reserves

\* Further information about LCR in the "Risk and Capital Management Report" available on the IR website: [ir.bv.com.br](http://ir.bv.com.br)



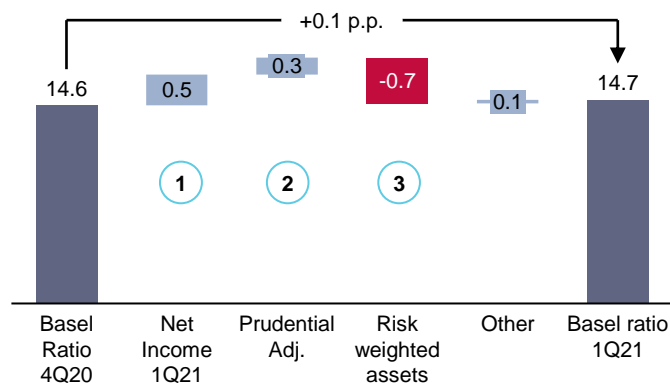
## Capital

The Basel Ratio reached 14.7% in 1Q21, with the Tier I Capital ratio totaling 14.0%, 11.7% of CET1 and 2.3% of Complementary Capital.

In the quarterly comparison, the Basel Ratio recorded an increase of 0.1 p.p, explained by:

- (1) The net income registered in the quarter, with a +0.5 p.p. impact;
- (2) A reduction in prudential adjustments related to tax credits, with an impact of +0.3 p.p., and;
- (3) Increase of assets weighted by risk, mainly due to the increase of the Wholesale portfolio (-0.7 p.p.).

Change in the Basel Ratio 1Q21 vs 4Q20



Basel Ratio (R\$ M)	1Q20	4Q20	1Q21	Variation %	
				1Q21/4Q20	1Q21/1Q20
<b>Total Capital</b>	<b>9,927</b>	<b>10,611</b>	<b>11,182</b>	<b>5.4</b>	<b>12.6</b>
Tier I Capital	9,041	10,078	10,697	6.1	18.3
Common Equity Tier I	7,440	8,513	8,939	5.0	20.1
Additional Tier I	1,602	1,566	1,759	12.3	9.8
Tier II Capital	886	532	485	-8.9	-45.2
<b>Risk Weighted Assets (RWA)</b>	<b>69,457</b>	<b>72,467</b>	<b>76,323</b>	<b>5.3</b>	<b>9.9</b>
Credit risk	60,825	63,771	66,054	3.6	8.6
Market risk	2,150	2,251	3,691	64.0	71.7
Operational risk	6,482	6,445	6,579	2.1	1.5
<b>Minimum Capital Requirement</b>	<b>5,557</b>	<b>5,797</b>	<b>6,106</b>	<b>5.3</b>	<b>9.9</b>
<b>Tier I Capital Ratio</b>	<b>13.0%</b>	<b>13.9%</b>	<b>14.0%</b>	<b>0.1 p.p.</b>	<b>1.0 p.p.</b>
Common Equity Tier I Ratio (CET1)	10.7%	11.7%	11.7%	0.0 p.p.	1.0 p.p.
Additional Tier I Ratio	2.3%	2.2%	2.3%	0.1 p.p.	0.0 p.p.
<b>Tier II Capital Ratio</b>	<b>1.3%</b>	<b>0.7%</b>	<b>0.6%</b>	<b>-0.1 p.p.</b>	<b>-0.6 p.p.</b>
<b>Basel Ratio (Capital/RWA)</b>	<b>14.3%</b>	<b>14.6%</b>	<b>14.7%</b>	<b>0.1 p.p.</b>	<b>0.4 p.p.</b>

Regarding the 1Q20, Basel Ratio increased 0.4 p.p., with a 1.0 p.p. increase in CET1, which more than offset the 0.6 p.p. drop in Capital Tier II, mainly due to the decrease of the subordinated debts that compose this Capital.

The improvement in the CET1 was mainly driven by the greater profit generation in the period and positive impact of prudential adjustments, as a result of the consumption of tax credits.

The Basel Ratio was calculated according to the Basel III methodology for calculating the minimum requirements for Reference Equity, Tier I and Core Capital.

By the end of 1Q21, the minimum capital requirement was 9.25%, with 7.25% being the minimum for Tier I Capital, and 5.75% for Core Capital (CET1). On 03/16/2020, Central Bank's Resolution 4,783/2020 temporarily amended the minimum regulatory capital.



# Diversified Business Portfolio

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

**Credit portfolio<sup>1</sup>**  
**R\$ 72 billion**  
 +6.2% vs 1Q20

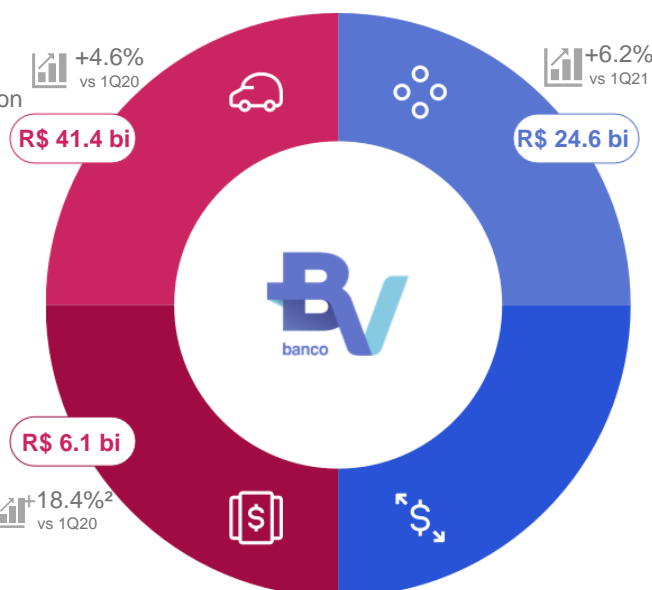
## Retail

### Auto finance

- Leader in the light used vehicles (25% market share)
- Capillarity (+21,100 dealers)
- Innovation and digital transformation
- 100% digital contracting
- 98% automatic decision

