

# Financial Statements

September, 30 2021



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## PARENT COMPANY AND CONSOLIDATED INTERIM STATEMENTS

as of September 30, 2021

(In thousands of Reais, unless otherwise stated)

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## **Report on review of parent company and consolidated financial statements**

To the Board of Directors and Shareholders  
Banco Votorantim S.A.

### **Introduction**

We have reviewed the accompanying statement of financial position of Banco Votorantim S.A. ("Bank") as at September 30, 2021, and the related income statement, statement of other comprehensive income for the three and nine-month period then ended and statement of changes in shareholder's equity and statement of cash flows for the nine-month period then ended, as well as the accompanying consolidated statement of financial position of Banco Votorantim S.A. and its subsidiaries ("Consolidated") as at September 30, 2021, and the related consolidated income statement, statement of other comprehensive income, for the three and nine-month period then ended and statement of changes in shareholder's equity and statement of cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation and fair presentation of these parent company and consolidated financial statements in accordance with accounting standards adopted in Brazil applicable to institutions authorized to operate by the Brazilian Central Bank. Our responsibility is to express a conclusion on these financial statements based on our review.

### **Scope of review**

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

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements referred to above do not present fairly, in all material respects, the financial position of Banco Votorantim S.A. and of Banco Votorantim S.A. and its subsidiaries as at September 30, 2021, and the parent company financial performance and its cash flows for the nine-month period then ended, as well as the consolidated financial performance and its cash flows for the nine-month period then ended, in accordance with accounting standards adopted in Brazil applicable to institutions authorized to operate by the Brazilian Central Bank.



Banco Votorantim S.A.


### Other matters

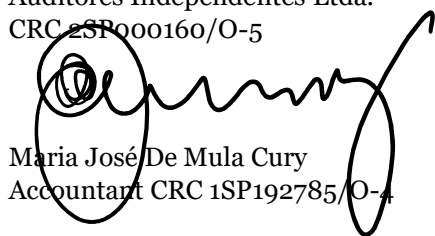
The parent company and consolidated financial statements mentioned in the first paragraph includes accounting information corresponding to the income statement, statement of other comprehensive income, statement of changes in shareholder's equity, cash flow and statement of added value for the quarter ended September 30, 2020, obtained from the parent company and consolidated financial statements for that quarter, and the parent company and consolidated statement of financial position as of December 31, 2020, obtained from the parent company and consolidated financial statements as of December 31, 2020, presented for comparison purposes. The review of the parent company and consolidated financial statements for the quarter ended September 30, 2020 and the audit of the parent company and consolidated financial statements for the year ended December 31, 2020 were conducted under the responsibility of other independent auditors, who issued review and audit reports, with dates of November 5, 2020 and February 4, 2021, respectively, without modifications.

### Statements of added value

The financial statements referred to above include the parent company and consolidated statements of added value for nine-month period ended September 30, 2021. These statements are the responsibility of the Bank's management and are presented as supplementary information for the Central Bank of Brazil. These statements have been subjected to review procedures performed together with the review of the financial statements for the purpose of concluding whether they are reconciled with the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of added value have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated financial statements taken as a whole.

São Paulo, November 3, 2021

  
PricewaterhouseCoopers  
Auditores Independentes Ltda.  
CRC 2SP000160/O-5

  
Maria José De Mula Cury  
Accountant CRC 1SP192785/O-4



# STATEMENT OF FINANCIAL POSITION

as of September 30, 2021 and December 31, 2020

(In thousands of Reals, unless otherwise stated)

	Note	Parent Company		Consolidated	
		09.30.2021	12.31.2020	09.30.2021	12.31.2020
<b>Cash and cash equivalents</b>	<b>7</b>	<b>4,780,834</b>	<b>5,457,830</b>	<b>4,802,671</b>	<b>4,808,466</b>
Availabilities		256,160	487,652	277,997	539,335
Interbank funds applied		4,524,674	4,970,178	4,524,674	4,269,131
<b>Financial assets</b>		<b>102,051,780</b>	<b>98,648,528</b>	<b>105,565,813</b>	<b>101,582,819</b>
<b>Interbank investments</b>	<b>8a</b>	<b>4,062,152</b>	<b>4,988,959</b>	<b>2,450,488</b>	<b>4,991,024</b>
<b>Securities</b>		<b>34,143,271</b>	<b>32,657,421</b>	<b>35,728,877</b>	<b>34,198,210</b>
Securities portfolio	9a	35,087,419	33,595,049	36,673,025	35,135,838
(Provision for impairment of securities)	9a	(944,148)	(937,628)	(944,148)	(937,628)
<b>Derivative financial instruments</b>	<b>10a</b>	<b>4,931,695</b>	<b>5,081,402</b>	<b>4,294,392</b>	<b>3,621,140</b>
<b>Interbank accounts</b>	<b>11a</b>	<b>913,463</b>	<b>984,105</b>	<b>914,817</b>	<b>984,105</b>
<b>Loan portfolio</b>	<b>12a</b>	<b>55,370,072</b>	<b>51,834,046</b>	<b>59,103,811</b>	<b>54,428,883</b>
Loans		55,523,390	52,851,117	57,064,120	53,792,865
Other receivables with loan characteristics		4,575,449	3,601,821	7,210,253	5,577,846
Lease portfolio		-	-	62,076	73,353
(Allowance for losses associated with credit risk)		(4,728,767)	(4,618,892)	(5,232,638)	(5,015,181)
<b>Other financial assets</b>	<b>13a</b>	<b>2,631,127</b>	<b>3,102,595</b>	<b>3,073,428</b>	<b>3,359,457</b>
<b>Tax assets</b>		<b>6,608,350</b>	<b>7,110,133</b>	<b>7,669,262</b>	<b>8,035,798</b>
Current tax assets	25a.1	220,332	303,609	276,175	358,504
Deferred tax assets	25a.2	6,388,018	6,806,524	7,393,087	7,677,294
<b>Investments</b>		<b>3,985,575</b>	<b>3,477,873</b>	<b>112,197</b>	<b>19,457</b>
Investments in subsidiaries, associates and joint ventures	14a	3,985,291	3,477,686	111,913	19,270
Other investments	14e	284	187	284	187
<b>Property, plant and equipment</b>	<b>15</b>	<b>79,906</b>	<b>94,427</b>	<b>80,252</b>	<b>95,227</b>
Other property, plant and equipment		382,740	390,135	392,242	401,544
(Accumulated depreciation)		(302,834)	(295,708)	(311,990)	(306,317)
<b>Intangibles and goodwill</b>		<b>524,193</b>	<b>397,652</b>	<b>608,992</b>	<b>462,960</b>
Intangible assets	16a	1,198,185	957,987	1,308,549	1,010,073
(Accumulated amortization)	16a	(469,242)	(355,585)	(484,978)	(366,651)
(Accumulated impairment)	16a	(204,750)	(204,750)	(214,579)	(214,579)
Goodwill and fair value adjustment	16d	-	-	-	34,117
<b>Other assets</b>	<b>13a</b>	<b>933,390</b>	<b>1,033,211</b>	<b>1,127,655</b>	<b>1,272,410</b>
<b>TOTAL ASSETS</b>		<b>118,964,028</b>	<b>116,219,654</b>	<b>119,966,842</b>	<b>116,277,137</b>

The accompanying notes are an integral part of these financial statements.



## STATEMENT OF FINANCIAL POSITION

as of September 30, 2021 and December 31, 2020

(In thousands of Reals, unless otherwise stated)

	Note	Parent Company		Consolidated	
		09.30.2021	12.31.2020	09.30.2021	12.31.2020
<b>Financial liabilities</b>		<b>103,545,077</b>	<b>102,905,467</b>	<b>104,067,382</b>	<b>102,518,146</b>
Deposits	17a	24,921,123	26,344,211	23,954,120	25,510,391
Money market repurchase commitments	17c	19,297,902	15,639,154	18,026,990	15,028,829
Funds from acceptance and issuance of securities	19	36,874,959	40,154,521	36,874,959	40,154,521
Interbank accounts	11a	51,765	5,887	2,552,918	1,887,891
Borrowings and domestic onlendings	18a	4,341,135	3,745,402	4,341,135	3,745,402
Derivative financial instruments	10a	3,202,198	4,629,350	3,029,397	3,605,657
Subordinated debts and debt instruments eligible as capital	20a	3,813,140	3,693,126	3,813,140	3,693,126
Other financial liabilities	21a	11,042,855	8,693,816	11,474,723	8,892,329
<b>Tax liabilities</b>		<b>734,988</b>	<b>472,397</b>	<b>952,387</b>	<b>605,913</b>
Current tax liabilities	25b.1	200,776	136,295	416,992	259,497
Deferred tax liabilities	25b.2	534,212	336,102	535,395	346,416
<b>Provisions for contingencies</b>	<b>28e</b>	<b>701,278</b>	<b>767,733</b>	<b>746,818</b>	<b>818,698</b>
<b>Other liabilities</b>	<b>21a</b>	<b>1,759,672</b>	<b>1,327,888</b>	<b>1,970,939</b>	<b>1,580,663</b>
<b>Shareholders's Equity</b>		<b>12,223,013</b>	<b>10,746,169</b>	<b>12,229,316</b>	<b>10,753,717</b>
Capital	24a	8,130,372	8,130,372	8,130,372	8,130,372
Capital reserves	24b	372,120	372,120	372,120	372,120
Profit reserves		2,135,054	2,094,324	2,123,732	2,083,002
Other comprehensive	24g	442,089	149,353	457,848	168,223
Accumulated profits		1,143,378	-	1,145,244	-
<b>TOTAL LIABILITIES</b>		<b>118,964,028</b>	<b>116,219,654</b>	<b>119,966,842</b>	<b>116,277,137</b>

The accompanying notes are an integral part of these financial statements.



## INCOME STATEMENT

Nine-month period ended September 30, 2021 and 2020  
(In thousands of Reais, unless otherwise started)

	Note	Parent Company <sup>(1)</sup>			
		07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>FINANCIAL INTERMEDIATION INCOME</b>		<b>4,157,189</b>	<b>2,129,076</b>	<b>8,421,490</b>	<b>6,598,610</b>
Loans	12b	2,083,382	1,191,037	5,744,666	1,664,911
Income from securities	9c	693,104	379,406	1,443,138	2,727,084
Income (Losses) from derivative financial instruments	10g	862,862	341,575	232,846	1,580,671
Income from exchange foreign operations	13c	161,530	47,274	212,622	435,079
Income from compulsory deposits	11d	12,918	5,519	24,303	26,600
Sale or transfer transactions of financial assets	12j.1	343,393	164,265	763,915	164,265
<b>FINANCIAL INTERMEDIATION EXPENSES</b>		<b>(2,618,354)</b>	<b>(1,242,965)</b>	<b>(3,795,279)</b>	<b>(5,985,200)</b>
Funding operations in the market	17d	(2,062,319)	(1,042,553)	(3,220,235)	(4,747,221)
Borrowings and onlendings	18d	(353,504)	(137,192)	(198,838)	(1,174,759)
Liabilities associated with assigned financial assets	12j.1	(202,531)	(63,220)	(376,206)	(63,220)
<b>INCOME (LOSS) FROM FINANCIAL INTERMEDIATION</b>		<b>1,538,835</b>	<b>886,111</b>	<b>4,626,211</b>	<b>613,410</b>
<b>RESULT OF PROVISION FOR LOSSES</b>		<b>(333,228)</b>	<b>(549,994)</b>	<b>(1,083,308)</b>	<b>(539,217)</b>
(Provision) / reversal of provision for loan losses	12f.1	(312,636)	(421,557)	(1,024,646)	(420,929)
Other (provision) / reversal of provision associated with credit risk	12f.1	13,415	(37,284)	20,442	(44,981)
(Provision) / reversal of provision for securities impairment	9d	(34,007)	(91,153)	(79,104)	(73,307)
<b>OPERATING INCOME/EXPENSES</b>		<b>(637,546)</b>	<b>(389,472)</b>	<b>(1,623,777)</b>	<b>(146,985)</b>
Service income	22a	73,820	81,865	271,544	213,716
Income from banking fees	22b	182,151	120,302	523,521	121,410
Personnel expenses	22c	(321,534)	(227,263)	(778,861)	(269,811)
Other administrative expenses	22d	(336,187)	(235,830)	(924,946)	(371,204)
Tax expenses	25c	(91,727)	(69,467)	(271,649)	(101,806)
Share of profit (loss) in subsidiaries, associates and jointly controlled subsidiaries	14a	90,541	118,850	224,408	440,943
(Provision) / reversal of provision for contingent liabilities	28e.3	34,154	25,767	66,455	25,005
Other operating income	22e	5,159	10,274	31,198	22,292
Other operating expenses	22f	(273,923)	(213,970)	(765,447)	(227,530)
<b>OPERATING INCOME</b>		<b>568,061</b>	<b>(53,355)</b>	<b>1,919,126</b>	<b>(72,792)</b>
<b>OTHER NON-OPERATING INCOME AND EXPENSES</b>	<b>23</b>	<b>11,888</b>	<b>2,508</b>	<b>25,889</b>	<b>(32,120)</b>
<b>INCOME BEFORE TAXES AND CONTRIBUTIONS AND PROFIT SHARING</b>		<b>579,949</b>	<b>(50,847)</b>	<b>1,945,015</b>	<b>(104,912)</b>
<b>INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>25d.1</b>	<b>(180,790)</b>	<b>382,745</b>	<b>(639,026)</b>	<b>870,983</b>
<b>PROFIT SHARING - EMPLOYEES AND MANAGEMENT</b>		<b>(29,657)</b>	<b>(57,795)</b>	<b>(121,881)</b>	<b>(82,069)</b>
<b>NET PROFIT</b>		<b>369,502</b>	<b>274,103</b>	<b>1,184,108</b>	<b>684,002</b>
<b>EARNINGS PER SHARE</b>	<b>24e</b>				
Earnings per share - R\$		25.23	18.72	80.86	46.71
Number of shares (thousand lot)		14,643,204	14,643,204	14,643,204	14,643,204

<sup>(1)</sup> Includes the appropriation of incomes generated by assets and liabilities received from the merger of the spun-off portion of BV Financeira, after said event (Note 2b).

The accompanying notes are an integral part of these financial statements.



## INCOME STATEMENT

Nine-month period ended September 30, 2021 and 2020  
(In thousands of Reais, unless otherwise started)

	Note	Consolidated			
		07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>FINANCIAL INTERMEDIATION INCOME</b>		<b>4,371,995</b>	<b>2,643,590</b>	<b>8,974,681</b>	<b>10,112,983</b>
Loans	12b	2,378,969	1,784,203	6,364,691	5,937,609
Leasing operations	12h	1,620	1,902	5,262	7,332
Income from securities	9c	690,358	310,947	1,410,538	2,231,452
Income (Losses) from derivative financial instruments	10g	783,207	236,713	193,350	820,601
Income from exchange foreign operations	13c	161,530	47,274	212,622	435,079
Income from compulsory deposits	11d	12,918	5,519	24,303	26,600
Sale of transfer transactions of financial assets	12j.1	343,393	257,032	763,915	654,310
<b>FINANCIAL INTERMEDIATION EXPENSES</b>		<b>(2,590,792)</b>	<b>(1,263,468)</b>	<b>(3,747,074)</b>	<b>(6,176,293)</b>
Funding operations in the market	17d	(2,034,757)	(1,029,241)	(3,172,030)	(4,722,750)
Borrowings and onlendings	18d	(353,504)	(137,192)	(198,838)	(1,174,759)
Liabilities associated with assigned financial assets	12j.1	(202,531)	(97,035)	(376,206)	(278,784)
<b>INCOME (LOSS) FROM FINANCIAL INTERMEDIATION</b>		<b>1,781,203</b>	<b>1,380,122</b>	<b>5,227,607</b>	<b>3,936,690</b>
<b>RESULT OF PROVISION FOR LOSSES</b>		<b>(501,906)</b>	<b>(761,787)</b>	<b>(1,451,548)</b>	<b>(2,290,841)</b>
(Provision) / reversal of provision for loan losses	12f.1	(481,314)	(632,864)	(1,392,886)	(2,170,406)
Other (provision) / reversal of provision associated with credit risk	12f.1	13,415	(37,770)	20,442	(47,128)
(Provision) / reversal of provision for securities impairment	9d	(34,007)	(91,153)	(79,104)	(73,307)
<b>OPERATING INCOME/EXPENSES</b>		<b>(645,992)</b>	<b>(585,731)</b>	<b>(1,581,721)</b>	<b>(1,405,684)</b>
Service income	22a	424,881	379,744	1,217,987	1,036,586
Income from banking fees	22b	215,097	209,890	621,574	581,395
Personnel expenses	22c	(382,048)	(346,357)	(940,260)	(774,279)
Other administrative expenses	22d	(428,959)	(380,095)	(1,159,003)	(1,113,934)
Tax expenses	25c	(134,551)	(134,045)	(383,482)	(392,045)
Share of profit (loss) in subsidiaries, associates and jointly controlled subsidiaries	14a	(187)	2,209	(718)	852
(Provision) / reversal of provision for contingent liabilities	28e.3	33,607	44,632	71,880	38,599
Other operating income	22e	17,387	18,736	62,463	96,810
Other operating expenses	22f	(391,219)	(380,445)	(1,072,162)	(879,668)
<b>OPERATING INCOME</b>		<b>633,305</b>	<b>32,604</b>	<b>2,194,338</b>	<b>240,165</b>
<b>OTHER NON-OPERATING INCOME AND EXPENSES</b>	23	<b>16,647</b>	<b>(1,339)</b>	<b>(37,908)</b>	<b>(2,956)</b>
<b>INCOME BEFORE TAXES AND CONTRIBUTIONS AND PROFIT SHARING</b>		<b>649,952</b>	<b>31,265</b>	<b>2,156,430</b>	<b>237,209</b>
<b>INCOME TAX AND SOCIAL CONTRIBUTION</b>	25d.1	<b>(241,383)</b>	<b>310,819</b>	<b>(815,761)</b>	<b>649,722</b>
<b>PROFIT SHARING - EMPLOYEES AND MANAGEMENT</b>		<b>(38,434)</b>	<b>(67,392)</b>	<b>(154,695)</b>	<b>(169,237)</b>
<b>NET PROFIT</b>		<b>370,135</b>	<b>274,692</b>	<b>1,185,974</b>	<b>717,694</b>

The accompanying notes are an integral part of these financial statements.





## STATEMENT OF OTHER COMPREHENSIVE INCOME

Nine-month period ended September 30, 2021 and 2020

(In thousands of Reais, unless otherwise stated)

	Note	Parent Company <sup>(1)</sup>			
		07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Net income for the period</b>		<b>369,502</b>	<b>274,103</b>	<b>1,184,108</b>	<b>684,002</b>
<b>Items that are or can be subsequently reclassified to profit or loss</b>					
<b>Net variation in the fair value of financial assets available for sale</b>	<b>24g</b>	<b>(18,359)</b>	<b>156,369</b>	<b>(152,481)</b>	<b>91,342</b>
Adjustment to fair value against shareholder's equity		(48,364)	286,241	(250,824)	335,126
Adjustment to fair value transferred to income		14,826	3,762	(26,013)	(158,005)
Tax effect		15,179	(133,634)	124,356	(85,779)
<b>Cash flow hedge</b>	<b>24g</b>	<b>207,443</b>	<b>70,796</b>	<b>445,217</b>	<b>87,386</b>
Adjustment to fair value against shareholder's equity		379,949	108,098	816,594	138,664
Adjustment to fair value transferred to income		(2,778)	20,621	(7,109)	20,219
Tax effect		(169,728)	(57,923)	(364,268)	(71,497)
<b>Total of other comprehensive income for the period</b>		<b>189,084</b>	<b>227,165</b>	<b>292,736</b>	<b>178,728</b>
<b>Total comprehensive income</b>		<b>558,586</b>	<b>501,268</b>	<b>1,476,844</b>	<b>862,730</b>

	Note	Consolidated			
		07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Net income for the period</b>		<b>370,135</b>	<b>274,692</b>	<b>1,185,974</b>	<b>717,694</b>
<b>Items that are or can be subsequently reclassified to profit or loss</b>					
<b>Net variation in the fair value of financial assets available for sale</b>	<b>24g</b>	<b>(19,415)</b>	<b>155,388</b>	<b>(155,592)</b>	<b>35,187</b>
Adjustment to fair value against shareholder's equity		(49,420)	285,260	(253,935)	329,290
Adjustment to fair value transferred to income		14,826	3,762	(26,013)	(208,324)
Tax effect		15,179	(133,634)	124,356	(85,779)
<b>Cash flow hedge</b>	<b>24g</b>	<b>207,443</b>	<b>70,796</b>	<b>445,217</b>	<b>87,386</b>
Adjustment to fair value against shareholder's equity		379,949	108,098	816,594	138,664
Adjustment to fair value transferred to income		(2,778)	20,621	(7,109)	20,219
Tax effect		(169,728)	(57,923)	(364,268)	(71,497)
<b>Total of other comprehensive income for the period</b>		<b>188,028</b>	<b>226,184</b>	<b>289,625</b>	<b>122,573</b>
<b>Total comprehensive income</b>		<b>558,163</b>	<b>500,876</b>	<b>1,475,599</b>	<b>840,267</b>

<sup>(1)</sup> Includes appropriation of incomes generated by assets and liabilities received from the merger of the spun-off portion of BV Financeira, after said event (Note 2b).

The accompanying notes are an integral part of these financial statements.



## STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

Nine-month period ended September 30, 2021 and 2020  
(In thousands of Reais, unless otherwise stated)

Parent company Events	Note	Share capital	Capital reserves	Profit reserves		Other comprehensive income	Retained earnings	Total
		Paid-up capital		Legal	Other reserves			
<b>Balances in 12.31.2019 <sup>(1)</sup></b>		<b>8,130,372</b>	<b>372,120</b>	<b>205,527</b>	<b>1,174,175</b>	<b>(26,737)</b>	<b>-</b>	<b>9,855,457</b>
Adjustments to fair value, net of taxes	24g	-	-	-	-	178,728	-	178,728
Net income for the period		-	-	-	-	-	684,002	684,002
Destinations:								
Legal reserve	24d	-	-	20,496	-	-	(20,496)	-
Dividends	24d	-	-	-	-	-	(26,545)	(26,545)
Interest on equity	24d	-	-	-	-	-	(47,500)	(47,500)
<b>Balances in 09.30.2020 <sup>(1)</sup></b>		<b>8,130,372</b>	<b>372,120</b>	<b>226,023</b>	<b>1,174,175</b>	<b>151,991</b>	<b>589,461</b>	<b>10,644,142</b>
<b>Changes in the period</b>		<b>-</b>	<b>-</b>	<b>20,496</b>	<b>-</b>	<b>178,728</b>	<b>589,461</b>	<b>788,685</b>
<b>Balances in 12.31.2020 <sup>(1)</sup></b>		<b>8,130,372</b>	<b>372,120</b>	<b>257,043</b>	<b>1,837,281</b>	<b>149,353</b>	<b>-</b>	<b>10,746,169</b>
Adjustments to fair value, net of taxes	24g	-	-	-	-	292,736	-	292,736
Net income for the period		-	-	-	-	-	1,184,108	1,184,108
Destinations:								
Legal reserve	24d	-	-	40,730	-	-	(40,730)	-
<b>Balances in 09.30.2021 <sup>(1)</sup></b>		<b>8,130,372</b>	<b>372,120</b>	<b>297,773</b>	<b>1,837,281</b>	<b>442,089</b>	<b>1,143,378</b>	<b>12,223,013</b>
<b>Changes in the period</b>		<b>-</b>	<b>-</b>	<b>40,730</b>	<b>-</b>	<b>292,736</b>	<b>1,143,378</b>	<b>1,476,844</b>

<sup>(1)</sup> Does not include effects of elimination of unrealized income arising from transactions between related parties described in note 24f.

Earnings per Share are disclosed in the Statement of Income.

The accompanying notes are an integral part of these financial statements.



## STATEMENT OF CASH FLOWS

Nine-month period ended September 30, 2021 and 2020  
(In thousands of Reals, unless other wise stated)

	Note	Parent Company		Consolidated	
		01.01 to 09.30.2021	01.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Cash flows from operating activities					
Income (loss) before income and social contribution taxes		1,945,015	(104,912)	2,156,430	237,209
Adjustments to income (loss) before income and social contribution taxes		925,786	468,217	1,625,584	2,884,162
Provision / (reversal of provision) for loan losses	12f.1	1,472,936	624,132	1,869,022	2,582,814
Provision / (reversal of provision) for securities impairment		6,520	73,307	6,520	73,307
Other provision / (reversal of provision) associated with credit risk	12f.1	(20,442)	44,981	(20,442)	47,128
Depreciation and amortization	22d	115,858	36,479	140,910	107,418
Provision / (reversal of provision) for investment losses due to tax incentives	23	(1,483)	(2,485)	(3,616)	(5,931)
Income from investments in subsidiaries, associates and joint ventures	14a	(224,408)	(440,943)	718	(852)
Exchange variation of investments abroad	10g	(76,399)	(604,736)	(76,399)	(604,736)
Exchange variation of subordinated debts and debt instruments eligible for capital	31e	72,810	595,677	72,810	595,677
(Profit) / Loss on disposal of assets	23	(21,598)	(6,062)	(21,583)	(499)
Provision / (provision reversal) for devaluation of other assets	23	(5,740)	13,269	(5,312)	(26,047)
Expenses / (Reversal of expenses) with civil, labor and tax provisions	28e.3	(66,455)	(25,005)	(71,880)	(38,599)
Effect of changes in foreign exchange rates on cash and cash equivalents		(20,048)	(54,239)	(20,048)	(54,239)
Interest expense on subordinated debt obligations and debt instruments eligible for capital	31e	197,916	227,429	197,916	227,429
Interest income from securities held to maturity		(510,577)	(41,473)	(510,577)	(41,473)
Expenses with goodwill and impairment of subsidiaries	23	-	27,922	65,720	37,038
Other operating income and expenses		6,901	-	1,830	(14,241)
Other adjustments		(5)	(36)	(5)	(32)
Adjusted income before income and tax social contribution		2,870,801	363,305	3,782,014	3,121,371
Changes in operating assets and liabilities		549,493	10,212,189	218,718	7,687,458
(Increase) / decrease in interbank investments		926,807	(3,091,406)	2,540,536	(4,626,694)
(Increase) Decrease in trading securities and derivative financial instruments		1,456,874	(868,214)	1,257,530	(2,007,133)
(Increase) / decrease in interbank accounts		116,520	925,893	734,315	831,913
(Increase) / decrease in loans and leases		(4,918,656)	(704,839)	(6,433,619)	(2,773,070)
(Increase) / decrease in other assets		284,512	(6,235,655)	104,322	(6,138,582)
(Increase) Decrease in tax assets		161,967	89,635	156,697	305,029
(Decrease) / increase in deposits		(1,423,088)	8,851,867	(1,556,271)	8,842,379
(Decrease) / increase in money market repurchase commitments		3,658,748	389,028	2,998,161	861,090
(Decrease) / increase in securities issued		(3,279,562)	4,578,554	(3,279,562)	3,647,056
(Decrease) / increase in liabilities from borrowings and onlendings		595,733	939,100	595,733	939,100
(Decrease) / increase in other obligations		2,751,663	5,201,943	2,915,060	7,984,044
(Decrease) / increase in other obligations		217,975	136,283	185,816	(177,674)
Income tax and social contribution paid		(254,594)	(9,242)	(445,264)	(485,001)
CASH USED BY OPERATING ACTIVITIES		3,165,700	10,566,252	3,555,467	10,323,828
Cash flows from investing activities					
(Acquisition / increase) of securities available for sale		(5,291,056)	(4,539,324)	(5,167,229)	(4,534,053)
(Acquisition / increase) of securities held to maturity		(2,699,428)	(3,409,609)	(2,699,428)	(2,835,213)
(Acquisition) of property for use		(10,248)	(25,928)	(10,253)	(26,105)
(Acquisition / activation) of intangible and goodwill		(240,199)	(130,390)	(264,359)	(222,744)
(Acquisition / increase) of investments in associates and joint ventures		(320,879)	(527,169)	(98,028)	(40,791)
Disposal / decrease of securities available for sale		4,328,838	1,728,771	4,384,361	2,448,770
Maturity of securities held to maturity		478,182	241,538	478,182	241,538
Disposal / decrease of investments in associates and joint ventures		92,642	1,324,984	15,693	640,945
Dividends / interest on equity received <sup>(1)</sup>		22,825	-	3,172	1,767
NET CASH GENERATED BY INVESTING ACTIVITIES		(3,639,323)	(5,337,127)	(3,357,889)	(4,325,886)
Cash flows from financing activities					
Dividends / interest on own capital paid	31e	(72,709)	(25,042)	(72,709)	(25,042)
Settlement of subordinated debts and debt instruments eligible for capital	31e	(672,739)	(3,426,284)	(672,739)	(3,426,284)
Fundraising of subordinated debt and capital-eligible debt instruments	31e	503,565	15,000	503,565	15,000
Other changes in subordinated debts and debt instruments eligible to capital	31e	18,462	15,284	18,462	15,284
CASH GENERATED BY FINANCING ACTIVITIES		(223,421)	(3,421,042)	(223,421)	(3,421,042)
Net variation in cash and cash equivalents					
		(697,044)	1,808,083	(25,843)	2,576,900
Beginning of the period		5,457,830	2,327,760	4,808,466	1,051,889
Effect of changes in foreign exchange rates on cash and cash equivalents		20,048	54,239	20,048	54,239
End of the period	7	4,780,834	4,190,082	4,802,671	3,683,028
Net increase (decrease) in cash and cash equivalents		(697,044)	1,808,083	(25,843)	2,576,900

<sup>(1)</sup> Values net of taxes.