### other retail businesses

- **Credit cards:** +960k clients. Complete portfolio of cards. Mastercard, Visa and Elo flags
- **Insurance brokerage:** Auto, loan protection, residential, life, dental, credit card and assistance services (home, funeral, pet)
- **Solar panel financing portfolio:** a 263% growth over 1Q20 (R\$ 1.2 billion)
- **Other loans:** Personal loans, private payroll, car equity, home equity, student loans, solar panels, tourism and medical procedures



## Wholesale

### corporate & investment banking

#### Corporate Banking

- Growing Corporate (> R\$ 300 million)
- Large Corporate (> R\$ 1.5 billion)
- SME (prepayment of receivables)

#### Banking as a Service (BaaS)

- Settlement and custodian bank for startups

### wealth management

- **Prominent position in the industry**  
R\$ 50 billion under management (AuM)
- **39% of AuM** backed by real economy assets
- **7th largest<sup>3</sup>** real estate fund manager
- **BV Private:** Recognized brand in the industry, with customized solutions for high-income clients



BV<sup>x</sup> is our innovation business unit that generates value through connection with the startup ecosystem, with co-creation methods, proprietary developments and investments in our partners.

Corporate  
venture capital

BV open –  
*BV as a Platform*

BV Lab –  
Lab of innovation

<sup>1</sup> – Expanded credit portfolio in Mar/21 (includes guarantees provided and private securities)

<sup>2</sup> – Does not include public payroll loan (run-off)

<sup>3</sup> – According to Anbima ranking as of March 2021



## Retail portfolio

### Auto Finance

**Auto finance** is the core business of banco BV. Throughout its 30-year history, BV has acquired relevant competitive advantages in this segment, which ensures a prominent position in Brazil, especially in light used vehicles.

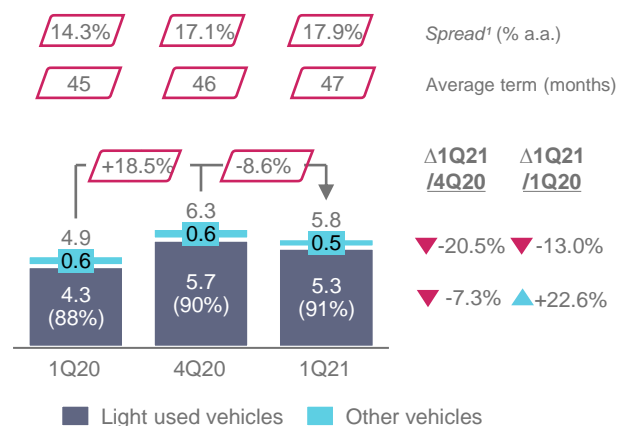
- **Capillarity:** presence in more than 21,100 dealers throughout Brazil; 20 physical stores
- **Agility:** 98% of automatic credit analysis, with a response time of less than 1 minute
- **Digital transformation:** digitalization of the whole financing treadmill, from the simulation to the contract signature and payment
- **Digital origination partners:** Meu Carro Novo, Mobiauto, Mercado Livre and Icarros
- **Expertise:** continuous improvement of management tools with strong use of data science (e.g. analytics, modeling) and innovation (e.g. OCR "optical character recognition", biometrics)

The **origination volume of auto finance totaled R\$ 5.8 billion in the quarter** being R\$ 5.3 billion (or 91%) of light used vehicles and R\$ 0.5 billion of other vehicles (new vehicles, motorcycles and heavy vehicles). In comparison with 4Q20, there was an 8.6% decline in the origination, with a drop of 7.3% in the segment of light used vehicles and 20.5% in other vehicles. Such decline was mainly driven by the seasonality, where the 4<sup>th</sup> quarter is usually stronger (origination of light used vehicles in Brazil declined 15.1% QoQ). To a lower extent, the worsening of the pandemic in mid-March also impacted, after the implementation of new restrictive measures, impacting especially the segment of new vehicles, with some automakers suspending the production.

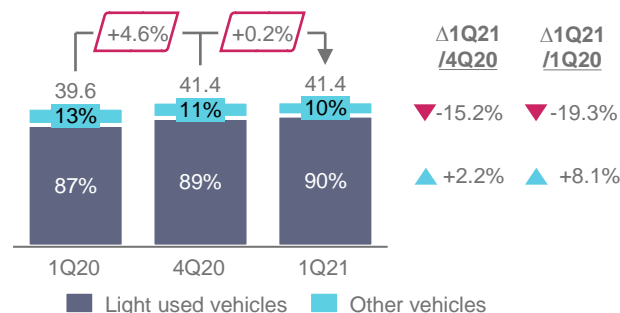
In comparison with 1Q20, the level of origination grew 18.5%, with an increase of 22.6% in light used vehicles segment, which ensured BV's leadership and more than offset the 13.0% drop in other vehicles.

With this, **the auto finance portfolio ended 1Q21 at R\$ 41.4 billion, +0.2% against 4Q20 and +4.6% against 1Q20**. The light used vehicles portfolio represented 90% of the total and recorded a growth of 2.2% and 8.1% compared to 4Q20 and 1Q20, respectively. In turn, the portfolio of other vehicles decreased by 15.2% and 19.3% in the same periods, respectively.