The accompanying notes are an integral part of these financial statements.



## STATEMENT OF ADDED VALUE

Six-month period ended September 30, 2021 and 2020  
(In thousands of Reais, unless otherwise stated)

	Notes	Parent Company <sup>(1)</sup>				Consolidated			
		01.01 to 09.30.2021		01.01 to 09.30.2020		01.01 to 09.30.2021		01.01 to 09.30.2020	
<b>Income</b>		<b>8,078,885</b>		<b>6,300,767</b>		<b>9,220,166</b>		<b>9,330,052</b>	
Financial intermediation income		8,421,490		6,598,610		8,974,681		10,112,983	
Service income and banking fees	22a / 22b	795,065		335,126		1,839,561		1,617,981	
Allowance for loan losses	9d / 12f.1	(1,083,308)		(539,217)		(1,451,548)		(2,290,841)	
(Provision) / reversal of provision for contingent liabilities	28e.3	66,455		25,005		71,880		38,599	
Other income/(expenses)		(120,817)		(118,757)		(214,408)		(148,670)	
<b>Financial Intermediation expenses</b>		<b>(3,795,279)</b>		<b>(5,985,200)</b>		<b>(3,747,074)</b>		<b>(6,176,293)</b>	
<b>Inputs acquired from third parties</b>		<b>(1,358,619)</b>		<b>(433,532)</b>		<b>(1,807,205)</b>		<b>(1,597,884)</b>	
Materials, water, electricity and gas	22d	(3,738)		(1,686)		(4,936)		(5,371)	
Outsourced services	22d	(8,901)		(3,241)		(10,436)		(7,283)	
Communications	22d	(19,150)		(8,344)		(32,109)		(45,592)	
Philanthropic contributions <sup>(2)</sup>	22d	(1,068)		(932)		(1,068)		(38,898)	
Data processing	22d	(156,620)		(77,746)		(247,144)		(218,831)	
Transportation	22d	(2,807)		(503)		(3,005)		(3,274)	
Surveillance and security services	22d	(744)		(752)		(1,022)		(1,465)	
Specialized technical services	22d	(378,254)		(129,505)		(432,307)		(381,010)	
Financial system services	22d	(55,276)		(32,748)		(60,077)		(78,906)	
Advertising and publicity	22d	(29,715)		(17,749)		(49,802)		(37,628)	
Judicial and notary public fees	22d	(44,801)		(12,001)		(46,582)		(49,002)	
Costs associated with production - Business partners	22f	(587,543)		(118,601)		(833,199)		(637,144)	
Other	22d	(70,002)		(29,724)		(85,518)		(93,480)	
<b>Gross value added</b>		<b>2,924,987</b>		<b>(117,965)</b>		<b>3,665,887</b>		<b>1,555,875</b>	
<b>Amortization/depreciation expenses</b>	22d	<b>(115,858)</b>		<b>(36,479)</b>		<b>(140,910)</b>		<b>(107,418)</b>	
Amortization/depreciation expenses		(112,692)		(36,479)		(137,744)		(107,418)	
Amortization expenses - Carbon credits <sup>(2)</sup>		(3,166)		-		(3,166)		-	
<b>Net value added produced by the entity</b>		<b>2,809,129</b>		<b>(154,444)</b>		<b>3,524,977</b>		<b>1,448,457</b>	
<b>Value added received as transfer</b>		<b>224,408</b>		<b>440,943</b>		<b>(718)</b>		<b>852</b>	
Income from investments in associates and joint ventures	14a	224,408		440,943		(718)		852	
<b>Value added payable</b>		<b>3,033,537</b>	<b>100.00%</b>	<b>286,499</b>	<b>100.00%</b>	<b>3,524,259</b>	<b>100.00%</b>	<b>1,449,309</b>	<b>100.00%</b>
<b>Distributed value added</b>		<b>3,033,537</b>	<b>100.00%</b>	<b>286,499</b>	<b>100.00%</b>	<b>3,524,259</b>	<b>100.00%</b>	<b>1,449,309</b>	<b>100.00%</b>
<b>Personnel</b>		<b>792,932</b>	<b>26.14%</b>	<b>301,564</b>	<b>105.26%</b>	<b>962,733</b>	<b>27.32%</b>	<b>828,334</b>	<b>57.15%</b>
Salaries, fees and labor demands <sup>(3)</sup>		527,584		161,888		636,609		508,421	
Profit sharing - Employees and Management		121,881		82,069		154,695		169,237	
Benefits, training programs and other	22c	106,741		40,466		125,960		110,546	
FGTS		36,684		17,098		45,427		40,087	
Other charges		42		43		42		43	
<b>Taxes, rates and contributions</b>		<b>1,018,485</b>	<b>33.57%</b>	<b>(718,861)</b>	<b>-250.91%</b>	<b>1,331,465</b>	<b>37.78%</b>	<b>(142,495)</b>	<b>-9.83%</b>
Federal		977,683		(735,262)		1,266,295		(202,327)	
State		1,285		24		1,295		24	
Municipal		39,517		16,377		63,875		59,808	
<b>Third-party capital remuneration</b>		<b>38,012</b>	<b>1.25%</b>	<b>19,794</b>	<b>6.91%</b>	<b>44,087</b>	<b>1.25%</b>	<b>45,776</b>	<b>3.16%</b>
Rental	22d	38,012		19,794		44,087		45,776	
<b>Remuneration of own capital</b>		<b>1,184,108</b>	<b>39.04%</b>	<b>684,002</b>	<b>238.74%</b>	<b>1,185,974</b>	<b>33.65%</b>	<b>717,694</b>	<b>49.52%</b>
Dividends / interest on equity		-		74,045		-		74,045	
Retained earnings		1,184,108		609,957		1,185,974		643,649	

<sup>(1)</sup> Includes the appropriation in the subsequent result from the erge of he spun-off portion of BV Finaceira (Note 2b).

<sup>(2)</sup> Is part of the list of expenses arising from ESG practices. Additional information are described in accompanying note 30.

<sup>(3)</sup> In the period of January first until September 30, 2020, includes reversal of provision for long-term incentive plan expenses, referring to disbursements, rerealization is no longer expected.

The accompanying notes are an integral part of these financial statements.



## PARENT COMPANY AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

as of September 30, 2021

(In thousands of Reais, unless otherwise indicated)

### Notes to the Parent Company and Consolidated Interim Financial Statements

#### 1. THE CONGLOMERATE AND ITS OPERATIONS

Banco Votorantim S.A. ("banco BV", "Bank", "Institution", "Company", "Conglomerate" or "Consolidated") is a private company with its headquarters located at Av. das Naches Unidos, nº 14,171, in the city of São Paulo – SP, Brazil. The bank operates as a Multiple Bank, providing financial services as permitted by its banking license, which include commercial banking, investment banking and foreign exchange operation portfolios.

In December 2019 the Bank announced the change of brand "Banco Votorantim" to "banco BV". The abbreviation assumes the nickname which was already used by many of our clients and partners. This way, banco BV unifies its trademarks in a single architecture, assumes the "light for your life" slogan and enhances its position both for retail, where, it mainly, operates with vehicle financing, and for wholesale, where it operates in both corporate and wealth management.

Through its subsidiaries, the Conglomerate also carries out operations in the areas of consumer credit, leasing, management of investment funds and credit cards, securities brokerage and distribution, insurances brokerage, sales promotion services and/or commercial representation, venture participation and real estate incorporations and other activities in which institutions that are part of the National Financial System are permitted to engage. Other information about the companies which comprise the Conglomerate are described in note 3.

Since 2014, banco BV has expanded its investments in technology and data, consolidated its corporative culture and diversified its business, becoming one of the banks that is most connected to fintech's and the start-up ecosystem. Therefore, the restructuring of the visual identity was the natural course to reflect the evolution to all segments that operate, creating synergy and logic between brands and the Conglomerate's business units.

The Conglomerate's operations are conducted in the context of a set of institutions that operate in an integrated manner in the financial market, including in relation to risk management, and certain transactions have the joint participation or the intermediation of related parties, which are part of the financial system. The benefits of the services provided between these institutions and the costs of the operational and administrative structures, are absorbed based on the practicality and reasonableness of the allocation of the benefits and costs, jointly or individually.

#### 2. CORPORATE RESTRUCTURING

##### a) Banco BV S.A. (former BV Leasing Arrendamento Mercantil S.A.)

In the meeting of the Board of Directors of Banco Votorantim S.A., held on November 7, 2019, the plan to convert the subsidiary BV Leasing Arrendamento Mercantil S.A. to a multiple bank was approved through the addition of the commercial portfolio. This plan was approved by the Central Bank of Brazil on July 22, 2020 and, on August 19, 2020, the change in the company name of BV Leasing to Banco BV S.A. were approved, as well as its corporate purpose to contemplate the activities of the commercial portfolio.

##### b) Partial spin-off and subsequent incorporation of BV Financeira S.A. - Crédito, Financiamento e Investimento

As determined by the General Meetings of BV Financeira S.A. - Crédito, Financiamento e Investimento ("BV Financeira") and Banco Votorantim S.A., on July 31, 2020, the partial spin-off of BV Financeira which was incorporated into banco BV was approved, under the terms of the Spin-Off Protocol and Justification signed between both companies. The net assets incorporated in banco BV were valued, on June 30, 2020, base date of the transaction, in the book value of R\$ 226,607, adding the equity variations occurred between the base date of the accounting appraisal report and the date of the split. The spin-off is justified by the redistribution of BV Financeira activities, in the context of administrative and operational reorganization of the business of such company, in order to allow its relocation with greater efficiency and consequent reduction of operational and administrative costs related to the maintenance of its structure. The spin-off did not result in an increase in the share capital of Banco Votorantim and, consequently, in a change in its bylaws. The Central Bank of Brazil authorized the transaction on October 7, 2020.

As a result of this incorporation of BV Financeira spin-off assets and liabilities, Banco Votorantim S.A. recognized in its Statement of Financial Position, as of July 31, 2020, the effects of changes in tax rates and deferred tax assets between BV Financeira and Banco Votorantim, as well as the effects of prudential provisions, which together did not generate significant effects on Banco Votorantim's results and shareholders' equity.



## PARENT COMPANY AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

as of September 30, 2021

(In thousands of Reals, unless otherwise indicated)

The financial assets and liabilities of BV Financeira on June 30, 2020, which were spin-off and incorporated into Banco Votorantim on July 31, 2020, are shown below:

Assets: R\$ 43.895.330

Liabilities: R\$ 43.668.723

Shareholders' Equity: R\$ 226.607

The main amounts of BV Financeira incorporated as of July 31, 2020 in the balance sheet of Banco Votorantim are shown below:

Assets	07.31.2020	Liabilities	07.31.2020
Securities	1,090,846	Deposits	34,986,406
Loan portfolio	39,108,135	Provision for tax, civil and labor lawsuits	730,644
Tax assets	2,741,270	Other liabilities	8,066,646
Other assets	1,034,386		

On August 31, 2020, by resolution of the General Meetings of BV Financeira and Banco BV S.A. ("BV S.A.", the new company name of BV Leasing Ornamentor Mercantile S.A.), the incorporation of BV Financeira by Banco BV S.A. was approved. The spin-off is justified by the redistribution of its activities, in the context of the administrative and operational reorganization of the business of such company, so as to allow the allocation of digital business in the same legal vehicle, facilitating its management and, also, allowing greater efficiency and consequent reduction of operating and administrative costs related to the maintenance of the BV Financeira structure, which was extinguished as a result of the incorporation. The Central Bank of Brazil approved the movement on October 29th, 2020.

The net assets and liabilities incorporated in Banco BV S.A. were valued, on July 31, 2020, the date of the transaction, at the book value of R\$ 580,044, adding the changes in equity that occurred between the date of the accounting valuation report and the incorporation date. With the spin-off, Banco BV S.A. had its share capital increased by R\$ 367,619, totaling R\$ 1,300,131.

Due to the incorporation of the assets and liabilities of BV Financeira, Banco BV S.A. recognized in its Statement of Financial Position, also on August 31, 2020, the effects arising from changes in tax rates and deferred tax assets between BV Financeira and Banco BV S.A., as well as the effects of prudential provisions, which together did not generate significant effects on the income and shareholders' equity of Banco BV S.A.

The financial assets and liabilities of BV Financeira on July 31, 2020, which were incorporated into Banco BV S.A. on August 31, 2020, are shown below:

Assets: R\$ 2.528.948

Liabilities: R\$ 1.948.904

Shareholders' Equity: R\$ 580.044

### c) Acquisition of equity on Trademaster

In July 2021, the Central Bank of Brazil authorized the bank BV to acquire equity interest on Trademaster Serviços e Participações S.A. (Trademaster). The amounts involved are being disbursed under established contractual conditions.

## 3. PRESENTATION OF PARENT COMPANY AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The consolidated Financial Statements contemplates operations realized between their financial and nonfinancial companies that integrates the Conglomerate and were prepared based on the accounting guidelines derived from Brazilian Corporation Law and the rules and instructions of the National Monetary Council (CMN), the Central Bank of Brazil (Bacen), Securities and Exchange Commission (CVM), when applicable, and are presented in accordance with the Accounting Plan for Institutions in the National Financial System (COSIF).

The preparation of the financial statements in accordance with accounting practices adopted in Brazil, applicable to financial institutions authorized to operate by the Central Bank of Brazil, requires that Management use its judgment in determining and recording accounting estimates, when applicable. The main accounting judgments and estimates applied to assets and liabilities are described in note 5.

In the preparation of the consolidated financial statements, the intercompany transactions, and any unrealized income and expenses arising from intercompany transactions, and intercompany balances, including interest held by one company in another, were eliminated, net of tax effects. Interest held by non-controlling shareholders in the shareholders' equity of the subsidiaries and in income were highlighted in consolidated financial statements. Non-controlling interests in funds qualified as structured entities were recognized as financial liabilities. The lease transactions were classified as finance leases, and the amounts of leased property, plant and equipment were reclassified to the caption Leases including the excess and/or insufficient depreciation, less residual value received in advance. The process does not include the consolidation of equity investment funds with the characteristics of a venture capital entity. The accounting balances of banco BV's branch abroad were translated into Reais, using the foreign currency quotation on the closing date of the period, and were adjusted to conform to the accounting policies described in Note 4. The foreign exchange gains and losses of the operations in the Country of the branch were presented in the lines of the statement of income, according to the respective assets and liabilities which originated them. The result of foreign exchange movements of foreign investments, as well as the adjustments to fair value of financial instruments designated to hedge are presented in the group are presented in the "Income from derivative financial instruments" with the purpose of eliminating the effect of hedging against the exchange rate fluctuations of these investments and these financial instruments.

In compliance with the process of convergence with international accounting standards, some guidelines and their interpretations were issued by the Accounting Pronouncements Committee (CPC), which are applicable to financial institutions when approved by CMN.

Accordingly, the accounting pronouncements already approved by CMN and applicable to these financial statements are:

Resolution CMN No. 3,566/2008 - Reduction to recoverable asset value - CPC 01.  
 Resolution CMN No. 3,823/2009 - Provisions, contingent liabilities and contingent assets - CPC 25.  
 Resolution CMN No. 3,989/2011 - Stock-based payment - CPC 10 (R1).  
 Resolution CMN No. 4,007/2011 - Accounting policies, change of estimate and rectification of error - CPC 23.  
 Resolution CMN No. 4,144/2012 - Basic conceptual pronouncement - CPC 00 (R1).  
 Resolution CMN No. 4,877/2020 - Employee benefits - CPC 33 (R1).  
 Resolution CMN No. 4,748/2019 - Fair value measurement - CPC 46.  
 Resolution CMN No. 4,818/2020 - Statement of cash flows - CPC 03 (R2), Disclosure of related parties - CPC 05 (R1), Subsequent Events - CPC 24, and Income per share - CPC 41.

The Conglomerate also applied the following pronouncements that are not in conflict with Bacen rules, as determined by article 22, paragraph 2, of Law No. 6,385/1976: CPC 09 - Statement of Added Value (DVA).

## **Resolutions that partially incorporated the pronouncements issued by the CPC and are applicable to the Interim Financial Statements:**

Resolution No. 4,524/2016 - Effects of changes in exchange rates and conversion of financial statements - CPC 02 (R2).  
 Resolution CMN No. 4,534/2016 - Intangible assets - CPC 04 (R1).  
 Resolution CMN No. 4,535/2016 - Fixed assets - CPC 27.  
 Resolution CMN No. 4,747/2019 - Non-current assets kept for sale - CPC 31.  
 Resolution CMN No. 4,818/2020 - Consolidated Statements - CPC 36 (R3).

## **Changes in the presentation of the Financial Statements**

The Conglomerate, as from the Financial Statements of March 31, 2020, made changes in the presentation of these statements, in compliance with the requirements of CMN Resolution No. 4,720/19 and Bacen Circular No. 3,959/2019, replaced as of January 1, 2021 by CMN Resolution 4,818/20 and BCB Resolution 2/2020, respectively. The main changes that we highlight (and which remain in force even with the entry into force of the new Resolutions mentioned) are:

### **Statement of Financial Position**

- Presentation of assets and liabilities exclusively in order of liquidity and enforceability. The opening of short and long term segregation is being disclosed in the respective notes;
- Adoption of new nomenclature and grouping of equity items, such as: financial assets (including the grouped presentation of the loans portfolio), financial liabilities, tax assets and liabilities, provision for contingencies.

### **Income Statement**

- Opening of expenses for provisions segregated by the most relevant classes presented in the line "Income (loss) from allowance for losses";
- Change in the allocation of the "Income (loss) from allowance for losses", starting to be presented immediately after "Income (loss) from financial intermediation". Revenue from the recovery of credits previously written off as losses is now presented in this line;
- Presentation of the provision for contingencies in a specific line in: "(Provision) / reversal of provision for contingent liabilities".



## Notes

- Inclusion of note 5 "Main judgments and accounting estimates", which describes the application of certain assumptions and relevant judgments on equity elements that involve a high degree of uncertainty and that may have a material impact on these financial statements.
- Inclusion of note 6 "Recurrent and non-recurring results", where components of the result (non-recurring events) that are not related to or are incidentally related to the typical activities of the institution are presented, and are not expected to occur frequently in future years. The deduction of these components from the reported book income is presented in that note as a recurring result.

Additionally, the aforementioned CMN Resolution No. 4,818/2020, which consolidated the criteria for the preparation and disclosure of individual and consolidated Financial Statements by financial institutions and other institutions authorized to operate by Banco Central, partially incorporated pronouncement CPC 36 (R3). As a result of this normative adoption, it will be required that the corporate consolidated Financial Statements of entities registered as a publicly-held company or that are leaders of prudential conglomerate classified in Segment 1 (S1), in Segment 2 (S2) or in Segment 3 (S3), as specific regulation, are disclosed exclusively in the international accounting standard (IFRS), as of January 1, 2022.

### Other CMN Resolutions that will come into force in future periods, which partially incorporate the pronouncements issued by the CPC and are applicable to the Financial Statements:

- Resolution nº. 4,817/2019 - Incorporates concepts of CPC 18 (R2) - Investment in Affiliate, Subsidiary and Jointly Controlled Enterprise and CPC 15 (R1) Business Combinations - effective for periods beginning on or after January 1, 2022.
- CMN Resolution No. 4924/2021 - effective on January 1, 2022, approves the adoption of the following pronouncements:  
CPC 00 (R2) - Conceptual framework for Financial Reporting;  
CPC 01 (R1) - Reduction to the recoverable amount of assets;  
CPC 47 - Customer contract revenue.

This resolution, together with BCB Resolution No. 120/21, also provides for the conversion of transactions and statements in foreign currency to the national currency, the option of use by the cash exchange rate financial institution ("reference rate") other than that reported by Bacen (PTAX). This option is conditioned, among several normative conditions to:

- have the purpose of eliminating or significantly reducing measurement inconsistency or accounting recognition that may occur due to the measurement of property items or results on different bases; or provide more reliable and relevant information to the user of the accounting information;
- be disclosed by an entity responsible for a system administered by stock exchanges, commodity and futures exchanges, or by entities for the registration and financial settlement of assets authorized by the Central Bank of Brazil or the Brazilian Securities and Exchange Commission;
- be applied uniformly to all equity and result items and consistently over time;
- be defined by the financial institution until the first working day of the fiscal year in which it will be used, without the possibility of changes during the respective fiscal year.

### Regulations that depend on Bacen regulations that can generate relevant impacts on the Financial Statements:

#### CPC 18 (R2) - Investment in associates, subsidiaries and joint ventures:

The equity method or the cost method is applied or, according to the regulation, for investment in an associate, subsidiary or joint venture. This procedure differs from CPC 18, which provides for the possibility of adopting measurement at fair value through profit or loss, in accordance with CPC 48, for a portion of the investment in an associate, subsidiary or joint venture controlled, qualified as a venture capital organization, regardless of whether it exerts significant influence over this portion of the participation.

Unconsolidated investment due to non-adoption of CPC 18	Activity	Interest %
Fundo de Invest. me Participances BV - Multistate Investment no Exterior	Investment fund	100.00%
Fundo de Invest. me Participances BV Tech I - Multistate Investment no Exterior <sup>(1)</sup>	Investment fund	100.00%

<sup>(1)</sup> Investment fund constituted in April 2020.

The recognition of goodwill amortization expense whose economic basis is based on the expectation of future results identified in the acquisitions, differs from the provisions of CPC 18, which does not allow for amortization of goodwill of this nature, being this intangible asset only subject to periodic impairment tests.





## PARENT COMPANY AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

as of September 30, 2021

(In thousands of Reais, unless otherwise indicated)

### **CPC 48 - Financial instruments:**

The classification of financial assets is carried out in accordance with the entity's intention on these assets, different from the provisions of CPC 48, in which there is the introduction of the concept of business model evaluation and evaluation of contractual cash flow characteristics.

Regarding the impairment of financial assets, CPC 48 brings a new model of expected credit loss instead of an incurred loss model, to be measured depending on the classification of financial assets in three stages according to changes in credit risk, in addition to the use of forward looking information, such as macroeconomic expectations, to reflect the impacts of future events on the expected loss.

In the case of cash flow hedge discontinuance, the accumulated value in shareholders' equity is transferred to the income of the period, different from the provisions of CPC 48, which provides for the deferral of this item according to the same maturity period of the operations that were hedged. For hedge accounting purposes, the IASB continues to work on the macro hedge accounting project and, for this reason, the standard corresponding to the theme (CPC 48) brings the express option of maintaining the same requirements presented by the predecessor standard, CPC 38 - Financial Instruments.

### **CPC 47 - Customer contract revenue:**

The remuneration for domestic correspondents referring to the origination of credit operations is recognized as an expense on the date of contracting, renegotiation or renewal of these operations, in accordance with the provisions of Bacen Circular No. 3,693/2013. This procedure differs from the provisions of CPC 47, which establishes that the recognition of this expense is deferred for the term of the operation.

The Interim Financial Statements were authorized for issue by Management on November 03, 2021.

## Shareholding interest included in the Consolidated Interim Intermediary Financial Statements, segregated by activity:

	Activity	09.30.2021	12.31.2020
		% or Participation	
Financial institutions - domestic			
Banco BV S.A. (former BV Leasing Arrendamento Mercantil S.A.) <sup>(1)</sup>	Multiple bank	100.00%	100.00%
Votorantim Asset Management Distribuidora de TVM Ltda. (Votorantim Asset DTVM) <sup>(2)</sup>	Asset management	100.00%	100.00%
Insurance market institutions			
Votorantim Corretora de Seguros S.A (Votorantim Corretora Seguros)	Insurance broker	100.00%	100.00%
Non-financial institutions			
Promotiva S.A. (Promotiva)	Service provider	100.00%	100.00%
BV Investimentos Altern. e Gestão de Recursos S.A. (BVIA)	Asset management	100.00%	100.00%
BV Empreendimentos e Participações S.A. (BVEP)	Holding	100.00%	100.00%
Atenas SP 02 - Empreendimento Imobiliário (Atenas) <sup>(3)</sup>	SPE	100.00%	100.00%
Consolidated investment funds <sup>(4)</sup>			
Votorantim Expertise Multimercado Fundo de Investimento (Expertise)	Fund	100.00%	100.00%
Crédito Universitário III Fundo de Investimento em Direitos Creditórios (FIDC Universitário) <sup>(3)(5)</sup>	Fund	90.00%	90.00%
Fundo de Investimento em Direitos Creditórios BV - Crédito de Veículos (FIDC BV) <sup>(6) (7)</sup>	Fund	25.00%	-
Fundo de Investimento em Direitos Creditórios TM II (FIDC TM) <sup>(3) (6)</sup>	Fund	100.00%	-
Fundo de Investimento Imobiliário Votorantim BII BTS (BTS) <sup>(8)</sup>	Fund	62.70%	-
Votorantim Securities Master Fundo de Investimento Imobiliário (Master) <sup>(8)</sup>	Fund	88.40%	-
Fundo de Investimento Imobiliário Votorantim Patrimonial (Patrimonial) <sup>(8)</sup>	Fund	99.60%	-
BVIA subsidiaries			
Marques de Monte Santo Empreend. Imobiliário SPE Ltda. (Monte Santo)	SPE	100.00%	100.00%
Parque Valença Empreendimento Imobiliário SPE Ltda. (Parque Valença)	SPE	100.00%	100.00%
BVEP subsidiaries			
IRE República Empreendimento Imobiliário S.A. (IRE República) <sup>(3)</sup>	SPE	100.00%	100.00%
Senador Dantas Empreendimento Imobiliário SPE S.A. (Senador Dantas) <sup>(3)</sup>	SPE	100.00%	100.00%
Henri Dunant Empreend. Imobiliário S.A. (Henri Dunant) <sup>(3)</sup>	SPE	100.00%	100.00%
Arena XI Incorporações SPE Ltda. (Arena XI) <sup>(3)</sup>	SPE	100.00%	100.00%
D'oro XVIII Incorporações Ltda. (D'oro XVIII) <sup>(3)</sup>	SPE	100.00%	100.00%
BVEP Vila Parque Empreendimentos Imobiliários SPE Ltda. (Vila Parque) <sup>(3) (9)</sup>	SPE	100.00%	100.00%
Atenas subsidiaries			
Atenas Sp 02 – Empreendimento Imobiliário Ltda. – Lote 1 <sup>(3)</sup>	SPE	100.00%	100.00%
Atenas Sp 02 – Empreendimento Imobiliário Ltda. – Lote 3 <sup>(3)</sup>	SPE	100.00%	100.00%

<sup>(1)</sup> On August 19, 2020, the changes to the corporate name of BV Leasing to Banco BV S.A. were approved, as well as its corporate object for multiple banking (Note 2a).

<sup>(2)</sup> On September 30, 2021, was approved the change of the social denomination of Votorantim Asset Management Distribuidora de TVM Ltda (Votorantim Asset DTVM) to BV Distribuidora de Títulos e Valores Mobiliários Ltda (BV DTVM).

<sup>(3)</sup> For consolidation purposes, it contemplates a delay up to 2 months in the respective balance sheet.

<sup>(4)</sup> Investment fund Marítimo Renda Fixa (Marítimo), became part of the Conglomerate's asset in June 2021, was liquidated in July 2021.

<sup>(5)</sup> Investment fund set up in September 2020

<sup>(6)</sup> Investment fund established in May 2021.

<sup>(7)</sup> Investment fund in which the Bank substantially assumes or retains risks and benefits, through subordinate shares.

<sup>(8)</sup> Investment fund became part of the Conglomerate's asset in June 2021.

<sup>(9)</sup> February 2020, BVEP conducted an asset exchange transaction, ceding SPEs classified as non-financial assets held for sale and receiving control of SPE NS Emp in return. Imob. 23 SPE Ltda, later named BVEP Vila Parque Empreendimentos Imobiliários SPE Ltda.

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### a) Income Statement

Revenues and expenses are recognized on an accrual basis in the period earned or incurred. Transactions that were carried out with floating financial charges are adjusted on a pro rata die, based on the variation of the respective agreed-on indices; and transactions with fixed financial charges are recorded at redemption value, rectified by unrecognized income or unrecognized expenses corresponding to the future period. Transactions indexed to foreign currencies are adjusted at the reporting date at the current rate criteria.

### b) Functional and presentation currency

The functional currency, which is the currency of the main economic environment in which an entity operates, is the Real for all entities in the Conglomerate. The presentation currency in these Interim Financial Statements is also the Real.

## c) Measurement at present value

Financial assets and liabilities are presented at present value as a result of application of accrual regime for recognition of respective interest revenues and expenses.

Non-contractual obligations, mainly represented by provisions for lawsuits and legal obligations whose disbursement date is unknown and not under control of the Conglomerate, are measured at present value, as they are initially recognized at estimated disbursement value on evaluation date and are adjusted on a monthly basis.

## d) Cash and cash equivalents

Cash and cash equivalents are represented by available funds in domestic currency, foreign currency, money market repurchase commitments - own portfolio, interbank deposit investments and foreign currency investments with high liquidity and insignificant risk of changes in value, whose maturity of the operations on the date of the investment is equal to or shorter than 90 days.

## e) Interbank investments

Interbank investments are shown at cost of investment or acquisition, plus income accrued up to the reporting date and adjusted for reserve for losses, as applicable.

Interbank investments that are subject to market risk hedging are valued at their fair value using consistent and verifiable criteria. The fair value adjustments of these operations are recorded in the same line as the financial asset, contra entry to income from derivative financial instruments.

## f) Securities

Securities acquired for the formation of its own portfolio are recorded at the amount effectively paid, net of provision for loss, when necessary, and classified into three different categories based on Management's intent:

**Trading securities:** Securities acquired for the purpose of being actively and frequently negotiated. Subsequent to initial recognition, trading securities are measured at fair value with changes therein recognized in profit or loss;

**Securities available for sale:** Securities that may be traded at any time, though are not acquired for the purpose of being actively and frequently negotiated. Subsequent to initial recognition, securities available for sale are measured at fair value with changes therein recognized in a separate account in shareholders' equity, net of taxes; and

**Securities held to maturity:** Securities acquired with the positive intent and financial capacity to hold to maturity. Held-to maturity securities are initially recognized at cost plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortized cost using the effective interest method, less any impairment losses. For securities reclassified to this category, the fair value adjustment is recognized. For securities reclassified to this category, the fair value adjustment is incorporated to cost, and is recorded prospectively at amortized cost using the effective interest rate method.

The methodology of adjustment to fair value was established in compliance with consistent and verifiable criteria, which take into consideration the average price of trading on the date of calculation, or, in the absence thereof, the daily basis adjustment of forward market transactions disclosed by external sources, or the probable net realizable value determined by pricing models, using interest rate future value curves, exchange rates, price and currency indexes. The determination of fair value takes into consideration the credit risk of the issuer (credit spread adjustment).

Income on securities, regardless of the category, is accrued pro rata die, based on the variation of the index and on the agreed-upon interest rates, by the compounding or straight-line method, up to the date of maturity or of the final sale of the security, and is recognized directly in profit or loss.

Losses on securities classified as available for sale and as held to maturity that are not temporary losses are directly recognized in profit or loss and now comprise the new asset cost basis.

Upon disposal, difference determined between sales value and acquisition cost adjusted by earnings and other than temporary impairment losses, are considered as the transaction result and is accounted for on transaction date as income or loss of securities.

Following guidelines of the Central Bank of Brazil, the Conglomerate adopts the change in unit price as an adjustment to fair value recognized directly in equity for funds with the following characteristics:

- Funds in which the updated balance of the units is not available for redemption (realization) in the short term, that is, when the redemption of units occurs only at the liquidation or closure of the fund; and
- Funds in which there is a forecast of payment of dividends, as a form of remuneration of its unitholders in the course of the fund's business.

Investments in shares held by the Conglomerate, of investment funds that have these characteristics, are from equity investment funds (FIPs) and real estate investment funds (FIIs).

#### **g) Derivative financial instruments**

Derivative financial instruments are valued at fair value at the reporting date. Changes in value are recorded in the income or expense accounts of the respective financial instruments.

The fair value adjustment methodology of derivative financial instruments was established based on consistent and verifiable criteria, considering the average price of trading on the date of calculation, or, in the absence thereof, conventional and proven methodologies and pricing models that reflect the net realizable value. The fair value considers the credit risk of the counterparty (credit valuation adjustment).

Derivative financial instruments used to offset, in whole or in part, the risks arising from exposure to variations in the fair value of financial assets or liabilities are considered hedging instruments and are classified according to their nature as either:

**Market risk hedge:** The financial instruments thus classified, as well as the item hedged, have their valuations or devaluations recognized in income accounts for the period.

For hedged items that were discontinued from the fair value hedge relationship and remain recorded in the statement of financial position, as in the case of credit contracts assigned with substantial retention of risks and benefits, when applicable, the fair value adjustment is recognized in the income statement for the remaining term of the operations.

**Cash flow hedge:** the derivative financial instruments intended to offset the variation of the institution's estimated future cash flow are classified in the cash flow hedge category. These derivative financial instruments are adjusted to fair value, and the effective portion of the appreciations or devaluations, net of tax effects, is recorded in the separate shareholders' equity account. Effective portion is that in which the variation in the hedged item, directly related to the corresponding risk, is offset by the variation in the financial instrument used for hedge, considering the accumulated effect of the operation. Other variations in these instruments are recognized directly in income statement of the period.

For the hedged items that were discontinued from the cash flow hedge ratio and remain recorded in the statement of financial position, the accumulated reserve in shareholders' equity is recognized in the income statement remaining term of the operations.

The Bank performs hedge operations that include provisions for the liquidation of rights and contractual obligations related to the risk of own credit, of third parties or of parties related to the Bank that may result, under certain conditions of eventual occurrence, in the anticipated maturity of the derivative without any amount being due to the Bank or that the amount due to the Bank may be settled with debt securities issued by the Bank itself, as established in the contract.

#### **h) Loan portfolio - Loans, leases, other receivables with loan characteristics and allowance for losses associated with credit risk**

The loan portfolio, including loans, leases and other receivables with loan characteristics are classified according to Management's assessment regarding the level of risk, taking into consideration the current economic environment, past experience and risks specifically related to the respective operation, the counterparty and guarantors, periods of delinquency, and economic group in accordance with the parameters established by CMN, which requires the classification of the portfolio into nine risk levels, ranging from AA (minimum risk) to H (maximum risk), as well as the classification of transactions with delinquency of more than 14 days as non-performing loans. In relation to the delinquency period for operations with a term of over thirty-six 36 months, the Conglomerate left adopting from December, 2019 the double counting of days adopted over intervals of delinquency defined for the nine risk levels to retail operations as well as to wholesale operations, which followed the internal assessment. For operations contracted with clients whose total liability exceeds R\$ 50,000.00, a client evaluation of expected losses associated with credit risk is made.

These criteria also apply for credit transactions resulting from the consolidation of investment funds into credit rights (FIDCs).

Income from credit transactions are no longer appropriated as income as long as operations are over 59 days past.

Operations with a risk level H continue in this status for 180 days, at which time they are written off against the existing provision and controlled in off-balance sheet accounts.

Renegotiated transactions are maintained at least at the same level as they were classified. Renegotiations of credit operations already downloaded against the provision are classified as level H. Any gains arising from overdue contract renegotiation above 59 days or to a loss are recognized as revenue when actually received. In order to mitigate COVID-19's impacts on the economy, the National Monetary Council, through CMN Resolution nº. 4,782/2020, temporarily relaxed the characterization of a problematic asset allowing situations of (i) the debtor's financial incapacity to honor the obligation under the agreed conditions and (ii) restructuring of the operation relating to exposure, no longer considered indicative that an obligation will not be fully honored. This flexibility, adopted by the Conglomerate, is valid for restructuring of credit operations carried out until December 31, 2021.

The allowance for losses associated with credit risk, considered sufficient by Management, complies with the requirement established by CMN Resolution no. 2,682/1999 (note 12e).

Loans that are hedged against market risk are stated at fair value using consistent and verifiable criterion. Adjustments to these transactions from fair value adjustment valuations are recorded in loans, also considering the classification percentage of allowance for losses associated with credit risk as a contra-entry to income from derivative financial instruments.

Financial assets assigned consider the transfer level of risks and benefits of assets transferred to other entity:

- When financial assets are transferred to another entity, but there is no substantial transfer of the risks and benefits related to the transferred assets, assets remain on the Company's statement of financial position. The income and expenses arising from these operations are recognized in an accrual basis accordingly to the remaining period of these operations; and
- When all the risks and benefits related to assets are substantially transferred to an entity, assets are derecognized from the Conglomerate Statement of Financial Position.

#### **l) Other assets - Other receivables and assets**

##### **Assets not for own use**

The assets not for own use are recorded when adjudicated, received in payment or otherwise received for settlement or amortization of debts, based on the following criteria for recognition of these assets:

- They are recognized on the date of receipt by the institution and are valued at the lowest value between the gross book value of the respective financial instrument of difficult or dubious solution that gave rise to it or the fair value of the asset, net of sales expenses.
- The Conglomerate periodically evaluates if there is any indication that these assets may have undergone devaluation. If there is any indication, the entity estimates its recoverable value. If the recoverable value is less than its book value, the asset is reduced to its recoverable value through a provision for loss by parity, which is recognized in the Income Statement in "Other expenses".

##### **Prepaid expenses**

These expenses refer to the application of payments made in advance, for which the benefits or the services will occur in subsequent periods. Prepaid expenses are recorded at the cost method and amortized as incurred.

#### **j) Investments**

Investments in subsidiaries and associates with significant influence or interest of 20% or more in the voting capital are accounted for by the equity method based on the shareholders' equity in the subsidiary. Financial statements of Banco Votorantim branch abroad are conformed to accounting criteria in force in Brazil and translated into Brazilian Reais in accordance with prevailing law, and their effects are recognized in profit or loss.

Other investments are stated at acquisition cost, less the provision for impairment losses, when applicable.

#### **k) Property, plant and equipment**

Property, plant and equipment are valued at acquisition cost less depreciation, which is calculated on a straight-line basis using the following annual rates in accordance with estimated useful lives of assets. Due to this practice, the following annual depreciation rates are used: depreciable value (corresponding to the acquisition cost less the residual value, if any): vehicles - 20%, data processing systems - 20% and other items - 10% (Note 15). The residual value of these assets is reviewed annually or when there are significant changes in the assumptions used.

#### **l) Intangibles and goodwill**

Intangible assets correspond to rights that have as their object intangible assets intended for the maintenance of the Conglomerate or exercised for this purpose. Intangible assets have a defined useful life and basically refer to software and licenses or usage rights (note 16a). Amortization is carried out using the straight-line method based on the term in which the benefit is generated and is levied on the amortizable value (corresponding to the acquisition cost minus the residual value, when applicable), from the date of availability of the intangible asset for use and accounted for in Other administrative expenses – Amortization (note 22d). The useful life and residual value of these assets, when applicable, are reviewed annually or when there are significant changes in the assumptions used.

Intangibles include goodwill paid in the acquisition of investments, which correspond to the amount exceeding the asset value of the invested, are amortized based on the expectation of future profitability or its realization. The balances corresponding to the capital gain in the acquisition of real estate developments, when attributed to the stock of completed properties or land, are amortized depending on the realization (sale) of the assets of the invested that gave rise to it, or carried out in case of reduction in the recoverable value of the corresponding assets.

Intangibles also include carbon credits acquired for the purpose of offsetting CO<sub>2</sub> emissions by vehicles financed by BV bank. CO<sub>2</sub> is one of the greenhouse gases. The mechanism for neutralizing CO<sub>2</sub> emissions adopted by the Conglomerate includes the effective declaration of use (retirement), in the shortest possible time, of the carbon credits acquired. There is no provision for the allocation of these credits for any purpose other than clearing, such as their trading on the market. For this reason, as there is no exposure of the institution to fair value on the credits purchased, these are recognized by the price paid and form a stock of tons of CO<sub>2</sub>, controlled by the average cost that, once retired, is consumed (amortized) based on the monthly volume of CO<sub>2</sub> produced by the financed vehicles.

Regardless of the time of acquisition and retirement of carbon credits, the commitment made by the Institution to offset the CO<sub>2</sub> emission of vehicles financed from 2021 and financing prior to 2021 whose customers have chosen to join the compensation program, is the institution's present obligation, following the provisions described in note 4r.

## m) Earnings per Share

Earnings per share are disclosed in accordance with the criteria defined in CPC 41 - Earnings per share. The Bank's basic and diluted earnings per share were calculated by dividing the net profit attributable to shareholders by the weighted average number of their shares. There is no distinction in the method of calculating both indices, since the Bank does not hold treasury shares and there are currently no equity instruments or any associated instrument that produce a potential dilution.

When the number of common shares or total potential common shares decreases as a result of grouping of shares, the calculation of basic and diluted earnings per share for all periods presented is adjusted for comparability purposes.

## n) Impairment – General Application

The Conglomerate assesses periodically, if there is any sign that an asset may be impaired. If so, the Institution estimates the asset's recoverable value, which is the greater of: i) the asset's fair value less costs to sell; and ii) the asset's value in use.

If the asset's recoverable value is lower than its carrying value, the asset's carrying value is reduced to its recoverable value through a provision for impairment losses that is recognized in Statement of Income, in Other administrative expenses or Other operating expenses, according to the nature of the asset.

### Methodologies applied to the evaluation of the recoverable value of the main non-financial assets:

**Investments:** the methodology for determining the recoverable value of investments accounted for by the equity method is based on evaluation of equity in investees, their business plans and invested amounts' return capacity. A provision for impairment loss is recognized in profit or loss in the period when the carrying value of an investment, including goodwill, exceeds its recoverable value. Impairment tests are performed on a quarterly basis.

**Intangible assets:** Software acquired, developed internally and use licenses - software's developed internally according to the Conglomerate's needs are part of the Bank investment policy which aims the modernization and adequacy to new technologies and business requirements. As there are no similar items in the market and also because of the high cost to implement metrics that permit determining the value in use, testing of software recoverability and use license recoverability are comprised of the evaluation of its utility for the Institution such that when the software no longer has future economic benefits, the recoverable value of the intangible asset is adjusted. Management performs impairment tests every six months for software under development and annually for completed software.

**Assets not for use:** Real Estate – provision made based on annual appraisal reports carried out by a specialized consultancy.

**Furniture - For vehicles,** the provision for devaluation is constituted monthly based on the term of permanence of BINDU - assets not for use (obsolescence of the asset). For registrations longer than 720 days, a provision of 100% of the book value is recorded. Physical inventories are carried out annually in the yards.

**Machinery and equipment -** a provision for devaluation is set up based on the survey of Annual Valuation Reports carried out by specialized consultants and the total provision is set up if the asset has been classified in BINDU (assets not for use) for more than 720 days.

Impairment loss recognized to adjust these assets' recoverable value is stated in the respective notes.

**Carbon credits:** As these acquired credits are used exclusively to meet the commitment to offset CO<sub>2</sub> missions by vehicles financed by BV bank, i.e. the institution is not exposed to a change in the fair value of this asset in the balance sheet, the possible reduction for a long period in the fair value of these credits by market conditions does not expose the institution to losses by reduction to the recoverable value of that asset.

## o) Employee benefits

The recognition, measurement and disclosure of short- and long-term employee benefits are carried out in accordance with the criteria defined by CPC 33 (R1) – Employee Benefits, in accordance with the provisions of CMN Resolution No. 4,877/2020. In line with the accrual basis, the pronouncement requires the entity to recognize a liability in return for the result of the period when the employee provides services in exchange for benefits to be paid in the future.



The Conglomerate has a variable compensation program eligible for its officers and employees. Amounts to be paid that are adjusted according to the grace period (from one to a maximum of four years) and to the characteristics of each benefit are recorded under "Other liabilities - Provision for personnel expenses" as a contra entry to caption "Personnel expenses - Proceeds". Program details are disclosed in Note 27.

The amounts referring to profit sharing (PLR), established by Law No. 10,101/2000, are recognized in "Other liabilities - Provision for profit sharing" in contra-entry to the result, in "Profit and profit sharing".

## p) Deposits, money market repurchase commitments, securities issued, borrowings and nonlending's and subordinated debts

Deposits and money market repurchase commitments are stated at the amounts of the liabilities and consider, when applicable, the charges enforceable up to the reporting date, recognized on a "pro rata die".

Costs incurred in issuing securities or other forms of funding that are included as transaction costs are recognized in the income statement on an accrual basis for the term of the original operations and are stated as reducers of the corresponding liability.

Funding that is subject to market risk hedge is valued at fair value, using consistent and verifiable criteria. The fair value valuation adjustments of these operations are recorded in the same line as the financial instrument, with a contra entry to "Income from derivative financial instruments".

## q) Taxes

The bank taxes, including revenues taxes, are calculated based on rates shown in the chart below:

	Current rates
<b>Income Taxes</b>	
Income Tax (15% + 10% surcharge)	25%
Social Contribution on Net Income (CSLL) - Banco Votorantim S.A. and Banco BV S.A. <sup>(1) (2)</sup>	25%
Social Contribution on Net Income (CSLL) - Other financial and non-financial institutions <sup>(2)</sup>	from 9% to 20%
<b>Other taxes</b>	
Social Integration Program / Public Servant Fund (PIS / PASEP) <sup>(3)</sup>	from 0,65% to 1,65%
Contribution to Social Security Financing – COFINS <sup>(3)</sup>	from 3% to 7,6%
Tax on Services of Any Nature - ISSQN <sup>(4)</sup>	from 2% to 5%

<sup>(1)</sup> Art. 32 of Constitutional Amendment No. 103, of November 12, 2019, increased the CSLL rate for banks of any kind from 15% to 20%, effective on March 1, 2020.

<sup>(2)</sup> Law No. 14,183, published in the DOU on July 15, 2021, increased the CSLL rate from 20% to 25%, for banks of any kind, and from 15% to 20%, for other financial institutions, in the period of July 1 to December 31, 2021, returning to the previous rates from January 1, 2022.

<sup>(3)</sup> For non-financial companies opting for the non-cumulative calculation system, the PIS / Pasep rate is 1.65% and the Cofins rate is 7.6%.

<sup>(4)</sup> Taxes levied on revenue from services rendered.

Deferred tax assets (tax credits) and deferred tax liabilities are constituted by applying the prevailing tax rates on their respective bases. In case of a change in tax legislation that modifies criteria and rates to be adopted in future periods, the effects are recognized immediately based on the criteria and rates applicable to the period in which each portion of the asset will be realized or of the liability settled. For the constitution, maintenance and write-off of deferred tax assets, the criteria established by CMN Resolution No. 4,842/2020 are observed and are supported by a realization capacity study.

The effects of the increase in the CSLL rate of financial institutions were already recognized in the balance of deferred tax assets existing on September 30, 2021, applicable to the tax credit realizable to December 31, 2021.

Deferred income tax is recognized, calculated at the rate of 25%, on the adjustment of excess of depreciation of the lease portfolio of subsidiary Banco BV S.A (former BV Leasing S.A.).

## r) Provisions, contingent liabilities, legal obligations and contingent assets

Recognition, measurement and disclosure of provisions, contingent assets and liabilities and of legal obligations are conducted in accordance with criteria defined in CPC 25 - Provisions, contingent liabilities and contingent assets, approved by the CMN Resolution 3,823/2009 (Note 28).

Contingent liabilities are recognized in the Financial Statements when, based on the opinion of legal advisors and Management, the risk of losing a legal or administrative claim is considered probable, with a probable outflow of funds for the settlement of obligations and when the amounts involved measurable with sufficient security. Contingent liabilities classified as possible losses are not recognized in the accounts, and should only be disclosed in the explanatory notes, and those classified as remote do not require provision or disclosure.

Based on loss prognoses evaluated by Management, the Conglomerate recognizes provisions for labor, tax and civil claims. For labor-related lawsuits, the provision volume is determined by means of legal assessments and statistical models. For tax lawsuits, the probable loss amount is estimated through the assessment of legal professionals (individualized method). For civil cases considered similar and usual, and whose value is not considered relevant, the provision volume is determined using a statistical model based on the loss observed in the history of closed suits of the same characteristics (mass method).

For unusual civil cases, or whose value is considered relevant, the probable loss is estimated through the assessment of legal professionals (individualized method).

Legal obligations comprise lawsuits related to tax obligations, where the subject being contested is the legality or constitutionality of such obligations, which, regardless of the probability of success, are recognized in full in the Financial Statements.

Compensation of CO<sub>2</sub> emissions by vehicles financed by BV - The commitment made by the Institution to offset CO<sub>2</sub> emissions by vehicles financed from 2021 and financing prior to 2021 whose customers have chosen to join the compensation program is the institution's present obligation. The Institution estimates monthly the amount of emissions of these gases that is produced by the vehicles and provisions the corresponding cost of acquiring the credits that are necessary to offset such emission. The provision is reversed at the time when the amortization of these credits is calculated and recognized.

Contingent assets are not recognized in the Financial Statements, since they may be a result that can never be realized. However, when the realization of the gain is virtually certain, then the related asset is no longer a contingent asset and it is recognized in the Financial Statements.

#### **s) Guarantees and sureties**

The financial guarantees provided, which require contractually defined payments, as a result of non-payment of the obligation by the debtor on the due date, such as: guarantee, sureties, recourse, or other obligation that represents a guarantee of compliance with third parties' financial obligations, are recorded and controlled in off-balance sheet accounts.

When the obligation value is subject to foreign exchange movements or to any other type of adjustment, balances of these accounts are adjusted at the reporting date.

Income for the period from provided guarantee and sureties commissions not yet received, are accounted for on a monthly basis in "Other financial assets - Other credits and income receivable", with a corresponding entry to "Service Income - Income from guarantees provided".

Commissions received in advance are recorded in "Commissions for intermediation of operations payable", in the group "Other financial liabilities", appropriated monthly, on an accrual basis.

In line with the requirements of CMN Resolutions 2,682/1999 and 4,512/2016, the constitution of a provision for losses in the provision for financial guarantees to customers, takes into account:

- The sector of performance, competitive and regulatory environment, stock control and management, as well as financial solidity, being these variables captured through the qualitative and quantitative rating models, as well as; and
- The probability of unsuccessful judicial or administrative proceedings, leading to the withdrawal of funds necessary to settle the obligation in financial guarantees provided in contingent liabilities of third-parties.

With the application of CMN Resolution no. 4,512/2016, provisions for losses on the financial guarantees provided are presented in "Other Liabilities" (note 29.1 a1).

#### **t) Other assets and liabilities**

Other assets and liabilities are stated at realizable values, including, when applicable, monetary and foreign exchange movements on a pro rata die basis and a reserve for losses, as necessary. Liabilities are stated at known measurable amounts plus, as applicable, monetary charges, inflation adjustments and foreign exchange movements on a pro rata basis.

### **5. MAIN JUDGMENTS AND ACCOUNTING ESTIMATES**

The preparation of consolidated Financial Statements requires the application of certain relevant assumptions and judgments that involve a high degree of uncertainty and that may have a material impact on these statements. Management applies estimates that can significantly change the amounts presented in the Financial Statements, and the amounts may differ in scenarios where such propositions are not used. The following are described accounting policies adopted that have high complexity and guide relevant aspects in the calculation of our operations.

The estimates and judgments considered most relevant by the Conglomerate are detailed below:



**a) Allowance for losses associated with credit risk of loans, leases e other credits with loan characteristics**

In addition to observing the requirements for setting up a provision due to the delay in the payment of a portion of the principal or charges for operations, the provision is calculated based on management's judgment of the level of risk, considering the economic situation, the specific risks in relation to operation, debtors and guarantors, delay periods and the economic group, following the provisions of CMN Resolution No. 2,682/1999.

Further details on the criteria used to measure losses associated with credit risk are presented in note 12.

**b) Provisions for impairment of securities**

Management applies judgments to identify and provision transactions that have impairment losses and considers the following situations, not limited to them, as indicative:

- (I) Significant financial difficulty for the issuer or bond;
- (ii) Breach of contract, such as non-compliance or delay in payment of interest or principal;
- (iii) Concession of benefit to the issuer or obligated, for economic or legal reasons related to its financial difficulties, carried out by the Bank or its related companies, which would not otherwise consider;
- (iv) It is likely that the debtor will enter bankruptcy or other financial reorganization;
- (v) Disappearance of an active market for this financial asset due to financial difficulties; among others

The general application of the provision for impairment losses on securities is described in Note 9d.

**c) Projection of future results for the realization of deferred tax assets**

The realization of deferred tax assets is supported by the Conglomerate budget projections, properly approved by the governance bodies. These projections are based on current strategic planning, which considers business plan assumptions, corporate strategies, macroeconomic scenarios such as inflation and interest rates, historical performance and expectations for future growth expectations, among others.

This item is highlighted especially because of the representativeness of the balances of activated tax credits, the use of estimates of future profitability that incur a high degree of judgment and the relevant impacts that changes in assumptions can bring to the Interim Financial Statements.

Details on the projection of future results for the realization of tax credits are presented in Note 25.

**d) Fair value of financial instruments**

The Conglomerate uses specific techniques for the determination of fair value of financial instruments that are not negotiated in active markets and for which market prices and parameters are not available. These valuations require assumptions using Management judgment, which takes into account the assessment of information and market circumstances.

Methodologies used to evaluate the fair value of certain financial instruments is described in Notes 4f and 4g.

**e) Provisions for contingent liabilities - tax, civil and labor**

Based on the likelihood of loss and the estimated loss amount, both forecasts determined by management, the Conglomerate recognizes a provision for labor, tax and civil claims through legal assessments and statistical models.

The determination of the provision amounts takes into account the probability of payment for each claim element and can incur in a high degree of judgement as the existing uncertainty increases.

Details of the policy for provisions and contingent liabilities are presented in Note 28.

**f) Amortization and impairment of goodwill due to expected future profitability**

According to the rules of Banco Central, the goodwill recorded in the investor or parent company, which is based on the forecast of future results of the affiliate or subsidiary, must be amortized in accordance with the deadlines of the projections that justified it. This treatment also applies to the balances corresponding to the capital gain calculated on the acquisition of real estate projects, when attributed to the inventory of completed properties or land, which are amortized as a result of the realization (sale) of the investee's assets that gave rise to it, or carried out in case of impairment of the corresponding assets. Estimating the periods for generating future results from investments in an associate, subsidiary or joint venture for which goodwill has been recognized involves significant judgments by Management.

Additionally, goodwill is periodically tested for its recoverable amount, which also involves a considerable degree of assumption and judgment in estimating future cash flows to discount it to present value.

**g) Impairment on the cost of investments in subsidiaries, associates and jointly controlled companies, intangible assets and other assets**

The impairment test of these assets is carried out, at least annually, in order to determine whether there is any indication that an asset may have suffered a devaluation.

When the recoverable value of these assets cannot be obtained through external sources, the valuation of the recoverable value of these assets may incur considerable judgments, mainly in the measurement of the potential associated future economic benefits.

The general application of the criteria for recognizing the provision for impairment losses on non-financial assets is described in Note 4n.

**h) Investment in equity investment funds (Flips)**

For investments in quotas of investment funds qualified as a venture capital organization, regardless of having significant influence, the classification of these assets as marketable securities is maintained, measured at fair value in equity.

The measurement of the fair value of these assets incurs a significant degree of judgment in the adoption of assumptions, as described in Note 4f.

**I) Effects arising from COVID-19 on the Financial Statements**

Management monitors its operations on an on-going basis, which includes monitoring foreign exchange and interest positions, capital and liquidity levels, the behavior of the credit risk of assets, the market risks of its financial instruments, the origination of new loans and the evolution of funding.

Several measures were taken by Management to protect and support its employees, clients, commercial partners, suppliers and the management of business continuity, which includes remote work and incentivizing the use of digital channels. Regarding loans, the Conglomerate allowed its customers (subject to certain conditions) to renegotiate contracts that include the postponement of the payment term of installments and the extension of the total term of these contracts, with the purpose of reducing the impact on the cash flows of its customers in this pandemic scenario.

Renegotiations of loan and lease operations were treated differently among the operating segments. In Wholesale, renegotiation analysis was carried out individually by the credit department and monitored by the risk department. These analysis were based on the real and estimated effects of each company and its respective segment. In Retail, two stages of renegotiations were carried out, with the first stage (from March to May/20) contemplating the postponement of 60 days of the installments payment term without changing the quantity and amount of the installments. The second stage (started at the end of May/20) contemplates options of postponement of 30 or 60 days with interest, as well as increasing the term of the contract by reducing the amount of the monthly installment.