### Auto Finance origination (R\$ B)



### Auto finance portfolio (R\$ B)



Auto Finance - Origination	1Q20	4Q20	1Q21	Variation %	
				1Q21/4Q20	1Q21/1Q20
Spread <sup>1</sup> (% p.a.)	14.3	17.1	17.9	0.8 p.p.	3.6 p.p.
Average term (months)	45	46	47	1	2
Down payment <sup>2</sup> (%)	38.9	40.4	42.2	1.8 p.p.	3.3 p.p.
Light used vehicles / Auto finance origination (%)	88.4	90.2	91.5	1.3 p.p.	3.1 p.p.
Total auto finance origination (R\$ B)	4.9	6.3	5.8	-8.6%	18.5%

Auto Finance - Portfolio	1Q20	4Q20	1Q21	Variation %	
				1Q21/4Q20	1Q21/1Q20
Spread <sup>1</sup> (% a.a.)	17.4	17.4	17.5	0.1 p.p.	0.1 p.p.
Average term (months)	46	43	44	1	-2
Used cars / Auto finance portfolio (%)	87.5	88.6	90.3	1.7 p.p.	2.8 p.p.
Average vehicle age (years)	6.4	6.6	6.7	0.1 p.p.	0.3 p.p.
Auto finance portfolio (R\$ B)	39.6	41.4	41.4	0.2%	4.6%

1 - Spread between the weighted average rate and the SELIC accrued over the period  
 2 - Based on the value of assets reported when contract is signed



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## Retail portfolio



### Insurance brokerage

A diversified portfolio of insurance products offered by BV. Below, the products and its respective partners:

Insurance	Vehicles	Credit protection	Residential	Life + personal accident	Dental	Credit card	Assistance services <sup>1</sup>
Partner							

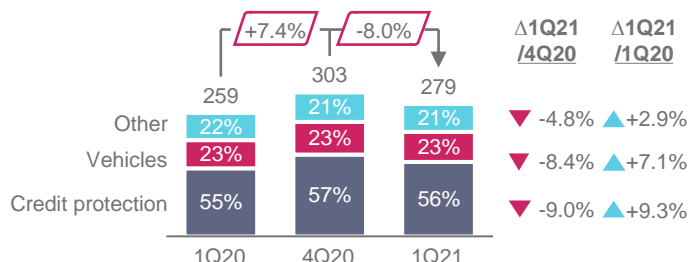
<sup>1</sup>Home, pet and funeral assistance services

The insurance premiums totaled R\$ 279 million in 1Q21, a decline of 8.0% in the quarter. The fall is in line with the decrease in auto financing origination due to seasonality, as previously explained.

In comparison with 1Q20, the premiums registered an increase of 7.4%, following the recovery in the levels of auto financing origination.

The marketplace for auto insurance once again recorded a good performance, with more than R\$ 18 million in premiums issued in the quarter.

### Insurance premiums (R\$ M)



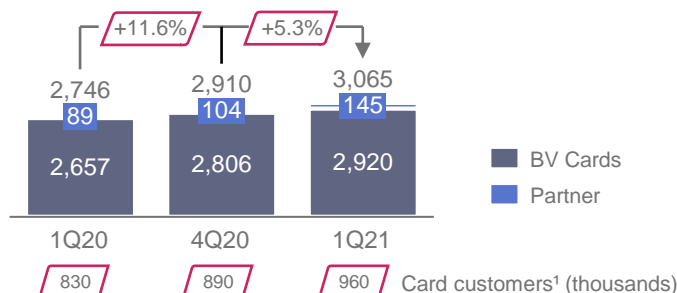
### Credit Card

- A complete credit card portfolio in the Mastercard, Visa and Elo brands, in addition we offer a card in partnership with Dotz Program
- Differentiated benefits: program points, cashback, discount in the annual fee and vehicle assistance
- Improvement of the cards' portfolio: Launching of a BV card with no annual fee in 1Q21
- Cards app integrated with the digital account services and auto finance

We ended the 1Q21 with a credit card portfolio of R\$ 3.1 billion, a 5.3% growth over 4Q20 and 11.6% against 1Q20. At the end of the quarter, we had 960,000 card clients, compared to 890,000 in 4Q20 and 830,000 in 1Q20. Personal Loans offered via app to cards' clients continued to be a highlight, with a 50% growth compared to 4Q20.

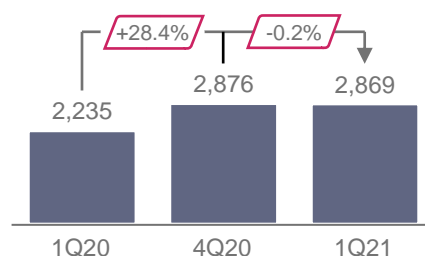
Traded volume remained in line with the previous quarter, due to the seasonality of the 4<sup>th</sup> quarter. Compared to 1Q20, traded volume grew by 28%, reaching R\$ 2.9 billion.

### Credit card portfolio (R\$ M)



Card customers<sup>1</sup> (thousands)

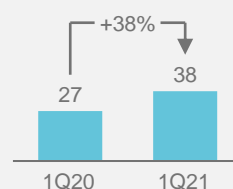
### Traded volume (R\$ M)



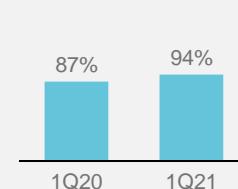
### Digital engagement – Cards

With the surge in the app usage after the integration of the card app with BV digital account in the previous quarter, we observed a significant engagement growth by clients. We recorded 38 million app/website accesses in 1Q21 (+38% vs 1Q20) with 94.4% of cards clients accessing the digital channels.

### Access to digital channels million



### % of clients accessing BV's digital channels



1 - As of 1Q21, we started to disclose the number of card accounts excluding additional cards.





## Retail portfolio

### Loans

Wide range of products for individuals, with important synergies to the bank's core business, in addition to financing products in partnerships with fintechs and startups



Personal loans



Vehicle equity loans (CVG)



Home equity



Private payroll



Solar panels



Student loan



Tourism



Medical procedures



+800

Bank correspondents spread throughout Brazil

#### Digital partners

For the origination of personal loans



#### Partners in the offering of retail credit products



#### Electronic signature with biometrics for all products



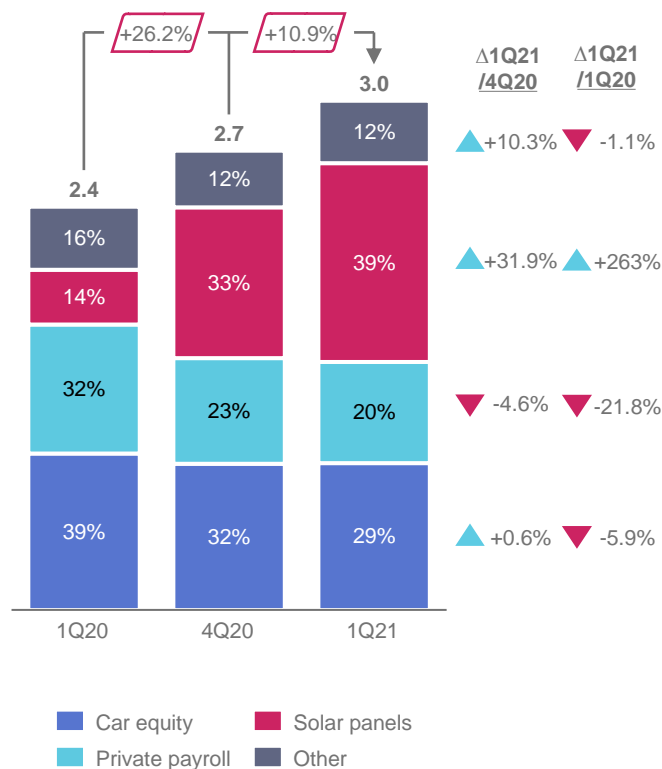
This segment includes BV proprietary products and products co-created in partnerships with fintechs or renowned companies in their respective sectors. In addition to broadening the product portfolio for our clients, we also have expanded and diversified our portfolio.

In 1Q21, we recorded a 10.9% growth<sup>1</sup> vs 4Q20 and 26.2% in comparison with 1Q20, reaching a portfolio of R\$ 3.0 billion, in line with our diversification strategy. Once again, the main highlight was the solar panel financing portfolio which grew 263% against 1Q20 and reached R\$ 1.2 billion, representing 39% of this loan segment, compared to only 14% in 1Q20.

The car equity registered a decline of 5.9% compared to 1Q20, but increased over the 4Q20, after new commercial actions and the deployment of the virtual simulator.

The private payroll loan portfolio declined 4.6% compared to 4Q20 and 21.8% compared to 1Q20, ending the quarter in R\$ 599 million. Finally, the “other” loans, which include personal loan, student loans and financing of medical procedures, registered a growth of 10.3% in the quarter. In comparison with 1Q20, the variation was of -1.1%.

### Loan portfolio (R\$ B)



1 - Excluding public payroll



## Digital maturity

### Digital Account

After the integration of the digital account app with the card app in the previous quarter, which created a one-stop digital platform for clients to have access to the BV services in one place, in 1Q21 we began the expansion of the BV digital account offering with an initial focus on our credit card clients. Moreover, we made significant improvements and enabled new features.

During the quarter, we recorded a significant growth in the opening of new accounts, growing by 9 times in comparison with the previous quarter. It is important to highlight that 100% of the new accounts already had approved credit limits, as they already are our credit card clients, broadening the engagement and cross selling opportunities.

This performance was also corroborated by the number of transactions and the number of clients who performed transactions in March, tripling in comparison to the previous month.

Our digital account is 100% digital, free of charge and works as a relationship hub through which the client can control the financing of his/her vehicle, invest in fixed income, monitor the credit card expenses and perform all transactions in a current account, like the instant payment (Pix).

Through the app, our client also can have a longer term to pay bills and receive customized services by chat.

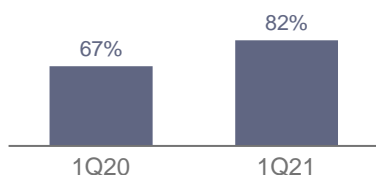


**9x**  
growth in the number  
of new accounts  
vs 4Q20

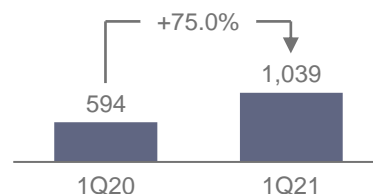
### Engagement on digital channels

We continued observing a significant increase in our clients' digital engagement, movement that was reinforced during the Covid-19 pandemic. We have made important investments in technology, always aiming at the improvement of our clients' experiences.