In addition, National Monetary Council (CMN) and the Central Bank of Brazil (Bacen) adopted measures to mitigate the effects of the economic crisis caused by the pandemic and assure the maintenance of appropriate liquidity levels of the financial system. Among them, a more flexible criteria to characterize a restructured loan for credit risk management purposes and the granting of borrowings to financial institutions through the Special Temporary Liquidity Line which are intended to contribute to mitigating the impacts resulting from the pandemic.

The main effects and impacts arising from COVID-19 on the Interim Financial Statements for this period are described below and, when applicable, in the notes corresponding to the Statement of Financial Position lines that were affected.

**■ Provision for expected losses associated with credit risk from loans, leases and other receivables with loan characteristics**

The increase in credit risk observed throughout 2020 and part of 2021 resulting from the pandemic scenario, incurs the resizing of risks, contemplating the effects on credit quality, adjustments in concession policies, renegotiation strategies and rating reviews and credit limits of clients. This scenario is no longer observed on September 30, 2021.

**■ Provisions for securities impairment**

The securities portfolio is monitored on an on-going basis, with reviews of the financial position and risk levels of the counterparties. There was no significant impact on provisions for impairment of securities as a result of the pandemic.

**■ Projection of future results for realization of deferred tax assets**

The studies of expectation of realization of tax credits consider updating the estimates of future results of the Conglomerate with the reflections of COVID-19. We conclude that the consumption of tax credits are still expected to be completed within the 10-year period, as established by the rules in force (CMN Resolution No. 3,059/2002, revoked from January 1, 2021 by CMN Resolution No. 4,842/2020).

## ■ Reduction to recoverable value of investments, intangible assets and other assets

No relevant impacts were observed due to the pandemic.

## ■ Amortization and impairment of goodwill for expectation of future profitability

There was no significant impact of the impairment of the goodwill recorded in the Conglomerate as a result of COVID-19.

## ■ Provisions and contingent liabilities - tax, civil and labor

There was not identified any significant impacts on contingencies.

## ■ Capital management

The devaluation of the Real had a negative impact on capitalization ratios, as a result of its impacts on the tax credit of temporary differences, arising from the hedge of the investment abroad. However, they remained at levels substantially above the minimum required by current regulation and above the risk appetite established by shareholders. In this context, the Management also decided in the year ended December 31, 2020 to reduce USD 150,000 (R\$ 754,545) of capital invested in the branch in Nassau, mitigating any future impacts in a scenario of worsening devaluation of the national currency.

## ■ Liquidity management

The Conglomerate focuses on maintaining conservative cash levels and structural liquidity indicators, having strengthened them even in the current scenario impacted by COVID-19. An example of this is the Short-term Liquidity Indicator (LCR) which increased from 226% on December 31, 2020 to 258% on September 30, 2021, mainly due to the greater strength of free cash in the period, compared to the Institution's short-term liabilities. Additionally, it is worth noting that in the period, Banco BV further diversified its funding sources, such as issuing FIDC and public financial bills (green bonds).

## ■ Asset and liability management

The Conglomerate had a reduced impact on the oscillation of the economic value of its positions, mainly due to hedge policies of its assets, liabilities and investments in foreign currency.

## 6. RECURRING AND NON-RECURRING INCOME

For classification of income between recurring and non-recurring, Banco BV considers as recurring, the income obtained from its regular and customary activities, such as revenue and expenses related to asset (investments) and liability (funding) operations, services rendered and other expenses related to the maintenance of the Organization's activities.

Non-recurring results include revenue and expenses arising from administrative events and facts that are not usual or that have a low probability of occurring in consecutive years.

	Parent Company			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Net profit</b>	<b>369,502</b>	<b>274,103</b>	<b>1,184,108</b>	<b>684,002</b>
<b>(-) Non-recurring events</b>	<b>(31,601)</b>	<b>48,110</b>	<b>35,476</b>	<b>67,602</b>
Donations related to the COVID-19, net of tax <sup>(1)</sup>	(191)	-	(569)	-
Effect of rate increase on tax credit	(31,410)	280,648	40,760	280,648
(Provision) / reversal of provision for losses associated with the loan portfolio	-	(199,511)	-	(199,511)
Expenses related to BV's capital opening process	-	-	(4,715)	-
Other	-	(33,027)	-	(13,535)
<b>Recurring net income</b>	<b>401,103</b>	<b>225,993</b>	<b>1,148,632</b>	<b>616,400</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Net profit</b>	<b>370,135</b>	<b>274,692</b>	<b>1,185,974</b>	<b>717,694</b>
<b>(-) Non-recurring events</b>	<b>(32,844)</b>	<b>(262)</b>	<b>37,733</b>	<b>1,415</b>
Donations related to the COVID-19, net of tax <sup>(1)</sup>	(191)	-	(569)	(26,566)
Effect of rate increase on tax credit	(32,653)	232,277	43,017	232,277
(Provision) / reversal of provision for losses associated with the loan portfolio	-	(199,511)	-	(199,511)
Expenses related to BV's capital opening process	-	-	(4,715)	-
Other	-	(33,028)	-	(4,785)
<b>Recurring net profit</b>	<b>402,979</b>	<b>274,954</b>	<b>1,148,241</b>	<b>716,279</b>

<sup>(1)</sup> For the trimester ended September 30, 2021 and 2020, the gross amount is R\$ 1,068 and R\$ 30,000, respectively.

## Summary of non-recurring events:

**Donations related to the COVID-19** - Extraordinary expenses for donations aimed at fighting the new Coronavirus and its effects on Brazilian society.

**Effects of the increase of the tax credit tax rate** - Effect resulting from the increase of the social contribution rate for financial institutions, recognized in the line of Income Tax and Social Contribution and impairment of tax credit of tax loss. (Note 4q).

**(Provision) / reversal of provision for losses associated with the credit portfolio - Prudential credit provisions made to neutralize the impact of call's increase.**

**Expenses related to the process of opening of capital of BV** - According to material fact disclosed on April 13, 2021, the process of opening of capital of BV was canceled due to the market conjuncture at the time.

## 7. CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
<b>Cash and due from banks</b>	<b>256,160</b>	<b>487,652</b>	<b>277,997</b>	<b>539,335</b>
Cash and due from banks in national currency	4,376	1,215	24,682	50,800
Cash and due from banks in foreign currency	251,784	486,437	253,315	488,535
<b>Interbank funds applied <sup>(1)</sup></b>	<b>4,524,674</b>	<b>4,970,178</b>	<b>4,524,674</b>	<b>4,269,131</b>
Open market applications - Resales to be liquidated - Bench position	248,762	1,802,421	248,762	1,204,275
Interbank accounts or relations	244,781	132,944	244,781	30,043
Investments in foreign currency	4,031,131	3,034,813	4,031,131	3,034,813
<b>Total</b>	<b>4,780,834</b>	<b>5,457,830</b>	<b>4,802,671</b>	<b>4,808,466</b>

<sup>(1)</sup> Refer to transactions with original maturities of 90 days or less from the acquisition date and are subject to an insignificant risk change in fair value.

## 8. INTERBANK INVESTMENTS

### a) Breakdown

	Parent Company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
<b>Reverse repurchase agreements</b>	<b>3,005,063</b>	<b>4,400,118</b>	<b>2,412,016</b>	<b>4,402,183</b>
<b>Reverse repurchase agreements - Held</b>	<b>905,150</b>	<b>1,323,038</b>	<b>312,103</b>	<b>1,325,103</b>
National Treasury Bill - LTN	223,183	1,901	223,207	3,966
National Treasury Notes - NTN	593,071	914,364	-	914,364
Securities of Brazilian Foreign Debt	88,896	406,773	88,896	406,773
<b>Reverse repurchase agreements - Repledged</b>	<b>1,592,679</b>	<b>591,292</b>	<b>1,592,679</b>	<b>591,292</b>
National Treasury Bill - LTN	730,767	444,983	730,767	444,983
National Treasury Notes - NTN	861,912	146,309	861,912	146,309
<b>Reverse repurchase agreements - Short position</b>	<b>507,234</b>	<b>2,485,788</b>	<b>507,234</b>	<b>2,485,788</b>
National Treasury Bill - LTN	-	1,708,440	-	1,708,440
National Treasury Notes - NTN	507,234	777,348	507,234	777,348
<b>Interbank deposit investments</b>	<b>1,057,089</b>	<b>588,841</b>	<b>38,472</b>	<b>588,841</b>
<b>Total</b>	<b>4,062,152</b>	<b>4,988,959</b>	<b>2,450,488</b>	<b>4,991,024</b>
Current assets	3,973,256	4,455,302	2,361,592	4,457,367
Non-current assets	88,896	533,657	88,896	533,657

## b) Income from interbank investments

	Parent Company <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Income from securities purchased under resale agreements</b>	<b>53,331</b>	<b>75,399</b>	<b>140,271</b>	<b>179,862</b>
Own portfolio	21,759	45,102	55,169	88,228
Financed operations	15,403	17,611	33,545	57,827
Short position	16,169	12,686	51,557	33,807
<b>Income from investments in interbank deposits <sup>(2)</sup></b>	<b>22,141</b>	<b>134,699</b>	<b>33,106</b>	<b>1,394,639</b>
<b>Total <sup>(3)</sup></b>	<b>75,472</b>	<b>210,098</b>	<b>173,377</b>	<b>1,574,501</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Income from securities purchased under resale agreements</b>	<b>46,169</b>	<b>72,279</b>	<b>124,414</b>	<b>166,109</b>
Own portfolio	14,597	42,863	39,312	75,355
Financed operations	15,403	16,730	33,545	56,947
Short position	16,169	12,686	51,557	33,807
<b>Income from investments in interbank deposits <sup>(2)</sup></b>	<b>7,305</b>	<b>4,824</b>	<b>13,948</b>	<b>345,937</b>
<b>Total <sup>(3)</sup></b>	<b>53,474</b>	<b>77,103</b>	<b>138,362</b>	<b>512,046</b>

<sup>(1)</sup> Includes appropriation of income generated by the assets received from merger of the spun-off portion of BV Financeira, after the referred event (Nota 2b).

<sup>(2)</sup> Includes the effects of exchange rate changes on the corresponding assets.

<sup>(3)</sup> The amounts comprise the balance of income from securities (Note 9c)



## PARENT COMPANY AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

as of 30 September, 2021

(amounts in thousands of Reais, unless otherwise indicated)

### 9. SECURITIES

#### a) Breakdown of the portfolio by category, type of paper and maturity term

Parent company	09.30.2021								12.31.2020		
	Fair value					Total			Total		
	Without maturity	From 0 to 90 days	From 90 to 360 days	From 1 to 5 years	Over 5 years	Cost	Fair value	Fair value adjustment	Cost	Fair value	Fair value adjustment
<b>1 – Trading securities</b>	-	73,661	138,852	2,803,034	569,184	3,611,583	3,584,731	(26,852)	5,059,375	5,130,668	71,293
<b>Government bonds</b>	-	73,661	138,852	2,803,034	460,864	3,496,270	3,476,411	(19,859)	5,004,781	5,074,377	69,596
Financial Treasury Bills	-	-	1,632	425,325	105,650	532,526	532,607	81	54	54	-
National Treasury Bills	-	73,661	120,651	1,617,231	-	1,817,908	1,811,543	(6,365)	1,257,504	1,273,047	15,543
National Treasury Notes	-	-	16,569	760,478	355,214	1,145,836	1,132,261	(13,575)	3,747,223	3,801,276	54,053
<b>Private securities</b>	-	-	-	-	108,320	115,313	108,320	(6,993)	54,594	56,291	1,697
Eurobonds	-	-	-	-	1	26	1	(25)	75	75	-
Debentures	-	-	-	-	51,345	54,655	51,345	(3,310)	54,519	56,216	1,697
Certificate of Agribusiness Receivables	-	-	-	-	56,974	60,632	56,974	(3,658)	-	-	-
<b>2 – Securities available for sale</b>	2,382	671,212	2,720,657	11,708,308	3,429,736	18,341,200	18,532,295	191,095	17,819,238	18,239,143	419,905
<b>Government bonds</b>	-	-	1,930,651	8,629,471	1,243,268	11,888,740	11,803,390	(85,350)	13,786,789	13,958,730	171,941
Financial Treasury Bills	-	-	438,809	5,093,654	861,635	6,405,706	6,394,098	(11,608)	8,853,666	8,826,315	(27,351)
National Treasury Bills	-	-	1,433,398	1,205,923	-	2,714,231	2,639,321	(74,910)	1,407,912	1,451,535	43,623
National Treasury Notes	-	-	58,444	607,507	381,633	1,099,058	1,047,584	(51,474)	946,457	983,454	36,997
Brazilian Foreign Debt Securities	-	-	-	1,722,387	-	1,669,745	1,722,387	52,642	2,578,754	2,697,426	118,672
<b>Private securities</b>	2,382	671,212	790,006	3,078,837	2,186,468	6,452,460	6,728,905	276,445	4,032,449	4,280,413	247,964
Debentures <sup>(1)</sup>	-	411,189	10,491	1,673,265	107,572	2,194,870	2,202,517	7,647	2,185,843	2,160,150	(25,693)
Promissory Notes <sup>(2) (3)</sup>	-	6,345	52,094	19,161	-	78,394	77,600	(794)	419,088	417,544	(1,544)
Shares <sup>(4)</sup>	936	-	-	-	-	936	936	-	8,502	14,754	6,252
Quotas of investment funds <sup>(5)</sup>	1,446	170,989	20,656	121,502	1,688,644	1,740,632	2,003,237	262,605	513,510	775,559	262,049
Rural Product Notes -Commodities <sup>(6)</sup>	-	3,475	193,792	222,591	-	411,620	419,858	8,238	561,791	571,880	10,089
Financial Bills	-	-	-	-	-	-	-	-	21,889	21,674	(215)
Floating Rate Notes	-	53,969	226,307	492,810	-	771,486	773,086	1,600	85,621	85,851	230
Certificated of Real Estate Receivables <sup>(7)</sup>	-	18,621	286,666	491,861	390,252	1,189,977	1,187,400	(2,577)	153,506	150,705	(2,801)
Agribusiness Receivables Certificate	-	6,624	-	57,647	-	64,545	64,271	(274)	82,699	82,296	(403)
<b>3 – Securities held to maturity</b>	-	-	2,837,557	6,361,084	2,253,096	12,026,245	11,451,737	(574,508)	9,287,610	9,598,667	311,057
<b>Government bonds</b>	-	-	2,837,557	6,361,084	2,253,096	12,026,245	11,451,737	(574,508)	9,287,610	9,598,667	311,057
National Treasury Bills	-	-	2,454,568	2,185,607	-	4,641,944	4,640,175	(201,769)	4,225,904	4,279,580	53,676
National Treasury Notes	-	-	382,989	3,683,222	2,253,096	6,678,139	6,319,307	(358,832)	5,061,706	5,319,087	257,381
Treasury Notes from other countries	-	-	-	492,255	-	506,162	492,255	(13,907)	-	-	-
<b>Total (1 + 2 + 3)</b>	2,382	744,873	5,697,066	20,872,426	6,252,016	33,979,028	33,568,763	(410,265)	32,166,223	32,968,478	802,255



# PARENT COMPANY AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

as of 30 September, 2021

(amounts in thousands of Reais, unless otherwise indicated)

Consolidated	09.30.2021									12.31.2020		
	Fair value					Total			Total			
	Maturity in days	Without maturity	From 0 to 90 days	From 90 to 360 days	From 1 to 5 years	Over 5 years	Cost	Fair value	Fair value adjustment	Cost	Fair value	Fair value adjustment
1 – Trading securities	-	73,661	359,229	3,957,779	570,369	4,893,938	4,961,038	67,100	6,095,504	6,279,697	184,193	
Government bonds	-	73,661	359,229	3,947,939	462,049	4,768,785	4,842,878	74,093	6,031,998	6,214,495	182,497	
Financial Treasury Bills	-	-	222,009	507,478	106,835	836,462	836,322	(140)	104,459	103,998	(461)	
National Treasury Bills	-	73,661	120,651	1,617,231	-	1,817,908	1,811,543	(6,365)	1,257,504	1,273,047	15,543	
National Treasury Notes	-	-	16,569	1,823,230	355,214	2,114,415	2,195,013	80,598	4,670,035	4,837,450	167,415	
Private securities	-	-	-	9,840	108,320	125,153	118,160	(6,993)	63,506	65,202	1,696	
Eurobonds	-	-	-	-	1	26	1	(25)	75	75	-	
Debentures	-	-	-	9,840	51,345	64,495	61,185	(3,310)	63,431	65,127	1,696	
Certificate of Agribusiness Receivables	-	-	-	-	56,974	60,632	56,974	(3,658)	-	-	-	
2 – Securities available for sale	871,187	500,223	2,728,505	12,120,667	2,521,012	18,547,804	18,741,594	193,790	18,175,494	18,630,903	455,409	
Government bonds	-	-	1,934,036	9,029,113	1,245,657	12,297,900	12,208,806	(89,094)	14,232,517	14,440,467	207,950	
Financial Treasury Bills	-	-	442,194	5,242,492	864,024	6,560,793	6,548,710	(12,083)	9,038,819	9,010,963	(27,856)	
National Treasury Bills	-	-	1,433,398	1,205,923	-	2,714,231	2,639,321	(74,910)	1,407,912	1,451,535	43,623	
National Treasury Notes	-	-	58,444	858,311	381,633	1,353,131	1,298,388	(54,743)	1,207,032	1,280,543	73,511	
Brazilian Foreign Debt Securities	-	-	-	1,722,387	-	1,669,745	1,722,387	52,642	2,578,754	2,697,426	118,672	
Private securities	871,187	500,223	794,469	3,091,554	1,275,355	6,249,904	6,532,788	282,884	3,942,977	4,190,436	247,459	
Debêntures <sup>(1)</sup>	-	411,189	10,491	1,673,265	107,572	2,194,870	2,202,517	7,647	2,185,843	2,160,150	(25,693)	
Promissory Notes <sup>(2) (3)</sup>	-	6,345	52,094	19,161	-	78,394	77,600	(794)	419,088	417,544	(1,544)	
Shares <sup>(4)</sup>	936	-	-	-	-	936	936	-	8,502	14,754	6,252	
Quotas of investment funds <sup>(5)</sup>	870,251	-	20,656	110,218	743,743	1,466,503	1,744,868	278,365	424,038	685,582	261,544	
Rural Product Notes -Commodities <sup>(6)</sup>	-	3,475	193,792	222,591	-	411,620	419,858	8,238	561,791	571,880	10,089	
Financial Bills	-	-	-	-	-	-	-	-	21,889	21,674	(215)	
Floating Rate Notes	-	53,969	226,307	492,810	-	771,486	773,086	1,600	85,621	85,851	230	
Certificated of Real Estate Receivables <sup>(7)</sup>	-	18,621	291,129	515,862	424,040	1,261,550	1,249,652	(11,898)	153,506	150,705	(2,801)	
Agribusiness Receivables Certificate	-	6,624	-	57,647	-	64,545	64,271	(274)	82,699	82,296	(403)	
3 – Securities held to maturity	-	-	2,837,557	6,361,084	2,253,096	12,026,245	11,451,737	(574,508)	9,287,610	9,598,667	311,057	
Government bonds	-	-	2,837,557	6,361,084	2,253,096	12,026,245	11,451,737	(574,508)	9,287,610	9,598,667	311,057	
National Treasury Bills	-	-	2,454,568	2,185,607	-	4,841,944	4,640,175	(201,769)	4,225,904	4,279,580	53,676	
National Treasury Notes	-	-	382,989	3,683,222	2,253,096	6,678,139	6,319,307	(358,832)	5,061,706	5,319,087	257,381	
Treasury Notes from other countries	-	-	-	492,255	-	506,162	492,255	(13,907)	-	-	-	
Total (1 + 2 + 3)	871,187	573,884	5,925,291	22,439,530	5,344,477	35,467,987	35,154,369	(313,618)	33,558,608	34,509,267	950,659	

The fair value considers the prudential adjustment of credit risk spread, fulfilling the provision in Article 8 of the CMN Resolution No. 4,277/2013.

The securities classified as "Held to maturity" are recorded at cost in accordance with Bacen Circular No. 3,068/2001. For purposes of presentation, these operations are adjusted to fair value.

<sup>(1)</sup> The cost value of the Debentures includes a provision for impairment in the amount of R\$ 818.964 (R\$ 771,535 as of December 31, 2020) as a contra entry to (Provision) / reversal of provision for impairment of marketable securities .

<sup>(2)</sup> The cost value of the Promissory Notes includes a provision for impairment in the amount of R\$ 26.126 as a contra entry to (Provision) / reversal of provision for impairment of marketable securities.

<sup>(3)</sup> The cost value of the Shares includes a provision for impairment in the amount of R\$ 3,257 (R\$ 76,743 as of December 31, 2020) as a contra entry to (Provision) / reversal of provision for impairment of marketable securities . The fair value of the shares represents the quotation disclosed by B3 SA - Brasil, Bolsa, Balcão.

<sup>(4)</sup> The cost value of investment fund Quotas also considers the provision for impairment in the amount of R\$ 70,487 (R\$ 62,463 on December 31, 2020) as a contra entry to (Provision) / reversal of provision for reduction in value the recoverable amount of bonds and securities. Includes the effect of adjustment to fair value of equity funds (FIP) and real estate investment funds (FII) that are not consolidated.

<sup>(5)</sup> The cost value of the Rural Product Bills also considers the provision for impairment in the amount of R\$ 25,314 (R\$ 26,005 on December 31, 2020) as a contra entry to (Provision) / reversal of provision for impairment securities.

<sup>(6)</sup> The cost value of Real Estate Receivables Certificates also considers the provision for impairment in the amount of R\$882 on December 31, 2020 as a contra entry to (Provision) / reversal of provision for impairment securities. As of September 30, 2021, there is no provision for impairment.



**b) Summary of the portfolio by category**

By category	09.30.2021		12.31.2020	
<b>Bank</b>				
1 – Trading securities	3,584,731	10%	5,130,668	16%
2 – Securities available for sale	18,532,295	55%	18,239,143	56%
3 – Securities held to maturity	12,026,245	35%	9,287,610	28%
<b>Book value of portfolio</b>	<b>34,143,271</b>	<b>100%</b>	<b>32,657,421</b>	<b>100%</b>
Fair value adjustment of category three	(574,508)		311,057	
<b>Fair value of portfolio</b>	<b>33,568,763</b>		<b>32,968,478</b>	
<b>Consolidated</b>				
1 – Trading securities	4,961,038	14%	6,279,697	18%
2 – Securities available for sale	18,741,594	52%	18,630,903	54%
3 – Securities held to maturity	12,026,245	34%	9,287,610	28%
<b>Book value of portfolio</b>	<b>35,728,877</b>	<b>100%</b>	<b>34,198,210</b>	<b>100%</b>
Fair value adjustment of category three	(574,508)		311,057	
<b>Fair value of portfolio</b>	<b>35,154,369</b>		<b>34,509,267</b>	

Fulfilling the provision of Article 8 of Circular 3,068/01, of the Central Bank of Brazil, banco BV declares that it has the necessary financial capacity and intention to hold to maturity the securities classified in the “securities held to maturity” category, in the amount of R\$ 12.026.245 in the Bank and Consolidated (R\$ 9.287.610 in Bank and consolidated on december 31, 2020), representing 35% of the total securities in bank and 34% in Consolidated (28% in Bank and consolidated on december 31, 2020).

**c) Income from securities**

	Parent Company <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 a 09.30.2021	01.01 a 09.30.2020
Interbank investments (note 8b)	75,472	210,098	173,377	1,574,501
Fixed income securities	499,656	133,638	1,052,499	976,477
Securities abroad <sup>(2)</sup>	11,653	34,369	77,326	169,103
Variable income securities <sup>(3)</sup>	(3,044)	(843)	(1,707)	(10,791)
Investments in investment funds <sup>(2)</sup>	101,898	1,927	119,452	14,450
Other	7,469	217	22,191	3,344
<b>Total</b>	<b>693,104</b>	<b>379,406</b>	<b>1,443,138</b>	<b>2,727,084</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 a 09.30.2021	01.01 a 09.30.2020
Interbank investments (note 8b)	53,474	77,103	138,362	512,046
Fixed income securities	598,858	188,190	1,137,226	1,515,481
Securities abroad <sup>(2)</sup>	11,653	44,599	77,326	199,035
Variable income securities <sup>(3)</sup>	(4,139)	(843)	(1,725)	(13,219)
Investments in investment funds <sup>(2)</sup>	23,043	1,681	37,158	14,765
Other	7,469	217	22,191	3,344
<b>Total</b>	<b>690,358</b>	<b>310,947</b>	<b>1,410,538</b>	<b>2,231,452</b>

<sup>(1)</sup> Includes appropriation of results generated by the assets and liabilities received from the incorporation of the split portion of BV Financeira, after that event. (Nota 2b).

<sup>(2)</sup> Includes exchange variation on bonds and securities.

<sup>(3)</sup> Includes the income from the sale of investments through tax incentives.

**d) (Provision) / reversal of provision for impairment of securities**

	Parent company and consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 a 09.30.2021	01.01 a 09.30.2020
Shares	643	160	902	8,065
Promissory Notes	(16,122)	-	(26,126)	-
Agribusiness Receivables Certificate	685	(1,009)	882	(1,009)
Debentures	(35,379)	(80,399)	(47,429)	(71,003)
Quotas of investment funds	16,166	(9,785)	(8,024)	(9,767)
Rural Product Notes	-	(120)	691	407
<b>Total</b>	<b>(34,007)</b>	<b>(91,153)</b>	<b>(79,104)</b>	<b>(73,307)</b>



## e) Reclassifications of securities

There was no reclassification of securities between categories in the year ended December 31, 2020.

In the semester ended June 30, 2021, government securities were reclassified - National Treasury Notes and National Treasury Bills, from the category "Available for sale" to the category "Held to maturity", as a result of the revision of the intention of the Administration on the respective titles, in accordance with Bacen Circular nº 3.068/2001. The reclassification of these titles did not have an impact on income and equity on the respective base date of the event.

	Parent company and consolidated		
	Cost value	Fair Value	Unrealized gain / (loss)
National Treasury Notes	246,925	237,245	(9,680)
National Treasury Bills	125,795	118,170	(7,625)
<b>Total</b>	<b>372,720</b>	<b>355,415</b>	<b>(17,305)</b>

## 10. DERIVATIVE FINANCIAL INSTRUMENTS

The Conglomerate uses derivative financial instruments to manage its positions on a consolidated basis and to fulfill the needs of its client's, classifying its own positions as necessary for hedging (of market risk and cash flow) and trading, both with approval limits in the Company. The hedge strategy for asset protection, which is approved by Management, is in line with the macroeconomic scenario analysis.

In the options market, assets or long positions have the Conglomerate as the holder, while liability or short positions have the Conglomerate as the seller.

The models used in the management of risks with derivatives are periodically reviewed and the decisions taken observe the best risk/return ratio, estimating possible losses based on the analysis of macroeconomic scenarios.

The Conglomerate has tools and systems that are adequate to manage derivative financial instruments. Negotiation of new derivatives, standardized or not, depends on prior risk analysis. Subsidiaries' risk evaluation is carried out on an individual basis and its management is carried out on a consolidated basis.

The Conglomerate uses statistical methodologies and simulations to measure the risk of its positions, including with derivatives, using value at risk and sensitivity models and stress analysis.

### Risks

The main risks, inherent in derivative financial instruments deriving from the Bank and its subsidiaries' businesses are credit risk, market risk, liquidity risk and operational risk.

Credit risk is defined as the possibility of losses associated with: (a) Non-compliance by the counterparty (the borrower, the guarantor or the issuer of securities or securities acquired), of its obligations under the terms agreed upon; (b) Devaluation, reduction of income and expected gains on financial instruments arising from the deterioration of the credit quality of the counterparty, the intervening party or the mitigating instrument; (c) Restructuring of financial instruments; or (d) Costs of recovery of exposures of problematic assets.

Exposure to credit risk in futures contracts is minimized due to the daily financial settlement. Swap contracts registered with CETIP are subject to credit risk in case that the counterparty is not able or willing to comply with its contractual obligations, while swap contracts registered with B3 S.A. - Brasil, Bolsa, Balcão are not subject to the same risk, considering that B3 S.A. guarantees these transactions.

Market risk is defined as the possibility of financial losses arising from variations in the fair value of exposures held by a Financial Institution. These financial losses may be incurred due to the impact produced by the variation of risk factors, such as interest rates, exchange rates, share and commodity prices, among others.

Liquidity risk is defined as:

- The possibility of the Bank not being able to effectively honor expected and unexpected current and future obligations, including those deriving from binding guarantees, without affecting its daily operations and without incurring significant losses; and
- The possibility that the Bank may not be able to trade a position at the market price due to its large size in relation to the usually traded volume, or due to market discontinuity.

Operational risk is defined as the possibility of occurrence of losses resulting from external events or from failure, deficiency or inadequacy of internal processes, people or systems.



## PARENT COMPANY AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

as of 30 September, 2021

(amounts in thousands of Reais, unless otherwise indicated)

### a) Breakdown of derivative financial instruments portfolio by index

By index	Parent Company						Consolidated					
	09.30.2021			12.31.2020			09.30.2021			12.31.2020		
	Reference value	Cost	Fair value	Reference value	Cost	Fair value	Reference	Cost	Fair value	Reference value	Cost	Fair value
<b>1 - Futures contracts</b>												
<b>Purchase commitments</b>	<b>27,210,909</b>	-	-	<b>19,974,135</b>	-	-	<b>27,210,909</b>	-	-	<b>19,974,135</b>	-	-
Interbank deposits	17,990,909	-	-	9,379,921	-	-	17,990,909	-	-	9,379,921	-	-
Currencies	580,266	-	-	2,497,406	-	-	580,266	-	-	2,497,406	-	-
Index	276,312	-	-	536,903	-	-	276,312	-	-	536,903	-	-
Libor <sup>(1)</sup>	432,998	-	-	-	-	-	432,998	-	-	-	-	-
Foreign currency coupon	7,930,424	-	-	7,559,905	-	-	7,930,424	-	-	7,559,905	-	-
<b>Sales appointments</b>	<b>66,079,772</b>	-	-	<b>76,712,516</b>	-	-	<b>66,079,772</b>	-	-	<b>76,712,516</b>	-	-
Interbank deposits	54,597,558	-	-	48,548,485	-	-	54,597,558	-	-	48,548,485	-	-
Currencies	4,514,643	-	-	7,350,599	-	-	4,514,643	-	-	7,350,599	-	-
Index	30,478	-	-	110,077	-	-	30,478	-	-	110,077	-	-
Libor <sup>(1)</sup>	1,704,122	-	-	13,903,508	-	-	1,704,122	-	-	13,903,508	-	-
Foreign currency coupon	4,180,620	-	-	6,799,847	-	-	4,180,620	-	-	6,799,847	-	-
Other	1,052,351	-	-	-	-	-	1,052,351	-	-	-	-	-
<b>2 - Term contracts</b>												
<b>Asset position</b>	<b>1,108,128</b>	<b>1,108,128</b>	<b>1,107,460</b>	<b>251,738</b>	<b>251,738</b>	<b>253,956</b>	<b>1,108,128</b>	<b>1,108,128</b>	<b>1,107,460</b>	<b>251,738</b>	<b>251,738</b>	<b>253,956</b>
Currency term	199,739	199,739	199,739	251,738	251,738	253,956	199,739	199,739	199,739	251,738	251,738	253,956
Government bond term	908,389	908,389	907,721	-	-	-	908,389	908,389	907,721	-	-	-
<b>Liability position</b>	<b>1,108,128</b>	<b>(1,108,128)</b>	<b>(1,104,268)</b>	<b>251,738</b>	<b>(251,738)</b>	<b>(257,123)</b>	<b>1,108,128</b>	<b>(1,108,128)</b>	<b>(1,104,268)</b>	<b>251,738</b>	<b>(251,738)</b>	<b>(257,123)</b>
Currency term	199,739	(199,739)	(196,185)	251,738	(251,738)	(257,123)	199,739	(199,739)	(196,185)	251,738	(251,738)	(257,123)
Government bond term	908,389	(908,389)	(908,083)	-	-	-	908,389	(908,389)	(908,083)	-	-	-
<b>3 - Option contracts <sup>(2)</sup></b>												
<b>Call option - Long position</b>	<b>2,073,037</b>	<b>54,730</b>	<b>67,765</b>	<b>5,173,755</b>	<b>538,071</b>	<b>751,614</b>	<b>2,073,037</b>	<b>54,730</b>	<b>67,765</b>	<b>5,173,755</b>	<b>538,071</b>	<b>751,614</b>
Foreign currency	191,000	2,673	2,962	3,206,500	447,608	682,219	191,000	2,673	2,962	3,206,500	447,608	682,219
Flexible options	1,732,725	51,515	64,726	1,961,049	90,193	68,249	1,732,725	51,515	64,726	1,961,049	90,193	68,249
Foreign government index	149,312	542	77	-	-	-	149,312	542	77	-	-	-
Others	-	-	-	6,206	270	1,146	-	-	-	6,206	270	1,146
<b>Put option - Long position</b>	<b>3,809,667</b>	<b>153,034</b>	<b>80,905</b>	<b>22,795,131</b>	<b>471,136</b>	<b>294,538</b>	<b>1,437,000</b>	<b>29,142</b>	<b>18,832</b>	<b>17,466,875</b>	<b>138,073</b>	<b>167,263</b>
Foreign currency	1,063,000	27,413	16,213	4,385,375	136,591	11,411	1,063,000	27,413	16,213	4,385,375	136,591	11,411
Interbank deposits index	15,000	7	1	13,081,500	1,482	155,852	15,000	7	1	13,081,500	1,482	155,852
Flexible options	2,372,667	123,892	62,073	5,328,256	333,063	127,275	-	-	-	-	-	-
Foreign government index	359,000	1,722	2,618	-	-	-	359,000	1,722	2,618	-	-	-
<b>Byung - short position</b>	<b>4,062,402</b>	<b>(167,780)</b>	<b>(158,828)</b>	<b>8,798,225</b>	<b>(640,589)</b>	<b>(1,754,880)</b>	<b>1,689,735</b>	<b>(44,648)</b>	<b>(37,035)</b>	<b>3,469,969</b>	<b>(310,066)</b>	<b>(770,836)</b>
Foreign currency	1,595,375	(41,045)	(33,200)	3,448,500	(307,951)	(764,421)	1,595,375	(41,045)	(33,200)	3,448,500	(307,951)	(764,421)
Flexible options	2,388,389	(126,452)	(125,587)	5,343,975	(332,168)	(988,927)	15,722	(3,320)	(3,794)	15,719	(1,645)	(4,883)
Foreign government index	72,888	(242)	(17)	-	-	-	72,888	(242)	(17)	-	-	-
Shares	5,750	(41)	(24)	-	-	-	5,750	(41)	(24)	-	-	-
Others	-	-	-	5,750	(470)	(1,532)	-	-	-	5,750	(470)	(1,532)



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(amounts in thousands of Reais, unless otherwise indicated)

By index	Parent Company						Consolidated					
	30.09.2021			31.12.2020			30.09.2021			31.12.2020		
	Reference value	Cost	Fair value	Reference value	Cost	Fair value	Reference	Cost	Fair value	Reference value	Cost	Fair value
<b>Put option - Short position</b>	<b>2,198,393</b>	<b>(53,386)</b>	<b>(38,105)</b>	<b>19,328,515</b>	<b>(233,174)</b>	<b>(271,455)</b>	<b>2,198,393</b>	<b>(53,386)</b>	<b>(38,105)</b>	<b>19,328,515</b>	<b>(233,174)</b>	<b>(271,455)</b>
Foreign currency	130,750	(643)	(161)	4,356,250	(142,291)	(14,216)	130,750	(643)	(161)	4,356,250	(142,291)	(14,216)
Interbank deposits	-	-	-	13,077,000	(690)	(151,352)	-	-	-	13,077,000	(690)	(151,352)
Flexible options	1,554,640	(51,515)	(36,474)	1,895,265	(90,193)	(105,887)	1,554,640	(51,515)	(36,474)	1,895,265	(90,193)	(105,887)
Foreign government index	513,003	(1,228)	(1,470)	-	-	-	513,003	(1,228)	(1,470)	-	-	-
<b>4 - Swap contracts <sup>(2) (3)</sup></b>												
<b>Asset position</b>	<b>25,844,146</b>	<b>2,738,885</b>	<b>3,471,978</b>	<b>9,149,353</b>	<b>2,612,290</b>	<b>2,665,608</b>	<b>25,349,749</b>	<b>2,327,939</b>	<b>2,984,612</b>	<b>8,640,387</b>	<b>2,250,138</b>	<b>2,207,636</b>
Interbank deposits	17,743,112	137,130	393,832	804,749	19,363	35,441	17,743,112	137,130	393,832	804,749	19,363	35,441
Foreign currency	6,846,670	2,262,567	2,686,819	3,320,305	2,180,936	1,964,087	6,352,273	1,851,621	2,199,453	2,811,339	1,818,784	1,506,115
Fixed rate	1,036,762	266,945	320,601	4,740,474	368,409	607,158	1,036,762	266,945	320,601	4,740,474	368,409	607,158
IPCA	139,602	32,556	34,026	205,825	22,225	38,626	139,602	32,556	34,026	205,825	22,225	38,626
IGP-M	78,000	39,668	36,700	78,000	21,357	20,296	78,000	39,668	36,700	78,000	21,357	20,296
Libor <sup>(1)</sup>	-	19	-	-	-	-	-	19	-	-	-	-
<b>Liability position</b>	<b>6,650,456</b>	<b>(1,987,929)</b>	<b>(1,832,410)</b>	<b>7,104,657</b>	<b>(2,032,028)</b>	<b>(2,269,132)</b>	<b>6,620,521</b>	<b>(1,968,709)</b>	<b>(1,809,523)</b>	<b>7,073,868</b>	<b>(2,015,230)</b>	<b>(2,247,730)</b>
Interbank deposits	2,663,448	(5,204)	(110,196)	212,627	(2,327)	(1,056)	2,663,448	(5,204)	(110,196)	212,627	(2,327)	(1,056)
Foreign currency	3,105,189	(1,481,773)	(1,009,427)	2,112,328	(1,209,442)	(909,252)	3,075,254	(1,462,553)	(986,540)	2,081,539	(1,192,644)	(887,850)
Fixed rate	354,997	(407,068)	(616,274)	4,079,799	(692,766)	(1,254,967)	354,997	(407,068)	(616,274)	4,079,799	(692,766)	(1,254,967)
IPCA	106,709	(30,493)	(35,377)	352,838	(44,760)	(54,603)	106,709	(30,493)	(35,377)	352,838	(44,760)	(54,603)
IGP-M	96,719	(23,363)	(20,461)	96,719	(9,280)	(4,550)	96,719	(23,363)	(20,461)	96,719	(9,280)	(4,550)
Libor <sup>(1)</sup>	123,394	(39,566)	(39,145)	250,346	(73,453)	(44,704)	123,394	(39,566)	(39,145)	250,346	(73,453)	(44,704)
Selic	200,000	(462)	(1,530)	-	-	-	200,000	(462)	(1,530)	-	-	-
<b>5 - Other derivatives financial instruments</b>												
<b>Asset position</b>	<b>10,992,685</b>	<b>164,882</b>	<b>203,587</b>	<b>11,589,196</b>	<b>1,139,417</b>	<b>1,115,686</b>	<b>8,670,717</b>	<b>97,316</b>	<b>115,723</b>	<b>6,461,825</b>	<b>248,121</b>	<b>240,671</b>
Non Deliverable Forward - Foreign currency <sup>(2)</sup>	10,992,685	164,882	203,587	11,589,196	1,139,417	1,115,686	8,670,717	97,316	115,723	6,461,825	248,121	240,671
<b>Liability position</b>	<b>982,533</b>	<b>(115,286)</b>	<b>(68,587)</b>	<b>1,584,431</b>	<b>(82,155)</b>	<b>(76,760)</b>	<b>982,533</b>	<b>(83,651)</b>	<b>(40,466)</b>	<b>1,584,431</b>	<b>(69,591)</b>	<b>(58,513)</b>
Non Deliverable Forward - Foreign currency <sup>(2)</sup>	982,533	(115,286)	(68,587)	1,584,431	(82,155)	(76,760)	982,533	(83,651)	(40,466)	1,584,431	(69,591)	(58,513)
<b>Total assets (1 + 2 + 3 + 4 + 5)</b>	<b>71,038,572</b>	<b>4,219,659</b>	<b>4,931,695</b>	<b>68,933,308</b>	<b>5,012,652</b>	<b>5,081,402</b>	<b>65,849,540</b>	<b>3,617,255</b>	<b>4,294,392</b>	<b>57,968,715</b>	<b>3,426,141</b>	<b>3,621,140</b>
<b>Total liabilities (1 + 2 + 3 + 4 + 5)</b>	<b>79,973,556</b>	<b>(3,432,509)</b>	<b>(3,202,198)</b>	<b>113,528,344</b>	<b>(3,239,684)</b>	<b>(4,629,350)</b>	<b>77,570,954</b>	<b>(3,258,522)</b>	<b>(3,029,397)</b>	<b>108,169,299</b>	<b>(2,879,799)</b>	<b>(3,605,657)</b>

<sup>(1)</sup> Futures and swap contracts indexed to Libor were not impacted by the reform of the reference interest rates.

<sup>(2)</sup> The fair value of swap, options and non-deliverable forward operations - foreign currency include the credit risk of the counterparty (credit spread adjustment).

<sup>(3)</sup> The presentation of swap contracts and credit derivatives by position (active or passive) takes into account the respective fair value of each contract.



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### b) Breakdown of derivative financial instruments by maturity date (reference value)

Maturity in days	Parent Company						Consolidated					
	From 0 to 30	From 31 to 180	From 181 to 360	Over 360	09.30.2021	12.31.2020	From 0 to 30	From 31 to 180	From 181 to 360	Over 360	09.30.2021	12.31.2020
Futures contracts	4,530,494	30,855,705	18,518,223	39,386,259	93,290,681	96,686,651	4,530,494	30,855,705	18,518,223	39,386,259	93,290,681	96,686,651
Forward contracts	966,822	133,258	8,048	-	1,108,128	251,738	966,822	133,258	8,048	-	1,108,128	251,738
Option contracts	1,792,034	6,226,019	3,719,166	406,280	12,143,499	56,095,626	1,792,034	1,480,685	3,719,166	406,280	7,398,165	45,439,114
Swap contracts	283,634	1,982,117	1,638,990	28,589,861	32,494,602	16,254,010	268,590	1,982,117	1,624,314	28,095,249	31,970,270	15,714,255
Non Deliverable Forward - Foreign Currency	1,315,829	9,805,087	629,362	224,940	11,975,218	13,173,627	1,315,829	7,483,119	629,362	224,940	9,653,250	8,046,256
<b>Total</b>	<b>8,888,813</b>	<b>49,002,186</b>	<b>24,513,789</b>	<b>68,607,340</b>	<b>151,012,128</b>	<b>182,461,652</b>	<b>8,873,769</b>	<b>41,934,884</b>	<b>24,499,113</b>	<b>68,112,728</b>	<b>143,420,494</b>	<b>166,138,014</b>

### c) Breakdown of derivative financial instruments Portfolio by market and counterparty (reference value)

	09.30.2021						12.31.2020
	Future	Term	Options	Swaps	Non Deliverable Forward	Total	
<b>Parent Company</b>							
Stock exchange market	93,290,681	-	4,095,078	-	-	97,385,759	138,241,776
Over-the-counter market	-	1,108,128	8,048,421	32,494,602	11,975,218	53,626,369	44,219,876
Financial institutions	-	1,108,128	4,761,055	27,707,599	7,910,407	41,487,189	36,650,906
Client	-	-	3,287,366	4,787,003	4,064,811	12,139,180	7,568,970
<b>Consolidated</b>							
Stock exchange market	93,290,681	-	4,095,078	-	-	97,385,759	138,241,776
Over-the-counter market	-	1,108,128	3,303,087	31,970,270	9,653,250	46,034,735	27,896,238
Financial institutions	-	1,108,128	15,722	27,183,268	5,588,439	33,895,557	20,327,268
Client	-	-	3,287,365	4,787,002	4,064,811	12,139,178	7,568,970

**d) Breakdown of margin given in guarantee of operations with derivative financial instruments and other transactions settled in clearing or providers of clearing and settlement services**

	Parent Company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Financial Treasury Bills - LFT	1,159,685	1,679,959	1,162,331	1,687,155
National Treasury Notes - NTN	532,214	294,304	532,214	294,304
National Treasury Bills - LTN	136,039	8,783	136,039	8,783
Shares of the investment fund liquidity of board B3	35,910	34,987	50,950	49,641
Others	46,321	64,894	46,321	64,894
<b>Total</b>	<b>1,910,169</b>	<b>2,082,927</b>	<b>1,927,855</b>	<b>2,104,777</b>

**e) Derivative financial instruments breakdown into current and non-current**

	Parent Company					
	09.30.2020			12.31.2020		
	Current	Non-current	Total	Current	Non-current	Total
<b>Assets</b>						
Term operations	1,107,460	-	1,107,460	253,956	-	253,956
Options market	138,700	9,970	148,670	914,872	131,280	1,046,152
Swap contracts	271,140	3,200,838	3,471,978	311,098	2,354,510	2,665,608
Non Deliverable Forward - Foreign currency	198,149	5,438	203,587	1,105,234	10,452	1,115,686
<b>Total</b>	<b>1,715,449</b>	<b>3,216,246</b>	<b>4,931,695</b>	<b>2,585,160</b>	<b>2,496,242</b>	<b>5,081,402</b>
<b>Liabilities</b>						
Term operations	(1,104,268)	-	(1,104,268)	(257,123)	-	(257,123)
Options market	(191,278)	(5,655)	(196,933)	(1,899,959)	(126,376)	(2,026,335)
Swap contracts	(103,392)	(1,729,018)	(1,832,410)	(133,377)	(2,135,755)	(2,269,132)
Non Deliverable Forward - Foreign currency	(68,248)	(339)	(68,587)	(71,723)	(5,037)	(76,760)
<b>Total</b>	<b>(1,467,186)</b>	<b>(1,735,012)</b>	<b>(3,202,198)</b>	<b>(2,362,182)</b>	<b>(2,267,168)</b>	<b>(4,629,350)</b>

	Consolidated					
	09.30.2020			12.31.2020		
	Current	Non-current	Total	Current	Non-current	Total
<b>Assets</b>						
Term operations	1,107,460	-	1,107,460	253,956	-	253,956
Options market	76,627	9,970	86,597	912,962	5,915	918,877
Swap contracts	248,664	2,735,948	2,984,612	291,658	1,915,978	2,207,636
Non Deliverable Forward - Foreign currency	110,285	5,438	115,723	236,263	4,408	240,671
<b>Total</b>	<b>1,543,036</b>	<b>2,751,356</b>	<b>4,294,392</b>	<b>1,694,839</b>	<b>1,926,301</b>	<b>3,621,140</b>
<b>Liabilities</b>						
Term operations	(1,104,268)	-	(1,104,268)	(257,123)	-	(257,123)
Options market	(69,485)	(5,655)	(75,140)	(1,035,236)	(7,055)	(1,042,291)
Swap contracts	(102,311)	(1,707,212)	(1,809,523)	(132,443)	(2,115,287)	(2,247,730)
Non Deliverable Forward - Moeda estrangeira	(40,127)	(339)	(40,466)	(53,477)	(5,036)	(58,513)
<b>Total</b>	<b>(1,316,191)</b>	<b>(1,713,206)</b>	<b>(3,029,397)</b>	<b>(1,478,279)</b>	<b>(2,127,378)</b>	<b>(3,605,657)</b>

**f) Breakdown of the derivatives portfolio for hedge accounting**

The Conglomerate uses two types of Hedge strategies: Fair Value Hedge and Cash Flow Hedge.

These strategies are carried out in the following risk categories:

- Interest rate risk; and
- Exchange rate risk.

The protected risks and their limits are defined in a committee. The Conglomerate determines the relationship between hedge instruments and hedged items so that the fair value of these instruments is expected to move in opposite directions and in the same proportions.

The hedge index established is always 100% of the protected risk. The sources of ineffectiveness are due to mismatches of terms between the instruments and hedged items.

For loans the effectiveness tests are adjusted for the respective allowance for losses in order to exclude the effects arising from these provisions, given that credit risk is not the risk being hedged.

The hedge operations were evaluated as effective, in accordance with the Bacen Circular no. 3,082/2002, with the hedge effectiveness falling between 80% to 125%. The Conglomerate does not use the qualitative method to evaluate the effectiveness of the strategies.

### Fair value hedge

The Conglomerate, in order to protect itself from possible fluctuations in the interest and exchange rates of its financial instruments, contracted derivative operations to offset the risks arising from exposures to changes in fair value, as follows:

- Hedge of financial assets with purchase and sale agreements indexed with risk at fixed rate are hedged with DI future contracts;
- Hedge of loans with a fixed rate/exchange rate risk are hedged with future DI and DDI contracts.

Hedged items		09.30.2021		
		Fair value of hedged items	Fair value adjustment of hedged items	Base value for calculating hedge ineffectiveness <sup>(1)</sup>
Parent Company and Consolidated	Statement of Financial Position line item	Assets	Assets	
<b>Interest rate risk</b>				
Hedge of purchase and sale commitment	Financial assets with resale agreements	80,111	4	4,958
Hedge of loan contracts	Loans and leases	17,203,531	(784,580)	(347,105)
<b>Exchange rate risk</b>				
Hedge of loan contracts	Loans and leases	37,077	460	81
<b>Total</b>		<b>17,320,719</b>	<b>(784,116)</b>	<b>(342,066)</b>
<b>12.31.2020</b>				
<b>Interest rate risk</b>				
Hedge of purchase and sale commitment	Financial assets with resale agreements	501,451	22	38,215
Hedge of loan contracts	Loans and leases	18,909,474	255,934	1,128,894
<b>Exchange rate risk</b>				
Hedge of loan contracts	Loans and leases	75,688	507	9,302
<b>Total</b>		<b>19,486,613</b>	<b>256,463</b>	<b>1,176,411</b>

<sup>(1)</sup> Changes in the fair value of the hedge instrument that are not offset by changes in the value of the hedged item result in the amount of hedge ineffectiveness.

For the strategies of purchase and sale commitment and loans and leases, the Conglomerate reestablishes the hedging relationship since both the hedged item and the instruments are re-evaluated throughout the life of the hedged portfolio. This is because they are portfolio strategies, reflecting the risk management strategy guidelines approved by the competent authority.

Hedge instruments	09.30.2021		
	Reference value	Base amount to calculate the ineffectiveness of hedge <sup>(1)</sup>	Hedge ineffectiveness recorded in income <sup>(2)</sup>
Parent Company and Consolidated	Liabilities		
<b>Interest rate risk</b>			
Future DI <sup>(1)</sup>	18,175,571	334,579	(7,568)
<b>Exchange rate risk</b>			
Future DDI	39,195	(388)	(307)
<b>Total</b>	<b>18,214,766</b>	<b>334,191</b>	<b>(7,875)</b>
<b>12.31.2020</b>			
<b>Interest rate risk</b>			
Future DI	19,821,974	(1,163,991)	3,118
<b>Exchange rate risk</b>			
Future DDI	79,089	(9,464)	(162)
<b>Total</b>	<b>19,901,063</b>	<b>(1,173,455)</b>	<b>2,956</b>

<sup>(1)</sup> Changes in the fair value of the hedge instrument that are not offset by changes in the value of the hedged item result in the amount of hedge ineffectiveness.

<sup>(2)</sup> Balances presented on an annual basis so that it is possible to compare with changes in the fair value of the instrument and the hedged object.

In December 2018, some operations were no longer qualified as market risk hedge. The balance corresponding to the adjustment to fair value of the hedged item existing on the date of closing of the hedge accounting started to be deferred (except for cases of early settlement of the object) for the contractual term of these operations whose effect on the income from the time in January 01 to September 30 of 2020 was R\$1,398, net of tax effects, presented under "Income from derivative financial instruments". There were no new dismantling operations and no effect on the result was produced in the time course of January 01 to September 30, 2021, as the amortization of previous dismantling had already been completed.

### Cash flow hedge

To protect the future cash flows of payments against exposure to variable interest rate (CDI), the Conglomerate traded DI Future contracts at B3 (Stock exchange market).

To protect the cash flow of future disbursements on securities issued abroad against exposure to exchange rate risk (USD), the Conglomerate has traded over-the-counter Swap contracts recorded in B3.

Hedge instruments		09.30.2021		
		Book/referen ce amount	Base amount for calculating hedge ineffectiveness <sup>(1)</sup>	Cash flow hedge reserve
		Liabilities		
Parent Company and Consolidated	Statement of Financial Position line item			
Interest rate risk				
Hedge of Financial Bills	Securities issued	13,308,314	(162,828)	209,773
Hedge of subordinated financial bills - Debt instruments eligible for capital	Debt instruments eligible for capital	91,426	(1,521)	1,393
Hedge of financial bills with guarantee	Securities issued	654,838	(3,617)	91
Exchange rate risk				
Hedge of perpetual bonds - Subordinated liabilities	Debt instruments eligible for capital	1,681,535	(743,408)	76,829
Hedge of liabilities with securities abroad	Securities issued	3,305,192	(168,740)	346,531
Total		19,041,305	(1,080,114)	634,617

Parent Company and Consolidated		12.31.2020		
Interest rate risk				
Hedge of Financial Bills	Securities issued	10,949,085	167,381	(25,191)
Hedge of subordinated financial bills - Debt instruments eligible for capital	Debt instruments eligible for capital	410,305	36,161	(3,780)
Hedge of financial bills with guarantee	Securities issued	3,186,374	1,947	(1,531)
Exchange rate risk				
Hedge of perpetual bonds - Subordinated liabilities	Debt instruments eligible for capital	1,568,677	(615,921)	17,561
Hedge of liabilities with securities abroad	Securities issued	3,193,642	465,790	(161,927)
Total		19,308,083	55,358	(174,868)

<sup>(1)</sup> Changes in the amount of the hedged item that compared to changes in the fair value of the hedge instrument result in the ineffective amount of the hedge.

Hedge instruments	09.30.2021				
	Book/reference amount		Base amount for calculating hedge ineffectiveness <sup>(1)</sup>	Changes in the amount of the recorded hedge instrument in OCI	Hedge ineffectiveness recorded in net profit (loss) <sup>(2)</sup>
	Assets	Liabilities			
Parent Company and Consolidated					
Interest rate risk					
Future DI	-	14,662,856	168,222	241,759	3,253
Exchange rate risk					
Swap <sup>(3)</sup> <sup>(4)</sup>	5,588,016	-	910,726	567,726	2,284
Total	5,588,016	14,662,856	1,078,948	809,485	5,537
Parent Company and Consolidated	12.31.2020				
Interest rate risk					
Future DI	-	14,513,812	(201,137)	143,175	(13)
Exchange rate risk					
Swap <sup>(3)</sup>	5,566,692	-	147,288	(87,008)	(1,559)
Total	5,566,692	14,513,812	(53,849)	56,167	(1,572)

<sup>(1)</sup> Changes in the fair value of the hedge instrument that are not offset by changes in the value of the hedged item result in the amount of hedge ineffectiveness.

<sup>(2)</sup> Balances presented on an annual basis so that it is possible to compare with changes in the fair value of the instrument and the hedged object.

<sup>(3)</sup> The notional value of the swap contract to hedge perpetual bonds is R\$970,620 on June 30, 2021 and December 31, 2020.

<sup>(4)</sup> The notional value of swap contracts to hedge obligations with securities abroad is R\$3,406,100 on June 30, 2021 and December 31, 2020.

The effective portion is recognized in Shareholders' Equity in Other Comprehensive Income and the ineffective portion is recognized in the Income Statement in "Income (losses) from derivative financial instruments".

At the time course from January 01 to September 30, 2021, the mark-to-market of the effective portion, in the amount of R\$809.485 (R\$158.883 at the time course from 01 January to 30 September, 2020), was recognized in equity and the ineffective portion in the amount of R\$7.109 (R\$742 at the time course from January 01 to September 30, 2020), was recognized in income under "Results from derivative financial instruments".

The net gains of tax effects related to the cash flow hedge that the Conglomerate expects to recognize in the result in the next 12 months, total R\$ 190.191 (net gains of R\$ 47.664 in the time course from 01 January to September 30, 2020).

At the course time from January 01 to September 30, 2020, some operations, are no longer qualified as cash flow hedge, that engendered at the time, the expense of R\$(11.529) from the tax, presented in Income Statement in "Income (losses) from derivative financial". At the course time from January 01 to September 30, 2021, there was not any operation that was no more qualified as cash flow hedge.