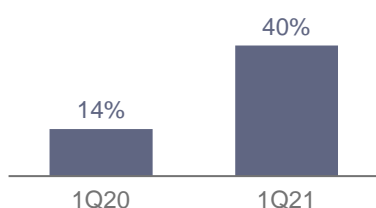
Client service via digital channel ("Minha BV" and/or app)  
(%)



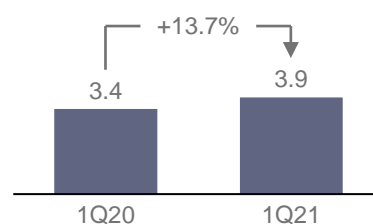
# of clients who logged in to "Minha BV" or / and app  
(millions)



Credit cards sold via digital channels  
(%)



Simulation of auto finance on digital channels  
(millions)



<sup>1</sup> unique customers who used the digital web and / or app channels in the quarter

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## Wholesale portfolio



### Corporate & Investment Banking (CIB)

With agile and customized solutions that simplify the daily processes of companies, CIB offers a wide variety of loan products, capital markets, treasury and services. Our CIB serves economic groups with annual revenues above R\$ 300 million, classified as "Growing Corporate" and "Large Corporate" segments, in addition to the prepayment of receivables for Small and Medium Enterprises (SMEs).

#### Growing Corporate

##### Clients<sup>1</sup>:

Annual revenue >R\$ 300M <R\$1.5 billion

##### Strategic Focus:

Expansion of the portfolio

#### Large Corporate

##### Clients<sup>1</sup>:

Annual revenue > R\$ 1.5 billion

##### Strategic Focus:

Selective approach leveraging products where we have a solid competitive advantage, such as local DCM

#### SME

##### Clients<sup>1</sup>:

Small and Medium Enterprises

##### Strategic Focus :

Prepayment of receivables through (i) penetration into the value chain of our CIB customers and (ii) partnership with fintechs

#### Wide variety of products

Local Currency & Cash Management

Derivatives

Capital Markets & M&A

Foreign Currency & FX

Fund raising

Corporate & Project Finance

<sup>1</sup> Economic groups

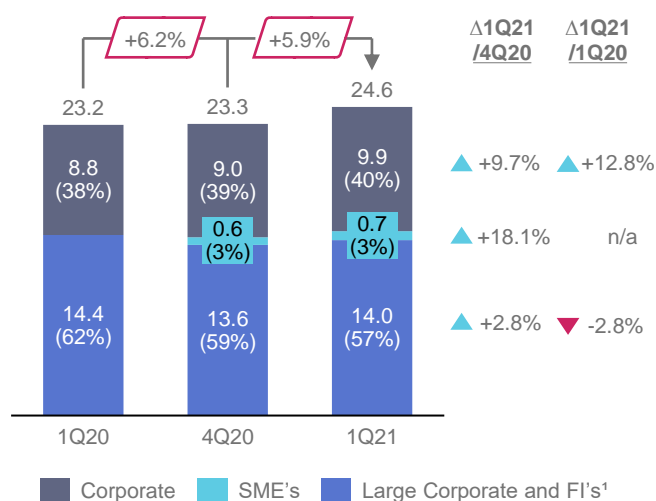
CIB expanded portfolio closed the 1Q21 at R\$ 24.6 billion, a growth of 5.9% compared to the previous quarter and 6.2% over the last 12 months. Excluding the effect of the exchange rate variation, the growth was 4.4% compared to the previous quarter and 4.7% in the last 12 months.

Growing corporate segment registered a 12.8% growth in the last 12 months, reaching R\$ 9.9 billion and representing 40% of the CIB portfolio (vs 38% in 1Q20). In comparison with 4Q20, the growth was 9.7%.

Large Corporate segment (including financial institutions), in turn, dropped 2.8% over the last 12 months, to R\$ 14.0 billion, representing 57% of the CIB portfolio. In comparison with 4Q20, there was a 2.8% growth.

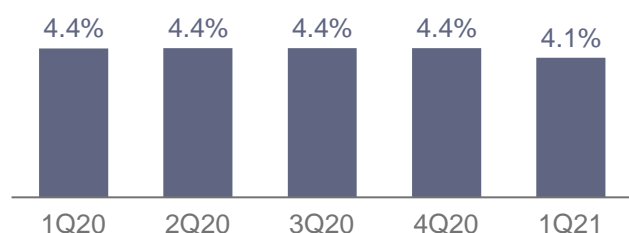
Finally, in line with our diversification strategy and risk spreading of the portfolio, since the end of 2020 we started tapping the segment of prepayment of receivables to SME's. We ended 1Q21 with a portfolio of R\$ 0.7 billion.

### CIB - Expanded portfolio (R\$ B)

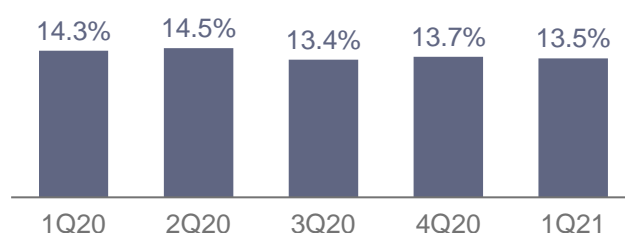


<sup>1</sup> Financial institutions.

### 10 largest debtors<sup>1</sup>



### 100 largest debtors<sup>1</sup>



<sup>1</sup> Regarding the On-balance loan portfolio



### CIB portfolio - Breakdown by sector

At the end of 1Q21, CIB had a very diversified portfolio, with no exposure concentrated in any economic sector.