**g) Income from derivative financial instruments**

	Parent Company			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Swap contracts	763,806	24,360	670,134	(61,588)
Term operations	3,744	(5,681)	7,852	(10,784)
Options market	(131,558)	(97,862)	(72,040)	(1,094,722)
Futures contracts	193,830	423,100	448,839	(319,382)
Credit derivatives	316	1,055	(265)	(6,839)
Fair value adjustments of hedged financial instruments	(398,440)	(298,280)	(1,153,784)	(288,996)
Non Deliverable Forward - Foreign currency	297,758	248,113	255,711	2,758,278
Income from foreign exchange movements of investments abroad	133,406	46,770	76,399	604,736
Credit Linked Notes	-	-	-	(32)
<b>Total</b>	<b>862,862</b>	<b>341,575</b>	<b>232,846</b>	<b>1,580,671</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Swap contracts	684,151	(13,362)	630,495	(437,121)
Term operations	3,744	(5,681)	7,852	(10,784)
Options market	48,806	55,448	90,174	182,983
Futures contracts	193,830	324,789	448,839	(924,522)
Credit derivatives	316	1,055	(265)	(6,839)
Fair value adjustments of hedged financial instruments	(398,440)	(267,008)	(1,153,784)	(68,134)
Non Deliverable Forward - Foreign currency	117,394	94,702	93,640	1,480,314
Income from foreign exchange movements of investments abroad	133,406	46,770	76,399	604,736
Credit Linked Notes	-	-	-	(32)
<b>Total</b>	<b>783,207</b>	<b>236,713</b>	<b>193,350</b>	<b>820,601</b>

**11. INTERBANK ACCOUNTS**
**a) Breakdown**

	Parent Company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
<b>Assets</b>	<b>913,463</b>	<b>984,105</b>	<b>914,817</b>	<b>984,105</b>
Reserve requirements (Note 11b)	912,855	984,105	914,202	984,105
Payments and receivables to be settled (Note 11c)	608	-	615	-
<b>Liabilities</b>	<b>51,765</b>	<b>5,887</b>	<b>2,552,918</b>	<b>1,887,891</b>
Payments and receivables to be settled (Note 11c)	51,765	5,887	2,552,918	1,887,891

**b) Reserve requirements**

	Parent Company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
<b>Assets</b>				
<b>Compulsory deposits at the Central Bank of Brazil</b>	<b>912,855</b>	<b>984,105</b>	<b>914,202</b>	<b>984,105</b>
Demand deposits	903,790	964,085	903,790	964,085
Microfinance transactions	-	3,126	-	3,126
Instant payments	9,065	16,894	10,412	16,894
<b>Total</b>	<b>912,855</b>	<b>984,105</b>	<b>914,202</b>	<b>984,105</b>
Current Assets	912,855	984,105	914,202	984,105

**c) Payments and receivables to be settled**

	Parent Company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
<b>Assets</b>				
<b>Rights with settlement system participants</b>	<b>608</b>	<b>-</b>	<b>615</b>	<b>-</b>
Checks and other papers issued	160	-	162	-
Receipts of documents sent by other system participants	448	-	453	-
<b>Total</b>	<b>608</b>	<b>-</b>	<b>615</b>	<b>-</b>
Current Assets	608	-	615	-
<b>Liabilities</b>				
<b>Obligations with settlement system participants</b>	<b>41,516</b>	<b>-</b>	<b>44,310</b>	<b>-</b>
Checks and other papers received	41,516	-	44,310	-
<b>Payment transactions</b>	<b>10,249</b>	<b>5,887</b>	<b>2,508,608</b>	<b>1,887,891</b>
Credit card	10,249	5,887	2,508,608	1,887,891
<b>Total</b>	<b>51,765</b>	<b>5,887</b>	<b>2,552,918</b>	<b>1,887,891</b>
Current Liabilities	51,765	5,887	2,552,918	1,887,891



**d) Income from compulsory deposits**

	Bank and Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Credits linked to Central Bank of Brazil</b>	<b>12,918</b>	<b>5,519</b>	<b>24,303</b>	<b>26,600</b>
Requirement on time deposits	12,918	5,519	24,303	26,600
<b>Total</b>	<b>12,918</b>	<b>5,519</b>	<b>24,303</b>	<b>26,600</b>

**12. LOANS**
**a) Portfolio by modality**

	Parent company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
<b>Loans</b>	<b>55,523,390</b>	<b>52,851,117</b>	<b>57,064,120</b>	<b>53,792,865</b>
Loans and discounted notes	6,332,872	6,115,631	7,859,817	7,049,607
Financings	40,698,417	41,409,362	42,769,832	41,417,134
Rural and agribusiness financing	736,642	513,184	736,642	513,184
Real estate financing agreements	25,544	7,975	25,544	7,975
Loans linked to assignments (Note 12j.1) <sup>(2)</sup>	7,729,915	4,804,965	5,672,285	4,804,965
<b>Other receivables with loan characteristics</b>	<b>4,575,449</b>	<b>3,601,821</b>	<b>7,210,253</b>	<b>5,577,846</b>
Credit card operations	-	-	2,603,660	1,976,025
Advance on exchange contract e Others related credits	882,715	408,709	882,715	408,709
Other credits linked to payment transactions <sup>(2)</sup>	965,724	406,709	965,724	406,709
Trade and credit receivables	33,539	-	33,539	-
Bonds and credits receivable	2,693,471	2,786,403	2,724,615	2,786,403
<b>Leases (Note 12h)</b>	<b>-</b>	<b>-</b>	<b>62,076</b>	<b>73,353</b>
<b>Total loan portfolio</b>	<b>60,098,839</b>	<b>56,452,938</b>	<b>64,336,449</b>	<b>59,444,064</b>
<b>Allowance for losses associated with credit risk</b>	<b>(4,728,767)</b>	<b>(4,618,892)</b>	<b>(5,232,638)</b>	<b>(5,015,181)</b>
(Allowance for loan losses)	(3,465,529)	(3,427,336)	(3,904,048)	(3,781,281)
(Allowance for other credits with credit grant characteristics) <sup>(3)</sup>	(1,263,238)	(1,191,556)	(1,328,283)	(1,233,550)
(Allowance for lease losses)	-	-	(307)	(350)
<b>Total loan portfolio, net of provisions</b>	<b>55,370,072</b>	<b>51,834,046</b>	<b>59,103,811</b>	<b>54,428,883</b>
Current Assets	27,486,176	24,919,633	30,810,531	27,278,776
Non-current assets	27,883,896	26,914,413	28,293,280	27,150,107

<sup>(1)</sup> At the time course in September 30, 2021, include reclass in "discounted loans and bonds" of products classified previously at the modal "Financing"

<sup>(2)</sup> Credit operations transferred with substantial retention of risks and benefits of the financial assets subject to the operation.

<sup>(3)</sup> Credit rights on payment transactions acquired by assignment with retention of risks and benefits by the transferor.

<sup>(4)</sup> Includes provision for losses from operations in approved judicial recovery and provision for losses linked to payment transactions.

**b) Income from loans and leases**

	Parent Company			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Loans</b>	<b>2,083,382</b>	<b>1,191,037</b>	<b>5,744,666</b>	<b>1,664,911</b>
Loans and discounted notes	247,491	151,011	576,745	305,290
Financing	1,816,428	1,026,689	5,125,669	1,307,775
Rural and agribusiness financing	7,498	4,862	21,273	17,665
Real estate financing agreements	559	143	1,227	622
Financing in foreign currency	1,323	2,589	3,639	21,443
Sureties and sureties honored	220	10	220	10
Other	9,863	5,733	15,893	12,106
<b>Total <sup>(2)</sup></b>	<b>2,083,382</b>	<b>1,191,037</b>	<b>5,744,666</b>	<b>1,664,911</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Credit operations</b>	<b>2,378,969</b>	<b>1,784,203</b>	<b>6,364,691</b>	<b>5,937,609</b>
Loans and securities debilled	453,420	262,533	1,092,928	887,496
Financing	1,912,253	1,506,042	5,237,307	4,982,625
Rural and agro-industrial financing	7,498	4,862	21,273	17,665
Real estate financing	559	143	1,227	622
Financing in foreign currencies	1,323	2,589	3,639	21,443
Honorable avais and bails	220	10	220	10
Other	3,696	8,024	8,097	27,748
<b>Leases (Note 12h)</b>	<b>1,620</b>	<b>1,902</b>	<b>5,262</b>	<b>7,332</b>
<b>Total <sup>(2)</sup></b>	<b>2,380,589</b>	<b>1,786,105</b>	<b>6,369,953</b>	<b>5,944,941</b>

<sup>(1)</sup> Include income appropriation engendered by the Assets and Liabilities received from the split parcel incorporation from BV Financeira, after the proper event (Note 2b).

<sup>(2)</sup> It does not include credit operations linked to assignments. Considering these assets, the Bank's income from credit operations for time course from January 01 to September 30, 2021 would total R\$6.508.581 (R\$1.829.176 for the time course from January 01 to September 30, 2020) and in the Consolidated, also considering the operations of lease, would total R\$7.133.868 (R\$6.599.251 in the time course from January 01 to September 30, 2020).

## c) Loan portfolio by sector of economic activity

Parent Company	09.30.2021	%	12.31.2020	%
<b>Private sector</b>	<b>60,882,959</b>	<b>100.00%</b>	<b>56,196,497</b>	<b>100.00%</b>
<b>Individual <sup>(1)</sup></b>	<b>46,139,416</b>	<b>75.78%</b>	<b>42,005,326</b>	<b>74.75%</b>
<b>Legal entities</b>	<b>14,743,543</b>	<b>24.22%</b>	<b>14,191,171</b>	<b>25.25%</b>
Animal agribusiness	358,109	0.59%	268,591	0.48%
Vegetable agribusiness	280,211	0.46%	152,117	0.27%
Specific construction activities	82,516	0.14%	88,697	0.16%
Automotive	164,805	0.27%	114,217	0.20%
Wholesale commerce and sundry industries	5,971,204	9.81%	5,235,912	9.32%
Retail business	1,253,833	2.06%	1,927,469	3.43%
Heavy construction	82,919	0.14%	34,176	0.06%
Electronics	15,416	0.03%	1,994	0.00%
Electric power	124,489	0.20%	36,403	0.06%
Real estate	108,757	0.18%	102,954	0.18%
Financial institutions and services	1,068,902	1.76%	551,554	0.98%
Wood and furniture	39,907	0.07%	55,731	0.10%
Mining and Metallurgy	115,652	0.19%	105,265	0.19%
Paper and pulp	108,474	0.18%	103,733	0.18%
Chemical	274,455	0.45%	89,048	0.16%
Services	3,247,368	5.33%	3,880,855	6.91%
Telecommunications	8,149	0.01%	12,302	0.02%
Textile and apparel	52,817	0.09%	132,562	0.24%
Transportation	788,637	1.30%	1,108,185	1.97%
Other activities	596,923	0.96%	189,406	0.34%
<b>Total</b>	<b>60,882,959</b>	<b>100.00%</b>	<b>56,196,497</b>	<b>100.00%</b>
<b>(+/-) Adjustment to fair value <sup>(2)</sup></b>	<b>(784,120)</b>		<b>256,441</b>	
<b>Total of loan portfolio adjusted to fair value</b>	<b>60,098,839</b>		<b>56,452,938</b>	
<b>Consolidated</b>	<b>09.30.2021</b>	<b>%</b>	<b>12.31.2020</b>	<b>%</b>
<b>Private sector</b>	<b>65,120,569</b>	<b>100.00%</b>	<b>59,187,623</b>	<b>100.00%</b>
<b>Individual <sup>(1)</sup></b>	<b>50,095,705</b>	<b>76.93%</b>	<b>44,923,118</b>	<b>75.90%</b>
<b>Legal entities</b>	<b>15,024,864</b>	<b>23.07%</b>	<b>14,264,505</b>	<b>24.10%</b>
Animal agribusiness	358,109	0.55%	268,591	0.45%
Vegetable agribusiness	280,211	0.43%	152,117	0.26%
Specific construction activities	92,618	0.14%	103,147	0.17%
Automotive	164,805	0.25%	114,217	0.19%
Wholesale commerce and sundry industries	5,988,003	9.20%	5,259,616	8.89%
Retail business	1,261,340	1.94%	1,933,202	3.27%
Heavy construction	82,919	0.13%	34,176	0.06%
Electronics	15,416	0.02%	1,994	0.00%
Electric power	124,489	0.19%	36,403	0.06%
Real estate	108,757	0.17%	102,954	0.17%
Financial institutions and services	1,068,902	1.64%	551,554	0.93%
Wood and furniture	39,907	0.06%	55,731	0.09%
Mining and Metallurgy	115,652	0.18%	105,265	0.18%
Paper and pulp	108,474	0.17%	103,733	0.18%
Chemical	274,455	0.42%	89,048	0.15%
Services	3,485,388	5.35%	3,899,683	6.59%
Telecommunications	8,149	0.01%	12,302	0.02%
Textile and apparel	52,817	0.08%	132,562	0.22%
Transportation	797,530	1.22%	1,118,804	1.89%
Other activities	596,923	0.92%	189,406	0.33%
<b>Total</b>	<b>65,120,569</b>	<b>100.00%</b>	<b>59,187,623</b>	<b>100.00%</b>
<b>(+/-) Adjustment to fair value <sup>(2)</sup></b>	<b>(784,120)</b>		<b>256,441</b>	
<b>Total of loan portfolio adjusted to fair value</b>	<b>64,336,449</b>		<b>59,444,064</b>	

<sup>(1)</sup> Includes loans operations of the agribusiness sectors and other sectors of economic activity made with individuals.

<sup>(2)</sup> Refers to fair value adjustment of loan operations that are the object of market risk hedge.

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### d) Loan portfolio by risk level and maturity

Parent Company	AA	A	B	C	D	E	F	G	H	09.30.2021	12.31.2020
<b>Performing loans</b>											
<b>Falling due installments</b>	<b>2,210,862</b>	<b>27,156,420</b>	<b>11,345,797</b>	<b>10,640,780</b>	<b>1,184,016</b>	<b>795,464</b>	<b>124,396</b>	<b>1,427,506</b>	<b>315,967</b>	<b>55,201,208</b>	<b>51,519,197</b>
From 01 to 30	865,087	2,002,645	442,653	382,599	56,577	41,844	4,350	11,476	18,683	3,825,914	2,642,599
From 31 to 60	173,720	1,269,122	403,038	359,111	39,601	34,120	2,502	9,752	17,181	2,308,147	2,527,627
From 61 to 90	138,241	1,316,914	424,304	372,959	51,744	34,686	6,598	10,038	36,837	2,392,321	2,426,798
From 91 to 180	248,846	3,795,503	1,204,598	1,068,683	121,873	97,826	11,099	36,606	25,828	6,610,862	6,256,392
From 181 to 360	355,602	5,619,653	2,028,159	1,931,239	218,658	167,917	16,113	152,948	45,243	10,535,532	10,157,489
Over 360	429,366	13,152,583	6,843,045	6,526,189	695,563	419,071	83,734	1,206,686	172,195	29,528,432	27,508,292
<b>Installments overdue</b>	<b>8,004</b>	<b>68,719</b>	<b>140,082</b>	<b>45,140</b>	<b>12,734</b>	<b>9,154</b>	<b>1,586</b>	<b>3,127</b>	<b>3,476</b>	<b>292,022</b>	<b>159,028</b>
Up to 14 days	8,004	68,719	140,082	45,140	12,734	9,154	1,586	3,127	3,476	292,022	159,028
<b>Subtotal</b>	<b>2,218,866</b>	<b>27,225,139</b>	<b>11,485,879</b>	<b>10,685,920</b>	<b>1,196,750</b>	<b>804,618</b>	<b>125,982</b>	<b>1,430,633</b>	<b>319,443</b>	<b>55,493,230</b>	<b>51,678,225</b>
<b>Performing loans</b>											
<b>Falling due installments</b>	<b>-</b>	<b>-</b>	<b>599,160</b>	<b>1,026,224</b>	<b>576,509</b>	<b>780,398</b>	<b>179,122</b>	<b>469,903</b>	<b>816,006</b>	<b>4,447,322</b>	<b>3,680,079</b>
From 01 to 30	-	-	31,738	47,663	27,692	39,637	9,600	22,772	46,548	225,650	189,382
From 31 to 60	-	-	30,728	42,884	24,816	35,590	8,352	20,283	41,586	204,239	189,100
From 61 to 90	-	-	29,688	43,379	24,711	35,546	8,462	20,563	41,662	204,011	183,966
From 91 to 180	-	-	82,696	122,272	69,184	100,139	23,669	57,793	115,967	571,720	506,782
From 181 to 360	-	-	138,733	208,328	117,010	167,982	38,745	97,572	190,283	958,653	824,390
Over 360 days	-	-	285,577	561,698	313,096	401,504	90,294	250,920	379,960	2,283,049	1,786,459
<b>Installments overdue</b>	<b>-</b>	<b>-</b>	<b>36,495</b>	<b>82,326</b>	<b>67,260</b>	<b>105,085</b>	<b>42,660</b>	<b>97,080</b>	<b>511,501</b>	<b>942,407</b>	<b>838,193</b>
From 01 to 14	-	-	-	17,049	10,470	14,362	3,697	8,601	19,393	73,572	66,101
From 15 to 30	-	-	36,495	28,046	15,779	22,617	4,783	12,456	23,332	143,508	123,129
From 31 to 60	-	-	-	37,231	20,410	32,414	8,425	20,863	44,600	163,943	155,899
From 61 to 90	-	-	-	-	20,601	21,183	7,959	17,531	41,614	108,888	102,489
From 91 to 180	-	-	-	-	-	14,509	17,796	37,629	122,285	192,219	185,676
From 181 to 360	-	-	-	-	-	-	-	-	260,277	260,277	204,899
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>635,655</b>	<b>1,108,550</b>	<b>643,769</b>	<b>885,483</b>	<b>221,782</b>	<b>566,983</b>	<b>1,327,507</b>	<b>5,389,729</b>	<b>4,518,272</b>
<b>Total</b>	<b>2,218,866</b>	<b>27,225,139</b>	<b>12,121,534</b>	<b>11,794,470</b>	<b>1,840,519</b>	<b>1,690,101</b>	<b>347,764</b>	<b>1,997,616</b>	<b>1,646,950</b>	<b>60,882,959</b>	<b>56,196,497</b>
<b>(+/-) Adjustment to fair value <sup>(2)</sup></b>										<b>(784,120)</b>	<b>256,441</b>
<b>Total of loan portfolio adjusted to fair value</b>										<b>60,098,839</b>	<b>56,452,938</b>



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Consolidated	AA	A	B	C	D	E	F	G	H	09.30.2021	12.31.2020
<b>Performing loans</b>											
<b>Falling due installments</b>	<b>2,217,896</b>	<b>27,768,993</b>	<b>11,438,962</b>	<b>10,752,531</b>	<b>1,263,959</b>	<b>828,124</b>	<b>144,780</b>	<b>1,444,361</b>	<b>335,147</b>	<b>56,194,753</b>	<b>51,882,421</b>
From 01 to 30	865,284	2,484,422	523,041	476,293	122,629	74,504	24,117	28,336	37,858	4,636,484	2,927,828
From 31 to 60	173,917	1,271,853	403,288	359,111	39,601	34,120	2,502	9,752	17,181	2,311,325	2,530,811
From 61 to 90	138,438	1,319,566	424,554	372,959	51,744	34,686	6,598	10,038	36,837	2,395,420	2,429,977
From 91 to 180	249,438	3,802,711	1,205,347	1,068,683	121,873	97,826	11,099	36,606	25,828	6,619,411	6,265,411
From 181 to 360	356,786	5,631,887	2,028,670	1,931,239	218,658	167,917	16,113	152,948	45,243	10,549,461	10,173,691
Over 360 days	434,033	13,258,554	6,854,062	6,544,246	709,454	419,071	84,351	1,206,681	172,200	29,682,652	27,554,703
<b>Installments overdue</b>	<b>8,004</b>	<b>2,018,897</b>	<b>378,626</b>	<b>269,936</b>	<b>136,634</b>	<b>37,945</b>	<b>21,624</b>	<b>10,774</b>	<b>13,241</b>	<b>2,895,681</b>	<b>2,126,614</b>
Up to 14 days	8,004	2,018,897	378,626	269,936	136,634	37,945	21,624	10,774	13,241	2,895,681	2,126,614
<b>Subtotal</b>	<b>2,225,900</b>	<b>29,787,890</b>	<b>11,817,588</b>	<b>11,022,467</b>	<b>1,400,593</b>	<b>866,069</b>	<b>166,404</b>	<b>1,455,135</b>	<b>348,388</b>	<b>59,090,434</b>	<b>54,009,035</b>
<b>Non-performing loans</b>											
<b>Falling due installments</b>	<b>-</b>	<b>-</b>	<b>632,940</b>	<b>1,026,224</b>	<b>576,509</b>	<b>779,253</b>	<b>179,122</b>	<b>469,903</b>	<b>816,006</b>	<b>4,479,957</b>	<b>3,680,079</b>
From 01 to 30	-	-	31,738	47,663	27,692	39,637	9,600	22,772	46,548	225,650	189,382
From 31 to 60	-	-	30,728	42,884	24,816	35,590	8,352	20,283	41,586	204,239	189,100
From 61 to 90	-	-	29,688	43,379	24,711	35,546	8,462	20,563	41,662	204,011	183,966
From 91 to 180	-	-	82,696	122,272	69,184	100,139	23,669	57,793	115,967	571,720	506,782
From 181 to 360	-	-	138,733	208,328	117,010	167,982	38,745	97,572	190,283	958,653	824,390
Over 360 days	-	-	319,357	561,698	313,096	400,359	90,294	250,920	379,960	2,315,684	1,786,459
<b>Installments overdue</b>	<b>-</b>	<b>-</b>	<b>65,680</b>	<b>133,515</b>	<b>128,645</b>	<b>172,692</b>	<b>104,992</b>	<b>173,671</b>	<b>770,983</b>	<b>1,550,178</b>	<b>1,498,509</b>
From 01 to 14	-	-	12,439	29,259	23,090	27,486	36,415	21,814	72,382	222,885	66,101
From 15 to 30	-	-	53,241	49,712	41,364	55,265	25,248	29,964	37,908	292,702	405,603
From 31 to 60	-	-	-	54,544	24,279	35,141	9,525	27,866	46,564	197,919	181,985
From 61 to 90	-	-	-	-	39,912	24,259	9,013	24,497	43,565	141,246	129,834
From 91 to 180	-	-	-	-	-	30,541	24,791	69,530	131,414	256,276	277,801
From 181 to 360	-	-	-	-	-	-	-	-	439,150	439,150	437,185
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>698,620</b>	<b>1,159,739</b>	<b>705,154</b>	<b>951,945</b>	<b>284,114</b>	<b>643,574</b>	<b>1,586,989</b>	<b>6,030,135</b>	<b>5,178,588</b>
<b>Total</b>	<b>2,225,900</b>	<b>29,787,890</b>	<b>12,516,208</b>	<b>12,182,206</b>	<b>2,105,747</b>	<b>1,818,014</b>	<b>450,518</b>	<b>2,098,709</b>	<b>1,935,377</b>	<b>65,120,569</b>	<b>59,187,623</b>
<b>(+/-) Adjustment to fair value <sup>(2)</sup></b>										<b>(784,120)</b>	<b>256,441</b>
<b>Total of loan portfolio adjusted to fair value</b>										<b>64,336,449</b>	<b>59,444,064</b>

<sup>(1)</sup> The Conglomerate does not adopt double counting for credit operations.

<sup>(2)</sup> Refers to fair value adjustment of loan operations that are the object of market risk hedge.

## PARENT COMPANY AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

as of 30 September, 2021

(Amounts in thousands of Reais, unless otherwise indicated)

### e) Constitution of the provision for losses associated with the credit portfolio by risk levels

Risk Level	% Provision	09.30.2021				12.31.2020			
		Transaction value	Minimum provision required	Additional provision <sup>(1)</sup>	Existing provision	Transaction value	Minimum provision required	Additional provision <sup>(1)</sup>	Existing provision
Parent Company									
AA	0.00%	2,218,866	-	-	-	3,101,853	-	-	-
A	0.50%	27,225,139	(136,126)	-	(136,126)	24,900,437	(124,502)	-	(124,502)
B	1.00%	12,121,534	(121,215)	-	(121,215)	10,661,454	(106,615)	-	(106,615)
C	3.00%	11,794,470	(353,832)	-	(353,832)	10,357,960	(310,739)	-	(310,739)
D	10.00%	1,840,519	(184,050)	-	(184,050)	1,130,176	(113,018)	-	(113,018)
E	30.00%	1,690,101	(507,026)	-	(507,026)	2,199,395	(659,818)	-	(659,818)
F	50.00%	347,764	(173,881)	-	(173,881)	306,653	(153,326)	-	(153,326)
G	70.00%	1,997,616	(1,398,323)	(207,364)	(1,605,687)	1,980,888	(1,386,622)	(206,571)	(1,593,193)
H	100.00%	1,646,950	(1,646,950)	-	(1,646,950)	1,557,681	(1,557,681)	-	(1,557,681)
Total		60,882,959	(4,521,403)	(207,364)	(4,728,767)	56,196,497	(4,412,321)	(206,571)	(4,618,892)
(+/-)Adjustment to fair value <sup>(2)</sup>		(784,120)				256,441			
Total of loan portfolio adjusted to fair value		60,098,839				56,452,938			
Consolidated									
AA	0.00%	2,225,900	-	-	-	3,110,269	-	-	-
A	0.50%	29,787,890	(148,939)	-	(148,939)	26,808,373	(134,042)	-	(134,042)
B	1.00%	12,516,208	(125,162)	-	(125,162)	10,889,247	(108,892)	-	(108,892)
C	3.00%	12,182,206	(365,465)	-	(365,465)	10,597,615	(317,928)	-	(317,928)
D	10.00%	2,105,747	(210,575)	-	(210,575)	1,273,659	(127,366)	-	(127,366)
E	30.00%	1,818,014	(545,404)	-	(545,404)	2,283,606	(685,083)	-	(685,083)
F	50.00%	450,518	(225,261)	-	(225,261)	359,217	(179,609)	-	(179,609)
G	70.00%	2,098,709	(1,469,091)	(207,364)	(1,676,455)	2,033,161	(1,423,214)	(206,571)	(1,629,785)
H	100.00%	1,935,377	(1,935,377)	-	(1,935,377)	1,832,476	(1,832,476)	-	(1,832,476)
Total		65,120,569	(5,025,274)	(207,364)	(5,232,638)	59,187,623	(4,808,610)	(206,571)	(5,015,181)
(+/-) Adjustment to fair value <sup>(2)</sup>		(784,120)				256,441			
Total of loan portfolio adjusted to fair value		64,336,449				59,444,064			

<sup>(1)</sup> New additional provisions were constituted, when increase in risk level is not applicable.

<sup>(2)</sup> Refers to fair value adjustment of loan operations that are the object of market risk hedge.

**f) Allowance for losses associated with credit risk**
**f.1) Income (loss) from allowance for losses associated with credit risk**

	Parent Company <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>(Provision) / reversal of provision for losses associated with the loan portfolio (Note 12f.2)</b>	<b>(461,097)</b>	<b>(533,802)</b>	<b>(1,472,936)</b>	<b>(624,132)</b>
Loans	(434,101)	(496,631)	(1,382,630)	(617,413)
Other receivables with loan characteristics	(26,996)	(37,171)	(90,306)	(6,719)
<b>Income from recovery of loans previously written off as losses</b>	<b>148,461</b>	<b>112,245</b>	<b>448,290</b>	<b>203,203</b>
Loans	148,461	112,227	448,290	188,185
Other receivables with loan characteristics	-	18	-	15,018
<b>Total (provision) / reversal of provision for losses associated with the loan portfolio</b>	<b>(312,636)</b>	<b>(421,557)</b>	<b>(1,024,646)</b>	<b>(420,929)</b>
<b>Other (provisions) / reversals of provisions for losses associated with credit risk <sup>(2)</sup></b>	<b>13,415</b>	<b>(37,284)</b>	<b>20,442</b>	<b>(44,981)</b>
Financial guarantees provided	(3,167)	(35,750)	14,666	(42,627)
Other risks	16,582	(1,534)	5,776	(2,354)
<b>Total other (provisions) / reversals of provisions associated with credit risk</b>	<b>13,415</b>	<b>(37,284)</b>	<b>20,442</b>	<b>(44,981)</b>
<b>Total</b>	<b>(299,221)</b>	<b>(458,841)</b>	<b>(1,004,204)</b>	<b>(465,910)</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>(Provision) / reversal of provision for losses associated with the loan portfolio (Note 12f.2)</b>	<b>(638,584)</b>	<b>(792,516)</b>	<b>(1,869,022)</b>	<b>(2,582,814)</b>
Loans	(599,948)	(787,322)	(1,758,734)	(2,611,520)
Leases	43	189	43	599
Other receivables with loan characteristics	(38,679)	(5,383)	(110,331)	28,107
<b>Income from recovery of loans previously written off as losses</b>	<b>157,270</b>	<b>159,652</b>	<b>476,136</b>	<b>412,408</b>
Loans	157,101	159,465	473,496	397,209
Leases	169	169	2,640	181
Other receivables with loan characteristics	-	18	-	15,018
<b>Total (provision) / reversal of provision for losses associated with the loan portfolio</b>	<b>(481,314)</b>	<b>(632,864)</b>	<b>(1,392,886)</b>	<b>(2,170,406)</b>
<b>Other (provisions) / reversals of provisions for losses associated with credit risk <sup>(2)</sup></b>	<b>13,415</b>	<b>(37,770)</b>	<b>20,442</b>	<b>(47,128)</b>
Financial guarantees provided	(3,167)	(35,750)	14,666	(42,627)
Other risks	16,582	(2,020)	5,776	(4,501)
<b>Total other (provisions) / reversals of provisions associated with credit risk</b>	<b>13,415</b>	<b>(37,770)</b>	<b>20,442</b>	<b>(47,128)</b>
<b>Total</b>	<b>(467,899)</b>	<b>(670,634)</b>	<b>(1,372,444)</b>	<b>(2,217,534)</b>

<sup>(1)</sup> Includes the appropriation of results generated by assets and liabilities received from the merger of the spun-off portion of BV Financeira, after the referred event (Nota 2b).