CIB portfolio by sector	1Q20		1Q21	
	R\$ M	% of total	R\$ M	% of total
Financial Institution	3,764	16.2%	3,049	12.4%
Retail business	1,267	5.5%	1,811	7.4%
Real Estate	1,865	8.0%	1,811	7.4%
Sugar and ethanol	1,852	8.0%	1,671	6.8%
Electric power	480	2.1%	1,461	5.9%
Industry	1,774	7.7%	1,293	5.2%
Agroindustry / Agrochemicals	733	3.2%	1,112	4.5%
Project Finance	972	4.2%	1,058	4.3%
Telecommunications	989	4.3%	940	3.8%
Oil & gas	817	3.5%	806	3.3%
Vehicle assemblers / Dealers	658	2.8%	753	3.1%
SME's	-	-	727	3.0%
Cooperatives	742	3.2%	689	2.8%
Rentals	507	2.2%	542	2.2%
Mining	538	2.3%	508	2.1%
Health	380	1.6%	462	1.9%
Services	676	2.9%	437	1.8%
Sanitation	292	1.3%	352	1.4%
Other <sup>1</sup>	4,880	21.0%	5,149	20.9%
<b>Total</b>	<b>23,186</b>	<b>100%</b>	<b>24,631</b>	<b>100%</b>

1 - No sector individually accounted for more than 3% on 03/31/2021.



## Wholesale - Wealth Management

Our Wealth Management develops and provides sustainable solutions in wealth management, with strategic well traced goals for both the distinctive markets in which it operates:



### Asset Management – BV Asset

Recognized for the consistency of performance, great innovative capacity, with a wide offer of products for all target client segments: Institutional, corporates, private and platforms.

BV Asset has a prominent position in the asset management industry in Brazil, with approximately **R\$ 50 billion under management** by the end of 1Q21.

In 2020, BV Asset received the maximum rating from S&P (AMP-1) due to the discipline of its processes to manage the investment, the strong operational practices and control, and the good fiduciary principles.



### Private Bank – BV Private

We offer financial products and solutions suited to investors' needs, in addition to always seeking the best solutions for wealth management in Brazil and abroad, bringing innovation and expertise from our asset allocation team to the portfolios.

We have a prominent position, occupying the **8<sup>th</sup> position in the Private segment in the Anbima management ranking<sup>1</sup>**, with approximately R\$ 23 billion in assets under management.



**R\$ 50 billion**  
under management

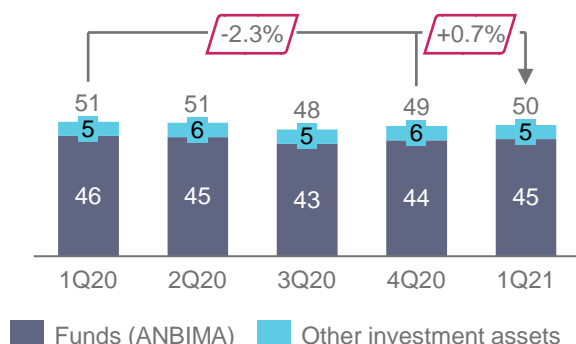
**236** funds under  
management

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

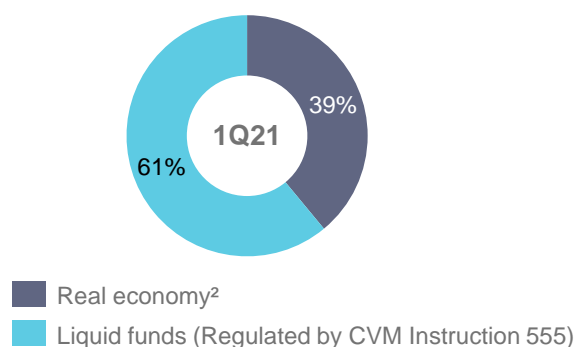
**7<sup>th</sup> largest** real  
estate fund manager

BV Asset closed the 1Q21 with approximately R\$ 50 billion in assets under management (AuM), an increase of 0.7% in comparison to 4Q20. By the end of the quarter, 39% of funds managed by BV Asset were backed by real economy assets, including real estate, energy and infrastructure sectors, which reinforces our prominent position in the real estate funds industry, where we occupied the 7<sup>th</sup> position according with the Anbima Ranking<sup>1</sup>.

### Assets under management (R\$ B)



### Funds backed by real economy assets<sup>2</sup>



### BV Asset: Excellence in investment management

Signatory of:



Since 2019, BV Asset is a signatory of **PRI** (Principles for Responsible Investment)



**3rd place** in the category  
Leader Institution in  
Responsible Investment



Recognized with rating  
**AMP-1 ("Very Strong")**  
by S&P Global Ratings

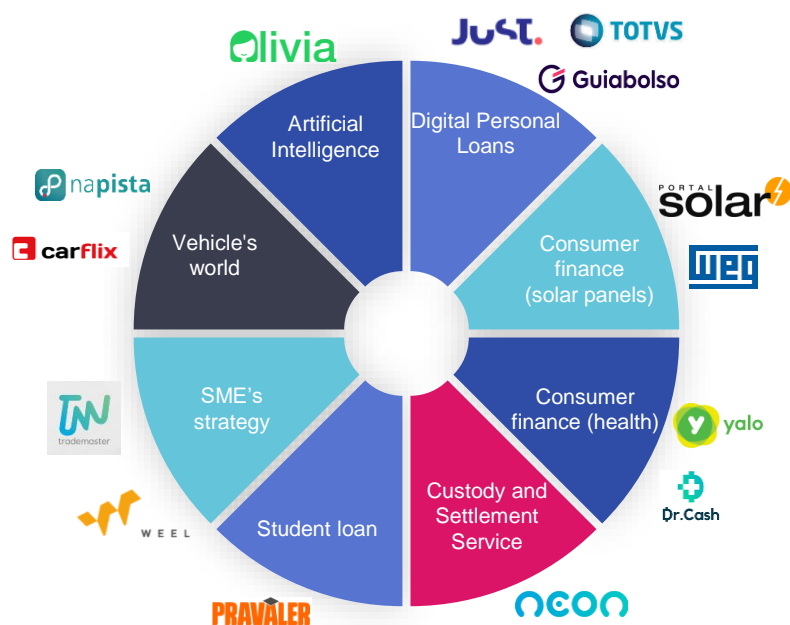
1 - Ranking ANBIMA as of March 2021  
2 - Includes real estate, energy, infrastructure and others



## BV<sup>x</sup> Innovation Business Unit

The mission of **BV<sup>x</sup>** is to drive value through a connection with the startup ecosystem by the co-creation, proprietary developments and investments in strategic partnerships. BV<sup>x</sup> has three action fronts: (i) Corporate Venture Capital (Corporate VC); (ii) BV Open and; (iii) BV Lab. Between direct investments and partnerships for co-creating and products distribution, we count on around 30 innovative companies that enrichen our ecosystem.

### BV<sup>x</sup> overview (on-exhaustive):



**~30 partnerships  
for co-creation and  
distribution of products**

that accelerate our diversification  
into new segments, enriching our  
ecosystem

### New Partnership with Google

During 1Q21, we announced an important partnership with Google Cloud to deepen our continuous journey of innovation, exploiting new opportunities for solutions in the market, with emphasis on the intensive use of data and Artificial Intelligence. The goal is to join forces and count on the Google Cloud technology to further leverage what BV has been doing in the market. They will add knowledge of data intelligence and technology, and we will add the credit expertise and other financial products, in a continuous search for innovation for the industry.

#### Our ambition with this partnership

We aim to transform the financial industry in Brazil, work together to co-innovate in areas such as data, artificial intelligence, platform, customer experience and digital channels to make the life of our clients easier

Google calls this partnership model as Digital Transformation Partnership (DTP), and has already been applying this approach successfully in various industries and countries. In Brazil, the first partnership in the financial industry were closed with BV. More recently, they engaged with a large conglomerate in the media industry.

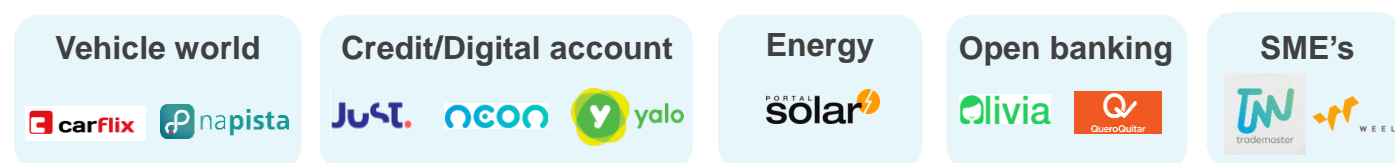
The strategy is to explore both the short-term opportunities - enhancing the strongholds of BV with Google's expertise in data and technology - as well as assess the long-term benefits from the integration of cultures and initiatives of co-innovation between the different multidisciplinary teams.



## I. Corporate Venture Capital

### Investment in Trademaster

In 1Q21, we made an investment in the fintech Trademaster aiming at strengthening our strategy in the segment of Small and Medium-sized Enterprises (SME's). The fintech already serves more than 450,000 small and medium retailers, leveraging the sales of the entire distribution chain through the access to credit, term and better trading conditions, with large industries and their distributors. Trademaster was founded in 2015 and since then has already transacted more than R\$ 6 billion. [www.trademaster.com.br](http://www.trademaster.com.br)

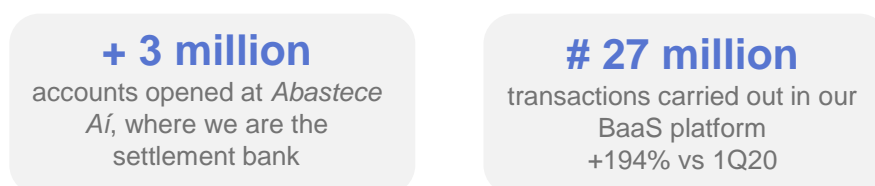


## II. BV Open: Our API's platform for partners and clients

In BV Open, the 1Q21 highlight was the strong growth of new digital accounts in *Abastece Aí*, a partnership where we operate as the settlement bank for the digital wallet structure of the loyalty program from Ipiranga (fuel distribution company). By the end of 1Q21, the Program reached more than **3 million accounts**.

Another highlight was the volume (quantity of transactions<sup>1</sup>) held in our Banking as a Service (BaaS) platform, which reached **27.3 million** in 1Q21, a **194% growth over 1Q20**, boosted by Pix, the instant payment launched in Brazil in late 2020.

Finally, it is worth highlighting the effective date of the 1<sup>st</sup> phase of the implementation of open banking in Brazil, since February this year. This phase includes the sharing of information about customer service channels, services and traditional financial products.



## III. BV Lab: Innovation Lab

In order to be closer to those who innovate, collaborate with the Brazilian entrepreneurship and make people's lives easier, in this quarter we joined **Abstartups**, the largest association of startups in Brazil, responsible for the CASE - the Annual Conference of Startups and Entrepreneurship, the biggest event of the segment in Latin America, with the aim of encouraging national entrepreneurship and transform the financial sector through innovation.

This association further strengthens our commitment with the innovation ecosystem to collaborate with the growth of the national entrepreneurship, encouraging the innovation culture and transforming the market of financial solutions. In the previous quarter, we had already announced our association with Distrito (chosen the best innovation hub in 2020) and ABFintechs (Brazilian Association of Fintechs).

1 - It includes registration and payment of bank slips, Ted and Pix transfers.





## Ratings

Banco BV is rated by international rating agencies and the marks given reflect its operational performance, financial strength and the quality of its management, in addition to other factors related to the financial sector and the economic environment in which the company operates. It is worth mentioning that the long-term rating in foreign currency is limited to the sovereign rating of Brazil.