<sup>(2)</sup> The respective provisions are presented in Other Liabilities - "Provision for loss with financial guarantees provided" and "Provision for loss - other risks" (Nota 21a).

**f.2) Changes**

Comprise loans, leases and other receivables with loan characteristics.

	Parent company <sup>(1)</sup>		Consolidated	
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Opening balance</b>	<b>4,618,892</b>	<b>1,773,622</b>	<b>5,015,181</b>	<b>4,715,878</b>
<b>Transfers</b>	<b>-</b>	<b>3,400,985</b>	<b>-</b>	<b>-</b>
<b>Reinforcement / (reversal) <sup>(2) (3)</sup></b>	<b>1,472,936</b>	<b>624,132</b>	<b>1,869,022</b>	<b>2,582,814</b>
Minimum allowance for loan losses required	1,472,143	623,787	1,868,229	2,582,469
Incremental allowance for loan losses	793	345	793	345
<b>Write-offs to losses</b>	<b>(1,363,061)</b>	<b>(951,095)</b>	<b>(1,651,565)</b>	<b>(2,020,066)</b>
<b>Closing balance</b>	<b>4,728,767</b>	<b>4,847,644</b>	<b>5,232,638</b>	<b>5,278,626</b>

<sup>(1)</sup> Includes amounts referring to the merger of the spun-off portion of BV Financeira (Nota 2b).

<sup>(2)</sup> It does not include income from the recovery of credits previously written off.

<sup>(3)</sup> From January 1st to September 30th, 2020, includes in the Consolidated remeasurement of risks for one-off unexpected lockdown events, resulting from the COVID-19 pandemic.

**g) Lease portfolio by maturity**

Consolidated	09.30.2021	12.31.2020
Up to 1 year <sup>(1)</sup>	26,826	31,700
From 1 to 5 years	35,250	41,653
<b>Total present value</b>	<b>62,076</b>	<b>73,353</b>

<sup>(1)</sup> Includes overdue installments.

## h) Net profit from leases

Consolidated	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Leases	1,620	1,893	5,262	7,295
Profit on disposal of leases	-	9	-	37
<b>Total</b>	<b>1,620</b>	<b>1,902</b>	<b>5,262</b>	<b>7,332</b>

## i) Concentration of Loans

	09.30.2021	% of portfolio	12.31.2020	% of portfolio
<b>Parent Company</b>				
Largest debtor	620,316	1.02%	620,316	1.10%
10 largest debtors	2,811,677	4.62%	2,606,190	4.64%
20 largest debtors	4,092,871	6.72%	3,881,105	6.91%
50 largest debtors	6,324,572	10.39%	6,111,693	10.88%
100 largest debtors	8,637,133	14.19%	8,096,306	14.41%
<b>Consolidated</b>				
Largest debtor	620,316	0.95%	620,316	1.05%
10 largest debtors	2,811,677	4.32%	2,606,190	4.40%
20 largest debtors	4,092,871	6.29%	3,882,961	6.56%
50 largest debtors	6,325,567	9.71%	6,113,549	10.33%
100 largest debtors	8,638,128	13.26%	8,099,025	13.68%

## j) Information on loan assignments

### j.1) Assignments with recourse

Transfers of financial assets (consumer loans) to related parties were undertaken, with a substantial retention of the risks and benefits.

	09.30.2021		12.31.2020	
	Financial assets subject to sale	Liability related to recourse assumed <sup>(1)</sup>	Financial assets subject to sale	Liability related to recourse assumed <sup>(1)</sup>
<b>Parent Company</b>	<b>7,729,915</b>	<b>8,522,259</b>	<b>4,804,965</b>	<b>5,561,659</b>
<b>With co-obligation</b>	<b>5,672,285</b>	<b>6,464,629</b>	<b>4,804,965</b>	<b>5,561,659</b>
Financial institutions - related parties	5,672,285	6,464,629	4,804,965	5,561,659
<b>Without co-obligation</b>	<b>2,057,630</b>	<b>2,057,630</b>	<b>-</b>	<b>-</b>
Credit Rights Investment Fund - Subsidiary	2,057,630	2,057,630	-	-
<b>Consolidated</b>	<b>5,672,285</b>	<b>6,464,629</b>	<b>4,804,965</b>	<b>5,561,659</b>
<b>With co-obligation</b>	<b>5,672,285</b>	<b>6,464,629</b>	<b>4,804,965</b>	<b>5,561,659</b>
Financial institutions - related parties	5,672,285	6,464,629	4,804,965	5,561,659

<sup>(1)</sup> Recorded in caption "Other liabilities - Bond transactions linked to disposals (Note 21a).

From January 1st to September 30th, 2021, revenues from the sale or transfer of financial assets totaled R\$ 763.915 in the Bank and in the Conglomerate (R\$ 164.265 in the Bank and R\$ 654.310 in the Conglomerate from January 1st to September 30th, 2020). Expenses with obligations for operations with these same characteristics totaled R\$ 376.206 in the Bank and in the Conglomerate (R\$ 63.220 in the Bank and R\$ 278.784 in the Conglomerate from January 1st to September 30th, 2020).

### j.2) Sales without recourse of credits previously written off as loss

From January 1st to September 30th, 2021, income from assignments without recourse of credits previously written off as losses totaled R\$ 12.304 in the Bank and in the Conglomerate (R\$ 36.634 in the Bank and R\$ 66.106 in the Conglomerate from January 1st to September 30th, 2020), which were recognized in profit or loss for the period under "Revenues from credit operations".

## k) Changes in renegotiated credit

	Parent Company <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Amount of renegotiated credits in the period (2)</b>	<b>1,660,939</b>	<b>818,829</b>	<b>4,490,345</b>	<b>2,302,629</b>
Renegotiated for past due contracts <sup>(3)</sup>	136,127	219,515	377,782	292,275
Renewed contracts <sup>(4)</sup>	1,524,812	599,314	4,112,563	2,010,354
<b>Changes in portfolio of renegotiated past due contracts</b>				
<b>Opening balance</b>	<b>889,939</b>	<b>321,148</b>	<b>922,412</b>	<b>284,293</b>
Remittances	-	446,389	-	446,389
Signings	136,127	219,515	377,782	292,275
(Receipt) and appropriation of interest	(115,214)	(77,813)	(308,290)	(99,336)
Written off as losses	(49,701)	(60,453)	(130,753)	(74,835)
<b>Closing balance</b>	<b>861,151</b>	<b>848,786</b>	<b>861,151</b>	<b>848,786</b>
Allowance for losses of the portfolio of renegotiated past due	421,739	497,508	421,739	497,508
(%) Allowance for losses on the portfolio of renegotiated past due contracts	48.97%	58.61%	48.97%	58.61%
90-day delinquency of portfolio of renegotiated past due contracts	359,171	403,407	359,171	403,407
(%) Delinquency on the portfolio of renegotiated past due	41.71%	47.53%	41.71%	47.53%



	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Amount of renegotiated credits in the period <sup>(2)</sup></b>	<b>1,746,301</b>	<b>828,437</b>	<b>4,725,659</b>	<b>19,875,746</b>
Renegotiated for past due contracts <sup>(3)</sup>	136,281	237,045	378,242	762,587
Renewed contracts <sup>(4)</sup> <sup>(5)</sup>	1,610,020	591,392	4,347,417	19,113,159
<b>Changes in portfolio of renegotiated past due contracts</b>				
<b>Opening balance</b>	<b>926,000</b>	<b>885,393</b>	<b>957,016</b>	<b>681,811</b>
Signings	136,281	237,045	378,242	762,587
Amounts received, net of interest accrued	(106,733)	(166,072)	(279,821)	(329,376)
Written off as losses	(58,480)	(61,703)	(158,369)	(220,359)
<b>Closing balance</b>	<b>897,068</b>	<b>894,663</b>	<b>897,068</b>	<b>894,663</b>
Allowance for losses of the portfolio of renegotiated past due	452,778	534,875	452,778	534,875
(%) Allowance for losses on the portfolio of renegotiated past due contracts	50.47%	59.79%	50.47%	59.79%
90-day delinquency of portfolio of renegotiated past due	395,010	439,911	395,010	439,911
(%) Delinquency on the portfolio of renegotiated past due	44.03%	49.17%	44.03%	49.17%

<sup>(1)</sup> Includes amounts referring to the merger of the spun-off portion of BV Financeira (Nota 2b).

<sup>(2)</sup> Represents the amount renegotiated in the period of credit operations, falling due or overdue.

<sup>(3)</sup> Credits renegotiated in the period due to delayed payment by customers.

<sup>(4)</sup> Credits renegotiated from operations not yet due for extension, novation, concession of a new operation for partial or full settlement of a previous operation or any other type of agreement that implies changes in the maturity terms or in the payment terms originally agreed.

<sup>(5)</sup> In the consolidated, It includes customer contracts renegotiated as a result of actions to minimize the effects of COVID-19 pandemic, carried out from March 2020.

## I) Other information

	Parent Company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Contracted credits to be released	460,451	519,815	5,607,157	3,927,857
Financial Guarantees Provided (Nota 29.1.a.1)	7,199,660	6,942,116	7,199,660	6,942,116

## 13. OTHER ASSETS

### a) Breakdown

	Parent Company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
<b>Other financial assets</b>	<b>2,631,127</b>	<b>3,102,595</b>	<b>3,073,428</b>	<b>3,359,457</b>
Relations with correspondents	12,841	33,749	12,935	33,749
Other credits and receivables	38,601	31,922	315,603	178,494
Credit card transactions	-	-	109,536	57,421
Receivables from securities settlements abroad	58,810	14,613	58,810	14,613
Other credits for trading and intermediation of securities	107,876	118,612	111,721	129,029
Foreign exchange portfolio (Note 13b)	2,412,048	2,903,561	2,412,048	2,903,561
Other	951	138	52,775	42,590
<b>Other assets</b>	<b>933,390</b>	<b>1,033,211</b>	<b>1,127,655</b>	<b>1,272,410</b>
Other assets (Note 13d)	190,182	176,266	336,854	373,605
Sundry domestic debtors	87,325	122,904	66,929	146,530
Salary advances and prepayments	1,353	3,786	1,364	3,968
Advances to suppliers	252	4,798	584	5,152
Deposits in guarantee - Contingencies (Note 28g)	545,685	626,853	595,265	679,546
Deposits in guarantee - Other	631	627	631	627
Amounts to be received by related parties	26,507	16,054	-	-
Dividends receivable	-	22,493	701	3,299
Other	81,455	59,430	125,327	59,683
<b>Total</b>	<b>3,564,517</b>	<b>4,135,806</b>	<b>4,201,083</b>	<b>4,631,867</b>
Current assets	3,004,459	3,461,650	3,527,356	3,754,713
Non-current assets	560,058	674,156	673,727	877,154

### b) Foreign exchange portfolio

Parent Company and Consolidated		09.30.2021	12.31.2020
<b>Assets - Other receivables <sup>(1)</sup></b>			
Purchased foreign exchange contracts to be settled		1,824,005	2,857,377
Receivables from foreign exchange sales contracts		588,043	46,184
<b>Total</b>		<b>2,412,048</b>	<b>2,903,561</b>
Current assets		2,412,048	2,903,561
<b>Liabilities - Other liabilities <sup>(2)</sup></b>			
Sold foreign exchange to be settled		(566,679)	(55,671)
Liabilities for foreign exchange purchases		(1,775,890)	(2,830,288)
<b>Total</b>		<b>(2,342,569)</b>	<b>(2,885,959)</b>
Current liabilities		(2,342,569)	(2,885,959)
<b>Off-balance accounts</b>			
Credits opened for imports		148,896	230,785

<sup>(1)</sup> The income receivable from advances granted in foreign exchange contracts are presented in "Loans - Other credits with credit granting characteristics" (Note 12a).

<sup>(2)</sup> Advances granted in foreign exchange contracts are presented in "Loans - Other credits with credit granting characteristics" (Note 12a).

**c) Income from foreign exchange transactions**

	Parent Company and Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Foreign exchange income	950,802	780,709	2,537,426	3,235,398
Foreign exchange expenses	(789,272)	(733,435)	(2,324,804)	(2,800,319)
<b>Income from foreign exchange transactions</b>	<b>161,530</b>	<b>47,274</b>	<b>212,622</b>	<b>435,079</b>

**d) Other assets**

	Parent Company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
<b>Assets not for own use</b>	<b>174,147</b>	<b>182,305</b>	<b>348,449</b>	<b>371,912</b>
Vehicles and alike	116,603	104,676	117,018	105,162
Real estate <sup>(1)</sup>	57,544	77,629	231,431	266,750
<b>(Provision for devaluation)</b>	<b>(37,822)</b>	<b>(44,921)</b>	<b>(71,560)</b>	<b>(66,466)</b>
<b>Prepaid expenses</b>	<b>53,857</b>	<b>38,882</b>	<b>59,965</b>	<b>46,249</b>
<b>Others</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,910</b>
Investments in real estate <sup>(2)</sup>	-	-	-	21,910
<b>Total</b>	<b>190,182</b>	<b>176,266</b>	<b>336,854</b>	<b>373,605</b>
Current assets	189,954	174,145	245,040	220,939
Non-current assets	228	2,121	91,814	152,666

<sup>(1)</sup> Property not for own use built by investee companies of specific purpose and held for sale

<sup>(2)</sup> Refers to temporary shareholdings, as of the intention change of the Management over this shareholding interests.

**14. INVESTMENTS**
**a) Changes in associates, subsidiaries and joint ventures**

	12.31.2020	Changes from 01.01 to 09.30.2021			09.30.2021	01.01 to 09.30.2020	
	Investment value	Dividends/ Other events <sup>(7)</sup>	Share of profit (loss)	Impairment/ Goodwill <sup>(8)</sup>	Investment value	Share of profit (loss)	Impairment/ Goodwill <sup>(8)</sup>
<b>Domestic - Bank Ventures</b>	<b>3,477,686</b>	<b>185,266</b>	<b>221,753</b>	<b>2,855</b>	<b>3,887,560</b>	<b>440,943</b>	<b>-</b>
BV Financeira <sup>(1)</sup>	-	-	-	-	-	157,901	-
Banco BV S.A. (former BV Leasing) <sup>(2)</sup>	1,559,891	(14,760)	33,069	-	1,578,200	10,489	-
BV DTVM (former Votorantim Asset DTVM) <sup>(3)</sup>	141,391	200,000	(16,547)	-	324,844	8,116	-
Votorantim Corretora Seguros	900,362	-	240,057	-	1,140,419	213,537	-
BVIA	159,307	-	8,303	-	167,610	13,120	-
Promotiva	93,497	-	25,566	-	119,063	22,520	-
Atenas	42,565	-	(8,375)	2,855	37,045	27,939	-
BVEP <sup>(4)</sup>	580,673	26	(60,320)	-	520,379	(12,679)	-
<b>Domestic - Bank Associates</b>	<b>-</b>	<b>97,931</b>	<b>(200)</b>	<b>-</b>	<b>97,731</b>	<b>-</b>	<b>-</b>
Associates <sup>(5) (6)</sup>	-	97,931	(200)	-	97,731	-	-
<b>Total - Parent Company</b>	<b>3,477,686</b>	<b>283,197</b>	<b>221,553</b>	<b>2,855</b>	<b>3,985,291</b>	<b>440,943</b>	<b>-</b>
<b>Domestic - BVEP Associates and joint ventures</b>	<b>19,270</b>	<b>(4,570)</b>	<b>(189)</b>	<b>(329)</b>	<b>14,182</b>	<b>2,550</b>	<b>(1,698)</b>
Associates <sup>(6)</sup>	5,186	(3,213)	181	-	2,154	(247)	-
Joint ventures <sup>(6)</sup>	14,084	(1,357)	(370)	(329)	12,028	2,797	(1,698)
<b>Domestic - Bank associates</b>	<b>-</b>	<b>97,931</b>	<b>(200)</b>	<b>-</b>	<b>97,731</b>	<b>-</b>	<b>-</b>
Associates <sup>(5) (6)</sup>	-	97,931	(200)	-	97,731	-	-
<b>Total - Consolidated</b>	<b>19,270</b>	<b>93,361</b>	<b>(389)</b>	<b>(329)</b>	<b>111,913</b>	<b>2,550</b>	<b>(1,698)</b>

<sup>(1)</sup> As described in note 2b, BV Financeira had part of its assets and liabilities transferred to Banco Votorantim in July 2020 and the remaining assets were subsequently incorporated into Banco BV S.A., culminating in the extinction of BV Financeira in August 2020.

<sup>(2)</sup> The corporate name of BV Leasing was changed to Banco BV S.A., as detailed in note 2a. Banco BV S.A. also incorporated part of the assets and liabilities of BV Financeira, as detailed in note 2b.

<sup>(3)</sup> On September 30, 2021, the change in the corporate name of Votorantim Asset DTVM to BV DTVM was approved.

<sup>(4)</sup> In the period from January 1 to September 30, 2021, includes impairment of joint ventures.

<sup>(5)</sup> Includes investment acquired in August 2021.

<sup>(6)</sup> Includes goodwill in the acquisition of this investments, detailed in note 14b.

<sup>(7)</sup> Includes capital increase of investments and changes in other comprehensive income

<sup>(8)</sup> Recognized in results in item "Income from investments in ventures, associates and joint ventures".

**b) Goodwill and impairment - outstanding balances**

	Goodwill		Impairment <sup>(1)</sup>	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Atenas	-	-	(17,435)	(20,290)
Bank associates	91,455	-	-	-
<b>Total - Bank</b>	<b>91,455</b>	<b>-</b>	<b>(17,435)</b>	<b>(20,290)</b>
BVEP subsidiaries	-	-	(458)	(458)
BVEP joint ventures	-	-	(523)	(194)
Bank associates	91,455	-	-	-
<b>Total - Consolidated</b>	<b>91,455</b>	<b>-</b>	<b>(981)</b>	<b>(652)</b>

<sup>(1)</sup> Applied on the investment amount, not only on the goodwill.

**c) Summary financial information of subsidiaries in the Financial Statements**

	09.30.2021		01.01 a 09.30.2021	Number of Shares (in thousands)	Share of Capital Stock %
	Share capital	Adjusted shareholders equity	Net Profit/(Loss)	Ordinary	
Domestic - Bank Subsidiaries					
Banco BV S.A. (former BV Leasing)	1,300,131	1,578,200	33,069	823	100%
BV DTVM (former Votorantim Asset DTVM) <sup>(1) (2)</sup>	322,774	324,844	(16,547)	32,277,389	100%
Votorantim Corretora Seguros	651,674	1,140,419	240,057	200	100%
BVIA	132,186	167,610	8,303	75,758	100%
Promotiva	67,269	119,063	25,566	5,000	100%
Atenas	51,610	37,045	(8,375)	51,610	100%
BVEP <sup>(3)</sup>	598,400	520,379	(60,320)	598,400	100%
Total	3,124,044	3,887,560	221,753	33,009,180	

<sup>(1)</sup> On September 30, 2021, the change in the corporate name of Votorantim Asset DTVM to BV DTVM was approved.

<sup>(2)</sup> On July 30, 2021, BV DTVM's Management approved a share capital increase in the amount of R\$200,000, through the issuance of 20,000,000,000 new quotas.

<sup>(3)</sup> In the period from January 1 to September 30, 2021, includes impairment of subsidiaries.

**d) Summary financial information of associates and joint ventures**

	09.30.2021			12.31.2020	
	BVEP Associates	BVEP Joint Ventures	Bank Associates	BVEP Associates	BVEP Joint Ventures
<b>Total Assets</b> <sup>(1)</sup>	<b>5,885</b>	<b>27,988</b>	<b>15,547</b>	<b>95,748</b>	<b>26,185</b>
<b>Total Liabilities</b> <sup>(1)</sup>	<b>5,885</b>	<b>27,988</b>	<b>15,547</b>	<b>95,748</b>	<b>26,185</b>
Liabilities	3,374	3,505	2	60,505	2,730
Shareholder's equity	2,511	24,483	15,545	35,243	23,455
	<b>07.01 to 09.30.2021</b>			<b>07.01 to 09.30.2020</b>	
<b>Profit / (loss) for the period</b> <sup>(1)</sup>	<b>(41)</b>	<b>59</b>	<b>(496)</b>	<b>7,652</b>	<b>1,768</b>
	<b>01.01 to 09.30.2021</b>			<b>01.01 to 09.30.2020</b>	
<b>Profit / (loss) for the period</b> <sup>(1)</sup>	<b>5,527</b>	<b>75</b>	<b>(8,129)</b>	<b>7,775</b>	<b>5,534</b>

<sup>(1)</sup> The balance of assets, liabilities and income are not adjusted by the percentages held directly or indirectly by Banco Votorantim. The equity position of the companies does not consider the investment start date by Banco BV.

**e) Other investments**

	Parent Company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Investments via tax incentives	49,771	51,254	76,261	79,877
Shares and quotas	277	180	277	180
Others	7	7	1,759	1,759
(Accumulated impairment)	(49,771)	(51,254)	(78,013)	(81,629)
<b>Total</b>	<b>284</b>	<b>187</b>	<b>284</b>	<b>187</b>

**15. PROPERTY, PLANT AND EQUIPMENT**

	12.31.2020	01.01 to 09.30.2021			09.30.2021		
	Book value	Changes <sup>(1)</sup>	Write-offs	Depreciation	Cost value	Accumulated depreciation	Book value
<b>Parent Company</b>							
Facilities	45,981	1,416	(107)	(10,403)	140,697	(103,810)	36,887
Furniture and equipment in use	10,758	172	(1,459)	(1,390)	42,652	(34,571)	8,081
Communication system	3,856	453	(181)	(953)	17,679	(14,504)	3,175
System data processing	33,311	8,052	(871)	(9,244)	177,993	(146,745)	31,248
Security system	203	-	(32)	(37)	2,634	(2,500)	134
Transportation system	318	160	-	(97)	1,085	(704)	381
<b>Total</b>	<b>94,427</b>	<b>10,253</b>	<b>(2,650)</b>	<b>(22,124)</b>	<b>382,740</b>	<b>(302,834)</b>	<b>79,906</b>
<b>Consolidated</b>							
Facilities	46,612	1,421	(107)	(10,797)	142,580	(105,451)	37,129
Furniture and equipment in use	10,898	172	(1,459)	(1,432)	45,459	(37,280)	8,179
Communication system	3,863	453	(181)	(959)	19,054	(15,878)	3,176
System data processing	33,321	8,052	(871)	(9,252)	181,335	(150,085)	31,250
Security system	215	-	(32)	(46)	2,729	(2,592)	137
Transportation system	318	160	-	(97)	1,085	(704)	381
<b>Total</b>	<b>95,227</b>	<b>10,258</b>	<b>(2,650)</b>	<b>(22,583)</b>	<b>392,242</b>	<b>(311,990)</b>	<b>80,252</b>

	12.31.2019	01.01 to 09.30.2020			12.31.2020		
	Book value	Changes <sup>(1) (2)</sup>	Transfer <sup>(3)</sup>	Depreciation	Cost value	Accumulated depreciation	Book value
<b>Parent Company</b>							
Facilities	30,053	8,995	16,402	(9,469)	147,452	(101,471)	45,981
Furniture and equipment in use	5,404	3,061	3,980	(1,687)	48,030	(37,272)	10,758
Communication system	2,202	2,741	15	(1,102)	17,848	(13,992)	3,856
System data processing	28,866	18,826	394	(14,775)	173,096	(139,785)	33,311
Security system	138	104	20	(59)	2,714	(2,511)	203
Transportation system	416	27	1	(126)	995	(677)	318
<b>Total</b>	<b>67,079</b>	<b>33,754</b>	<b>20,812</b>	<b>(27,218)</b>	<b>390,135</b>	<b>(295,708)</b>	<b>94,427</b>
<b>Consolidated</b>							
Facilities	51,175	9,184	-	(13,747)	151,163	(104,551)	46,612
Furniture and equipment in use	10,426	3,072	-	(2,600)	50,915	(40,017)	10,898
Communication system	2,238	2,741	-	(1,116)	19,223	(15,360)	3,863
System data processing	29,973	18,828	-	(15,480)	176,439	(143,118)	33,321
Security system	188	104	-	(77)	2,809	(2,594)	215
Transportation system	416	28	-	(126)	995	(677)	318
<b>Total</b>	<b>94,416</b>	<b>33,957</b>	<b>-</b>	<b>(33,146)</b>	<b>401,544</b>	<b>(306,317)</b>	<b>95,227</b>

<sup>(1)</sup> Includes exchange variation on the agency's assets abroad.

<sup>(2)</sup> In the year ended December 31, 2020, there was no disposal of property, plant and equipment.

<sup>(3)</sup> In Parent Company, includes amounts referring to the incorporation of the spun-off portion of BV Financeira. (Note 2b).

## 16. INTANGIBLE ASSETS AND GOODWILL

	Parent Company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
<b>Intangible</b>	<b>524,193</b>	<b>397,652</b>	<b>608,992</b>	<b>428,843</b>
Intangible	1,198,185	957,987	1,308,549	1,010,073
(Accumulated amortization)	(469,242)	(355,585)	(484,978)	(366,651)
(Provisions for impairment)	(204,750)	(204,750)	(214,579)	(214,579)
<b>Goodwill <sup>(1)</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,117</b>
Goodwill and adjustment to recoverable value	-	-	-	34,117
<b>Total</b>	<b>524,193</b>	<b>397,652</b>	<b>608,992</b>	<b>462,960</b>

<sup>(1)</sup> Includes goodwill recorded from subsidiaries

### a) Breakdown

	09.30.2021				12.31.2020			
	Cost value	Accumulated amortization	Accumulated impairment <sup>(1)</sup>	Book value	Cost value	Accumulated amortization	Accumulated impairment <sup>(1)</sup>	Book value
<b>Parent Company</b>								
Software acquired	42,532	(38,277)	-	4,255	37,184	(32,029)	-	5,155
Licenses	354,438	(277,938)	-	76,500	297,044	(223,037)	-	74,007
Sales rights agreements	38,726	(37,208)	-	1,518	31,841	(30,829)	-	1,012
Internally developed software	735,785	(111,212)	(203,750)	420,823	585,918	(69,107)	(203,750)	313,061
Trademark and patents	6,000	(1,333)	(1,000)	3,667	6,000	(583)	(1,000)	4,417
Carbon credits	17,832	(3,166)	-	14,666	-	-	-	-
Others	2,872	(108)	-	2,764	-	-	-	-
<b>Total</b>	<b>1,198,185</b>	<b>(469,242)</b>	<b>(204,750)</b>	<b>524,193</b>	<b>957,987</b>	<b>(355,585)</b>	<b>(204,750)</b>	<b>397,652</b>
<b>Consolidated</b>								
Software acquired	67,000	(38,468)	-	28,532	61,652	(32,220)	-	29,432
Licenses	361,927	(285,422)	-	76,505	303,321	(229,284)	-	74,037
Sales rights agreements	38,726	(37,208)	-	1,518	31,841	(30,829)	-	1,012
Internally developed software	814,192	(119,273)	(213,579)	481,340	607,259	(73,735)	(213,579)	319,945
Trademark and patents	6,000	(1,333)	(1,000)	3,667	6,000	(583)	(1,000)	4,417
Carbon credits	17,832	(3,166)	-	14,666	-	-	-	-
Others	2,872	(108)	-	2,764	-	-	-	-
<b>Total</b>	<b>1,308,549</b>	<b>(484,978)</b>	<b>(214,579)</b>	<b>608,992</b>	<b>1,010,073</b>	<b>(366,651)</b>	<b>(214,579)</b>	<b>428,843</b>

<sup>(1)</sup> Includes effects of tactical redefinitions of projects.