The table below shows the ratings assigned by the main agencies:

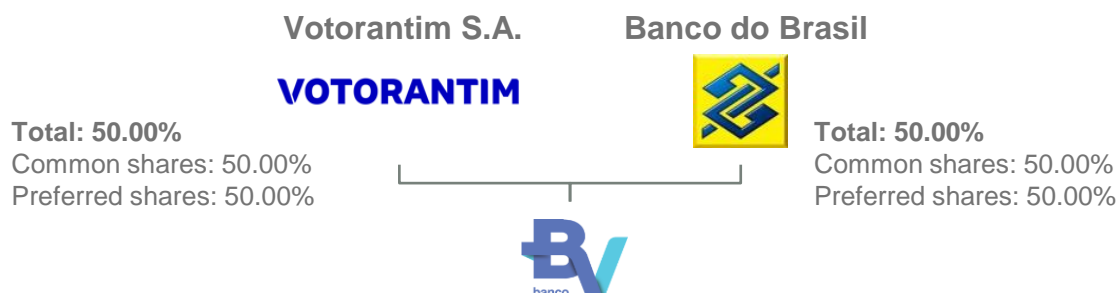
RATING AGENCIES		Global scale		National scale	Brazil
		Local currency	Foreign currency	Local currency	
Moody's	Long-Term	Ba2 (stable)	Ba2	Aa3.br	Sovereign rating (outlook)
	Short-Term	NP	NP	BR-1	
Standard & Poor's	Long-Term	BB- (stable)		brAAA	Ba2 (stable)
	Short-Term	B		brA-1+	
					BB- (stable)



## Corporate Governance

Banco BV adopts the best governance practices, ensuring transparency and equity of information, in order to contribute to the decision-making process.

### Shareholding structure



Banco BV's management is shared between Votorantim Finanças and Banco do Brasil shareholders, with equal interest for both on the Board of Directors, which is made up of seven members (three members appointed by each shareholder plus one independent member). Currently, the Board is composed by six active members, and will be fully composed opportunely.

Board meetings take place at least monthly to deliberate on strategic issues and monitor and guide the banco BV's business. Decisions are taken by absolute majority, with no casting vote.

Fiscal Council and the advisory forums to the Board are also part of the governance bodies, in addition to the Executive Board, Executive Committee and internal governance technical committees.

At the Annual General Meeting held in Apr/2019, in addition to the re-election of the Board members for the next two-year term that will last until 2021, José Luiz Majolo was re-elected as Chairman. At the Extraordinary General Meeting held in Sep/2020, André Guilherme Brandão was elected Vice-President and resigned in Apr/21, with such position currently vacant.

At the Extraordinary General Meeting held in Nov/2020, Andrea da Motta Chamma was elected the first Independent Board Member of banco BV.

Board of Directors		
Name	Position	Shareholder
José Luiz Majolo	Chairman	Votorantim Finanças
Andrea da Motta Chamma	Member	Independent
Carlos José da Costa André	Member	Banco do Brasil
Carlos Renato Bonetti	Member	Banco do Brasil
Celso Scaramuzza	Member	Votorantim Finanças
Jairo Sampaio Saddi	Member	Votorantim Finanças

### Corporate Governance Structure



\* BV Empreendimentos e Participações

Main Highlights

Analysis of managerial results

Balance sheet analysis

Diversified business portfolio

BVx - Innovation Business unit

Ratings

Corporate Governance



## ESG (Environmental, Social and Governance) initiatives

### Environmental



#### Compensation of CO2 emissions from financed vehicles

At the end of 2020, BV announced a public commitment to offset 100% of the CO2 emissions of cars financed from 2021. In 1Q21, more than 270 thousand vehicles have already been included in the program and will have their emissions offset.



#### Carbon Free

In partnership with *Amigo do Clima* program, in 2021 we will compensate 100% of the CO2 emissions of the bank's operations from 2020.



#### Green Bond

1<sup>st</sup> private Brazilian bank to issue a green bond (issued in 2020)



#### Renewable energy

263% growth in the solar panel financing portfolio vs 1Q20



#### Green bond emission

We participated in the issuance of the bond classified as Sustainability-Linked Bonds (SLB) of the company Allonda.



#### We are a signatory of:

**Global Pact (UN):** we joined the Global Pact Brazil Network. The focus will be concentrating to the material SDG<sup>1</sup> for the bank.

#### Equator Principle

Since 2016, being the 5<sup>th</sup> Brazilian bank to sign the commitment

#### PRI (Principles for Responsible Investment)

BV Asset has been signatory since 2019

### Social



#### Fighting Coronavirus:

**Social mobilization campaign:** we re-started the campaign with the initial donation of R\$ 500,000 and for every R\$ 1 donated, we are doubling the donation, until we reach R\$1.5 million.

**2020 Campaign:** in the 2020, we donated more than R\$ 32 million together to support people, hospital infrastructure, construction of vaccine factories. Over 600,000 people have been positively impacted by our initiatives.



#### Pact for sport

We became signatories of this Pact in which large companies in Brazil get together to contribute to professional management and increase private investment in Brazilian sports.



#### Incentivized Projects

In 2020, we supported 27 projects in the areas of Culture, Sports, Education and Health, allocating close to R\$ 12 million to projects that were implemented in early 2021.

### Governance



#### New Independent board member

In Nov / 20, Andrea Chamma was elected the first Independent board member of BV



#### Leadership goals

As of 2021, the executive board has goals and business incentives linked to ESG initiatives



#### New Sustainability Committee

The new committee defines and monitors the bank's ESG objectives and strategies



#### Policies

Credit policy that considers socio-environmental risk assessment.

1 - Sustainable Development Goals (SDGs): Economic growth, foster inclusion and improve infrastructure, reduce inequality and create initiatives to combat climate change.