**b) Changes**

	12.31.2020	01.01 to 09.30.2021				09.30.2021
	Book value	Changes <sup>(1) (2)</sup>	Transfer	Amortization	Impairment	Book value
<b>Parent Company</b>						
Software acquired	5,155	5,348	-	(6,248)	-	4,255
Licenses	74,007	57,394	-	(54,901)	-	76,500
Sales rights agreements	1,012	6,886	-	(6,380)	-	1,518
Internally developed	313,061	158,934	(9,067)	(42,105)	-	420,823
Trademark and patents	4,417	-	-	(750)	-	3,667
Carbon credits	-	17,832	-	(3,166)	-	14,666
Others	-	2,872	-	(108)	-	2,764
<b>Total</b>	<b>397,652</b>	<b>249,266</b>	<b>(9,067)</b>	<b>(113,658)</b>	<b>-</b>	<b>524,193</b>
<b>Consolidated</b>						
Software acquired	29,432	5,348	-	(6,248)	-	28,532
Licenses	74,037	58,605	-	(56,137)	-	76,505
Sales rights agreements	1,012	6,886	-	(6,380)	-	1,518
Internally developed	319,945	206,933	-	(45,538)	-	481,340
Trademark and patents	4,417	-	-	(750)	-	3,667
Carbon credits	-	17,832	-	(3,166)	-	14,666
Others	-	2,872	-	(108)	-	2,764
<b>Total</b>	<b>428,843</b>	<b>298,476</b>	<b>-</b>	<b>(118,327)</b>	<b>-</b>	<b>608,992</b>

	12.31.2019	01.01 to 09.30.2020				12.31.2020
	Book value	Changes <sup>(1) (2)</sup>	Transfer <sup>(3)</sup>	Amortization	Impairment <sup>(4)</sup>	Book value
<b>Parent Company</b>						
Software acquired	5,067	3,343	135	(3,390)	-	5,155
Licenses	45,101	68,407	23,328	(62,829)	-	74,007
Sales rights agreements	-	3,255	3,788	(6,031)	-	1,012
Internally developed software	161,487	140,074	88,238	(22,962)	(53,776)	313,061
Trademark and patents	-	-	5,000	(583)	-	4,417
<b>Total</b>	<b>211,655</b>	<b>215,079</b>	<b>120,489</b>	<b>(95,795)</b>	<b>(53,776)</b>	<b>397,652</b>
<b>Consolidated</b>						
Software acquired	29,686	3,343	-	(3,597)	-	29,432
Licenses	71,834	71,385	-	(69,182)	-	74,037
Sales rights agreements	1,312	9,875	-	(10,175)	-	1,012
Internally developed software	200,572	217,724	-	(34,747)	(63,604)	319,945
Trademark and patents	-	5,000	-	(583)	-	4,417
<b>Total</b>	<b>303,404</b>	<b>307,327</b>	<b>-</b>	<b>(118,284)</b>	<b>(63,604)</b>	<b>428,843</b>

<sup>(1)</sup> Includes exchange variation on the agency's assets abroad.

<sup>(2)</sup> In the period from January 1 to September 30, 2021 and in the year ended December 31, 2020, there was no write-off of intangible assets.

<sup>(3)</sup> In Parent Company, includes amounts referring to the incorporation of the spun-off portion of BV Financeira. (Nota 2b).

<sup>(4)</sup> Includes effects of tactical redefinitions of projects.

**c) Armotization estimate on September 30, 2021**

	2021	2022	2023	2024	2025	From 2026	Total
<b>Parent company</b>							
Amounts to be amortized	54,361	170,867	113,947	90,304	59,556	35,158	<b>524,193</b>
<b>Consolidated</b>							
Amounts to be amortized	60,832	196,745	126,937	96,705	65,193	62,580	<b>608,992</b>

**d) Goodwill and impairment on goodwill**

	Consolidated			
	Goodwill		Impairment	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Subsidiaries of Banco Votorantim and BVEP <sup>(1) (2)</sup>	-	40,786	-	(6,669)
<b>Total</b>	<b>-</b>	<b>40,786</b>	<b>-</b>	<b>(6,669)</b>

<sup>(1)</sup> Includes goodwill on the acquisition of the Atenas and Vila Parque investments as of December 31, 2020.

<sup>(2)</sup> As of September 30, 2021, it includes reclassification of goodwill for the respective assets that were the objects of vila Parque's Fair Value Assets and Liabilities Assessment Report (PPA).

**17. DEPOSITS AND REPURCHASE COMMITMENTS**
**a) Deposits**

	Parent Company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
<b>Demand deposits</b>	<b>518,181</b>	<b>435,183</b>	<b>536,020</b>	<b>429,711</b>
Individuals	41,967	43,295	74,990	43,295
Legal entities	473,435	389,818	461,024	386,407
Related companies	2,773	2,061	-	-
Linked	6	9	6	9
<b>Interbank deposits</b>	<b>2,881,772</b>	<b>4,188,194</b>	<b>2,784,112</b>	<b>4,042,750</b>
<b>Time deposits</b>	<b>21,521,170</b>	<b>21,720,834</b>	<b>20,633,988</b>	<b>21,037,930</b>
Local currency	19,779,963	19,774,377	18,892,781	19,091,473
Foreign currency	1,741,207	1,946,457	1,741,207	1,946,457
<b>Total</b>	<b>24,921,123</b>	<b>26,344,211</b>	<b>23,954,120</b>	<b>25,510,391</b>
Current liabilities	23,251,717	25,014,000	22,603,867	24,216,817
Non-current liabilities	1,669,406	1,330,211	1,350,253	1,293,574

**b) Segregation of deposits by due date on September 30, 2021**

	Without maturity	Up to 3 months	From 3 to 12 months	From 1 to 3 years	From 3 to 5 years	Over 5 years	09.30.2021	12.31.2020
<b>Parent Company</b>								
Demand deposits	518,181	-	-	-	-	-	518,181	435,183
Interbank accounts or	-	1,822,759	1,059,013	-	-	-	2,881,772	4,188,194
Time deposits	-	9,341,231	10,510,533	1,579,489	89,809	108	21,521,170	21,720,834
<b>Total</b>	<b>518,181</b>	<b>11,163,990</b>	<b>11,569,546</b>	<b>1,579,489</b>	<b>89,809</b>	<b>108</b>	<b>24,921,123</b>	<b>26,344,211</b>
<b>Consolidated</b>								
Demand deposits	536,020	-	-	-	-	-	536,020	429,711
Interbank accounts or	-	1,822,759	961,353	-	-	-	2,784,112	4,042,750
Time deposits	-	9,284,194	9,999,541	1,260,324	89,821	108	20,633,988	21,037,930
<b>Total</b>	<b>536,020</b>	<b>11,106,953</b>	<b>10,960,894</b>	<b>1,260,324</b>	<b>89,821</b>	<b>108</b>	<b>23,954,120</b>	<b>25,510,391</b>

**c) Liabilities with repurchase agreement**

	Parent Company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
<b>Own portfolio</b>	<b>17,271,810</b>	<b>12,513,833</b>	<b>16,000,898</b>	<b>11,903,508</b>
Private securities - Debentures <sup>(1)</sup>	1,801,165	1,911,055	1,801,165	1,911,055
Financial Treasury Bills	19,998	1,582,982	19,998	1,581,063
National Treasury Bills	6,696,036	5,421,326	5,925,126	4,812,920
National Treasury Notes	6,520,100	1,466,900	6,020,098	1,466,900
Private securities - Other	2,234,511	2,131,570	2,234,511	2,131,570
<b>Third-party portfolio</b>	<b>1,540,568</b>	<b>599,570</b>	<b>1,540,568</b>	<b>599,570</b>
National Treasury Bills	715,873	447,024	715,873	447,024
National Treasury Notes	824,695	152,546	824,695	152,546
<b>Free portfolio</b>	<b>485,524</b>	<b>2,525,751</b>	<b>485,524</b>	<b>2,525,751</b>
National Treasury Bills	-	1,720,308	-	1,720,308
National Treasury Notes	485,524	805,443	485,524	805,443
<b>Total</b>	<b>19,297,902</b>	<b>15,639,154</b>	<b>18,026,990</b>	<b>15,028,829</b>
Current liabilities	17,097,862	13,645,174	15,826,950	13,034,849
Non-current liabilities	2,200,040	1,993,980	2,200,040	1,993,980

**d) Expenses from deposits and securities sold under repurchase agreements**

	Parent Company			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Funding expenses</b>	<b>(302,004)</b>	<b>(176,081)</b>	<b>(650,715)</b>	<b>(555,809)</b>
Time deposits	(268,232)	(120,037)	(546,078)	(409,367)
Interbank accounts or relations	(33,772)	(56,044)	(104,637)	(146,442)
<b>Expenses with repurchase commitments</b>	<b>(259,713)</b>	<b>(33,627)</b>	<b>(509,166)</b>	<b>(438,298)</b>
Own portfolio	(209,124)	(62,458)	(410,843)	(301,428)
Third-party portfolio	(15,240)	(17,222)	(33,128)	(54,756)
Free portfolio <sup>(1)</sup>	(35,349)	46,053	(65,195)	(82,114)
<b>Expenses with fund raising from securities issued</b>	<b>(1,331,584)</b>	<b>(578,180)</b>	<b>(1,837,637)</b>	<b>(2,834,992)</b>
Mortgage Bonds	(5,733)	(1,434)	(11,047)	(6,637)
Agribusiness Letters of Credit	(21,524)	(7,808)	(42,471)	(36,148)
Financial bills	(389,642)	(187,361)	(837,862)	(725,946)
Financial Guaranteed Bills	(70,003)	(14,632)	(191,544)	(18,145)
Issue of securities abroad <sup>(2)</sup>	(837,457)	(359,791)	(733,968)	(2,029,804)
Structured Operations Certificates	(4)	-	(146)	-
Others	(7,221)	(7,154)	(20,599)	(18,312)
<b>Expenses with subordinated debts abroad <sup>(2)</sup></b>	<b>(169,018)</b>	<b>(254,665)</b>	<b>(222,717)</b>	<b>(918,122)</b>
<b>Total</b>	<b>(2,062,319)</b>	<b>(1,042,553)</b>	<b>(3,220,235)</b>	<b>(4,747,221)</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Funding expenses</b>	<b>(290,557)</b>	<b>(163,199)</b>	<b>(628,681)</b>	<b>(527,773)</b>
Time deposits	(258,506)	(116,133)	(527,503)	(393,345)
Interbank accounts or relations	(32,051)	(47,066)	(101,178)	(134,428)
<b>Expenses with repurchase commitments</b>	<b>(243,598)</b>	<b>(33,032)</b>	<b>(482,995)</b>	<b>(433,189)</b>
Own portfolio	(193,009)	(61,863)	(384,672)	(241,077)
Third-party portfolio	(15,240)	(17,222)	(33,128)	(109,998)
Free portfolio <sup>(1)</sup>	(35,349)	46,053	(65,195)	(82,114)
<b>Expenses with fund raising from securities issued</b>	<b>(1,331,584)</b>	<b>(578,345)</b>	<b>(1,837,637)</b>	<b>(2,843,666)</b>
Mortgage Bonds	(5,733)	(1,434)	(11,047)	(6,637)
Agribusiness Letters of Credit	(21,524)	(7,808)	(42,471)	(36,148)
Letters of Leases	-	-	-	(7,673)
Financial bills	(389,642)	(187,361)	(837,862)	(725,946)
Financial Guaranteed Bills	(70,003)	(14,632)	(191,544)	(18,145)
Issue of securities abroad <sup>(2)</sup>	(837,457)	(359,791)	(733,968)	(2,029,804)
Structured Operations Certificates	(4)	-	(146)	-
Others	(7,221)	(7,319)	(20,599)	(19,313)
<b>Expenses with subordinated debts abroad <sup>(2)</sup></b>	<b>(169,018)</b>	<b>(254,665)</b>	<b>(222,717)</b>	<b>(918,122)</b>
<b>Total</b>	<b>(2,034,757)</b>	<b>(1,029,241)</b>	<b>(3,172,030)</b>	<b>(4,722,750)</b>

<sup>(1)</sup> Includes effects of changes in the fair value of the corresponding liability.

<sup>(2)</sup> Includes the foreign exchange movements effects of the corresponding liabilities

## 18. BORROWINGS AND DOMESTIC ONLENDINGS

### a) Breakdown

	Parent Company and Consolidated	
	09.30.2021	12.31.2020
Loan Obligations (Nota 18b)	3,590,860	2,822,895
Obligations for transfers (Nota 18c)	750,275	922,507
<b>Total</b>	<b>4,341,135</b>	<b>3,745,402</b>

### b) Loan Obligations

	Up to 3 months	From 3 to 12 months	Parent Company and Consolidated	
			09.30.2021	12.31.2020
<b>Abroad</b>	<b>276,808</b>	<b>3,314,052</b>	<b>3,590,860</b>	<b>2,822,895</b>
Raised from foreign banks	245,325	3,267,565	3,512,890	2,786,230
Imports	31,483	46,487	77,970	36,665
<b>Total</b>	<b>276,808</b>	<b>3,314,052</b>	<b>3,590,860</b>	<b>2,822,895</b>
Current liabilities			3,590,860	2,822,895

### c) Onlendings

#### Domestic - Official institutions

Programs	Interest rates p.a. <sup>(1)</sup>	Parent Company and Consolidated	
		09.30.2021	12.31.2020
<b>National Treasury</b>		<b>215,513</b>	<b>120,655</b>
Fixed rate	from 3,50% to 6,75% p.a.	215,513	110,603
Variable rate	Selic	-	10,052
<b>BNDDES</b>		<b>202,225</b>	<b>259,720</b>
Fixed rate	from 0,70% to 5,70% p.a.	60,088	66,062
Variable rate	from 1,42% to 1,50% p.a. + IPCA 1,80% p.a. + TJLP 2,28% p.a. + Selic	142,137	193,658
<b>FINAME</b>		<b>332,537</b>	<b>542,132</b>
Fixed rate	from 0,50% to 8,00% p.a.	204,656	389,575
Variable rate	from 1,60% to 2,10% p.a. + TJLP from 1,00% to 2,25% p.a. + IPCA from 1,43% to 2,40% p.a. + Selic	127,881	152,483
Foreign exchange	2,00% p.a. + foreign exchange variation	-	74
<b>Total</b>		<b>750,275</b>	<b>922,507</b>
Current liabilities		387,842	356,866
Non-current liabilities		362,433	565,641

<sup>(1)</sup> The interest rates refer to the balances held on September 30, 2021.



**d) Expenses with liabilities from borrowings and transfer from Brazilian government**

	Parent Company and Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Borrowing expenses <sup>(1)</sup></b>	<b>(239,510)</b>	<b>(89,541)</b>	<b>(93,432)</b>	<b>(874,164)</b>
<b>Expenses with transfer from Brazilian government</b>	<b>(13,111)</b>	<b>(20,100)</b>	<b>(37,967)</b>	<b>(65,116)</b>
National Treasury	(1,739)	(450)	(3,133)	(3,470)
BNDES	(4,877)	(12,052)	(14,248)	(35,926)
FINAME	(6,495)	(7,598)	(20,586)	(25,720)
<b>Expenses with Obligations to foreign bankers <sup>(1)</sup></b>	<b>(100,883)</b>	<b>(27,551)</b>	<b>(67,439)</b>	<b>(235,479)</b>
<b>Total</b>	<b>(353,504)</b>	<b>(137,192)</b>	<b>(198,838)</b>	<b>(1,174,759)</b>

<sup>(1)</sup> Includes foreign exchange movements on loans and onlendings abroad.

**19. SECURITIES ISSUED**

Funding	Currency	Amount issued	Interest p.a. <sup>(1)</sup>	Issuance year	Maturity year	Parent Company and Consolidated	
						09.30.2021	12.31.2020
<b>Real estate credit note funds</b>						<b>365,116</b>	<b>190,375</b>
Fixed rate	R\$	62,616	from 3,25% to 8,82% p.a.	2020	2024	64,962	3,582
Variable rate	R\$	254,034	from 94,00% to 117,00% of DI until 0,33% p.a. + DI	2019	2024	261,802	184,090
Variable rate	R\$	36,297	from 0,76% a 3,24% p.a. + IPCA	2021	2024	38,352	2,703
<b>Agribusiness credit bills</b>						<b>1,536,945</b>	<b>1,439,983</b>
Fixed rate	R\$	249,952	from 3,09% to 10,13% p.a.	2020	2024	258,648	107,660
Variable rate	R\$	1,092,390	from 90,00% to 116,50% of DI	2015	2024	1,122,188	1,330,972
Variable rate	R\$	150,591	from 0,73% to 4,37% p.a. + IPCA	2020	2024	156,109	1,351
<b>Financial bills</b>						<b>21,982,950</b>	<b>19,613,705</b>
Fixed rate	R\$	1,852,424	from 4,03% to 13,76% p.a.	2012	2031	1,989,269	1,166,149
Variable rate <sup>(2)</sup>	R\$	17,845,861	from 100,00% to 130,00% do DI from 0,29% to 7,23% p.a. + DI	2017	2026	18,448,837	17,851,640
Variable rate <sup>(2)</sup>	R\$	1,363,070	de 1,82% a 7,17% a.a. + IPCA	2016	2032	1,544,844	595,916
<b>Financial Guaranteed Bills</b>						<b>4,529,484</b>	<b>10,674,459</b>
Variable rate	R\$	4,397,800	0,59% a.a. + Selic	2020	2021	4,529,484	10,674,459
<b>Securities issued abroad</b>						<b>8,460,464</b>	<b>8,230,537</b>
Fixed rate	R\$	44,737	de 3,78% a 10,00% a.a.	2019	2023	53,039	55,290
Foreign exchange <sup>(2) (3)</sup>	USD	1,644,321	de 0,92% a 8,12% a.a. + variação cambial	2019	2025	8,407,425	8,175,247
<b>Structured Operations Certificates</b>						<b>-</b>	<b>5,462</b>
Variable rate	R\$	-	5,25% a.a. ou variação cambial	2020	2021	-	5,462
<b>Total</b>						<b>36,874,959</b>	<b>40,154,521</b>
Current liabilities						13,335,864	22,463,691
Non-current liabilities						23,539,095	17,690,830

<sup>(1)</sup> The interest rates refers to the balances held on September 30, 2021.

<sup>(2)</sup> Includes a green bond issue (Note 30).

<sup>(3)</sup> In July 2020, USD 500,000 was issued abroad with semiannual interest payments.

**20. SUBORDINATED DEBTS AND DEBT INSTRUMENTS ELIGIBLE AS CAPITAL**
**a) Composition**

	Parent Company and Consolidated	
	09.30.2021	12.31.2020
Subordinated debts (Note 20b)	428,185	193,543
Debt instruments eligible as capital (Note 20c)	3,384,955	3,499,583
<b>Total</b>	<b>3,813,140</b>	<b>3,693,126</b>

**b) Subordinated debts**

Funding	Amount issued	Interest rates p.a. <sup>(1)</sup>	Issuance year	Maturity year	Parent Company and Consolidated	
					09.30.2021	12.31.2020
<b>Subordinated financial bills</b>					<b>428,185</b>	<b>193,543</b>
Variable rate	413,400	de 100,00% a 119,00% of DI 2,36% a.a. + DI	2016	2028	424,633	166,521
Variable rate <sup>(2)</sup>	3,500	de 6,08% a 6,29% a.a. + IPCA	2021	2028	3,552	27,022
<b>Total</b>					<b>428,185</b>	<b>193,543</b>
Non-current liabilities					428,185	193,543

<sup>(1)</sup> The interest rates refers to balances held on September 30, 2021.

<sup>(2)</sup> At the time course from 01 January to 30 September, 2021, the Bank repurchased subordinated financial bills.

**c) Debt instruments eligible as capital**

Funding	Amount issued	Interest rates p.a. <sup>(1)</sup>	Issuance year	Maturity year	Parent Company and Consolidated	
					09.30.2021	12.31.2020
Subordinated financial bills					1,705,290	1,933,954
Variable rate	760,660	de 100,00% a 120,00% of DI de 0,95% a 1,71% a.a. + DI	2014	2026	1,066,712	1,243,812
Variable rate	195,640	de 5,72% a 8,75% a.a. + IPCA	2013	2030	439,613	439,792
Fixed rate	72,890	de 11,03% a 17,98% a.a.	2015	2024	157,027	209,615
Variable rate	27,500	117,50% do Selic	2016	2023	41,938	40,735
Funding	Amount issued	Interest rates p.a. <sup>(1)</sup>	Issuance year			
Perpetual bond <sup>(2)</sup>					1,679,665	1,565,629
Fixed rate	USD 300.000	8,25% a.a.	2017		1,679,665	1,565,629
Total					3,384,955	3,499,583
Current liabilities					470,607	727,139
Non-current liabilities					2,914,348	2,772,444

<sup>(1)</sup> The interest rates refers to balances held on September 30, 2021.

<sup>(2)</sup> On November 30, 2017, USD 300 million was issued abroad with semiannual interest payments.

The bonds have the option of redemption at the initiative of the Bank as of Dec. 2022 or at each subsequent semiannual interest payment, as long as previously authorized by the Central Bank of Brazil (Bacen). It includes the costs of issuing these instruments, which are deferred for the contractual term, and do not form part of the hedge structure.

**21. OTHER LIABILITIES**
**a) Composition**

	Parent Company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Other financial liabilities	11,042,855	8,693,816	11,474,723	8,892,329
Obligations of operations linked to decities (Nota 12j.1) <sup>(1)</sup>	8,522,259	5,561,659	6,464,629	5,561,659
Commissions for operations payable	23,125	23,844	50,897	26,275
Credit card operations	-	-	114,811	109,880
Liabilities for acquisition of assets and rights	2,209	3,277	2,209	3,277
Trading and intermediation of securities	126,692	208,361	165,534	221,053
Foreign exchange portfolio (Note 13b)	2,342,569	2,885,959	2,342,569	2,885,959
Investment funds <sup>(2)</sup>	-	-	2,236,499	-
Others	26,001	10,716	97,575	84,226
Other liabilities	1,759,672	1,327,888	1,970,939	1,580,663
Third-party transit resources	370,036	15,197	370,036	15,197
Provision for profit sharing and results	158,341	193,096	191,914	216,977
Provision for personnel expenses	272,179	254,378	306,271	297,411
Provision for administrative expenses	203,315	198,351	234,427	222,411
Provision for financial guarantees provided (Note 29.1.a.1)	203,864	218,530	203,864	218,530
Provision for losses - other risks	14,465	20,241	14,465	20,241
Legal obligations (Note 28h)	46,803	40,684	53,058	45,662
Sundry creditors - domestic	390,101	212,523	498,201	330,373
Sundry creditors - overseas	641	2,408	641	2,408
Amounts payable to associated companies	1,200	3,338	-	-
Dividends payable / Interest on own capital <sup>(3)</sup>	-	72,709	-	72,709
Compensation of CO2 emissions by vehicles financed by Bank BV	430	-	430	-
Other	98,297	96,433	97,632	138,744
Total	12,802,527	10,021,704	13,445,662	10,472,992
Current liabilities	7,623,525	6,476,491	9,385,917	6,895,857
Non-current liabilities	5,179,002	3,545,213	4,059,745	3,577,135

<sup>(1)</sup> Refers to obligations for sale or transfer of financial assets with substantial retention of risks and benefits.

<sup>(2)</sup> The quotas of consolidated investment funds belonging to entities that are not part of the Conglomerate are accounted for under the terms of Bacen Circular No. 3701/2014 as other financial liabilities.

<sup>(3)</sup> For interest on own capital, it refers to the net amount of tax effects.

**22. OPERATING INCOME/EXPENSES**
**a) Service income**

	Parent Company <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Collection	5,962	7,714	18,527	30,870
Commissions on placing of securities	24,316	30,986	125,744	71,582
Income from custody services	87	68	115	228
Income from guarantees provided	27,367	24,483	81,552	81,870
Insurance commissions	6,195	6,855	19,110	6,855
Financial advisory services	6,702	1,113	8,947	3,103
Income from bank settlement services with partners	-	5,879	9,698	12,512
Others services	3,191	4,767	7,851	6,696
<b>Total</b>	<b>73,820</b>	<b>81,865</b>	<b>271,544</b>	<b>213,716</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Third party funds management	27,825	30,561	85,879	99,260
Collection	2,540	2,903	8,750	5,658
Commissions on placing of securities	24,520	31,063	126,181	72,053
Stock exchange transaction brokerages	625	1,079	2,372	4,081
Income from custody services	4,379	4,598	13,582	14,075
Income from guarantees provided	27,367	24,483	81,552	81,870
Credit card transactions	76,887	30,371	155,349	89,779
Insurance brokerage commission	145,614	136,327	417,815	358,836
Financial advisory services	6,702	1,125	8,947	3,175
Correspondent banking	98,976	96,444	273,941	263,139
Income from bank settlement services with partners	(5,767)	5,879	1,457	12,512
Others services	15,213	14,911	42,162	32,148
<b>Total</b>	<b>424,881</b>	<b>379,744</b>	<b>1,217,987</b>	<b>1,036,586</b>

<sup>(1)</sup> Includes appropriation of income generated by assets received from merger of the spun-off portion of BV Financeira, after said event (Note 2b).

## b) Income from banking fees

	Parent Company <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Master file registration	135,612	87,177	384,802	87,177
Transfer of resources	47	81	138	873
Asset valuation	46,427	32,979	138,252	32,979
Others	65	65	329	381
<b>Total</b>	<b>182,151</b>	<b>120,302</b>	<b>523,521</b>	<b>121,410</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Master file registration	135,612	129,439	384,802	312,551
Transfer resources	47	81	138	873
Appraisal of assets	46,427	49,169	138,252	172,884
Income from credit card	32,798	30,798	96,335	93,328
Others	213	403	2,047	1,759
<b>Total</b>	<b>215,097</b>	<b>209,890</b>	<b>621,574</b>	<b>581,395</b>

<sup>(1)</sup> Includes appropriation of income generated by assets received from the merger of the spun-off portion of BV Financeira, after said event (Note 2b).

## c) Personnel expenses

	Parent Company <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Administrators' remuneration and other (Note 26)	(5,665)	(3,674)	(15,877)	(7,025)
Benefits	(32,372)	(11,605)	(91,594)	(33,471)
Social charges	(45,217)	(33,292)	(122,303)	(55,413)
Salary <sup>(2) (3)</sup>	(169,053)	(129,441)	(395,262)	(119,467)
Labor claims	(63,364)	(45,020)	(138,678)	(47,440)
Training	(3,348)	(2,332)	(8,040)	(3,488)
Supplementary private pension	(2,515)	(1,899)	(7,107)	(3,507)
<b>Total</b>	<b>(321,534)</b>	<b>(227,263)</b>	<b>(778,861)</b>	<b>(269,811)</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Administrators' remuneration and other (Note 26)	(7,441)	(5,642)	(20,854)	(16,398)
Benefits	(38,012)	(21,438)	(107,091)	(95,451)
Social charges	(55,108)	(46,444)	(148,819)	(124,576)
Salary <sup>(2) (3)</sup>	(204,811)	(183,642)	(496,611)	(342,255)
Labor claims	(69,340)	(83,001)	(148,016)	(180,504)
Training	(4,093)	(3,364)	(9,750)	(7,550)
Supplementary private pension	(3,243)	(2,826)	(9,119)	(7,545)
<b>Total</b>	<b>(382,048)</b>	<b>(346,357)</b>	<b>(940,260)</b>	<b>(774,279)</b>

<sup>(1)</sup> Includes appropriation of expenses incurred on liabilities received from the merger of the spun-off portion of BV Financeira, after said event (Note 2b).

<sup>(2)</sup> Includes mainly in the period from January 1st to September 30th, 2020, reversal of provision for expenses of long-term incentive plans, referring to disbursements, whose realization is no longer expected.

<sup>(3)</sup> Includes expenses and related charges for variable remuneration programmed.

**d) Other administrative expenses**

	Parent Company <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Water, energy and gas	(426)	(396)	(1,447)	(848)
Rental	(9,578)	(10,738)	(38,012)	(19,794)
Communications	(5,392)	(7,591)	(19,150)	(8,344)
Philanthropic contributions <sup>(2)</sup>	(381)	(932)	(1,068)	(932)
Maintenance and conservation of assets	(2,450)	(2,154)	(8,827)	(3,452)
Material	(1,136)	(284)	(2,291)	(838)
Data processing	(61,427)	(39,582)	(156,620)	(77,746)
Promotions and public relations	(2,781)	(1,423)	(6,078)	(4,557)
Advertising and publicity	(17,440)	(6,388)	(29,715)	(17,749)
Publications	-	-	(521)	(460)
Insurance	(1,198)	(1,059)	(4,035)	(1,751)
Financial system services	(14,200)	(19,070)	(55,276)	(32,748)
Outsourced services	(3,618)	(2,037)	(8,901)	(3,241)
Surveillance and security services	(236)	(319)	(744)	(752)
Specialized technical services	(137,389)	(93,386)	(378,254)	(129,505)
Transportation	(1,092)	(163)	(2,807)	(503)
Traveling	(65)	(172)	(166)	(697)
Judicial and notary public fees	(13,949)	(10,795)	(44,801)	(12,001)
Amortization <sup>(3) (4)</sup>	(40,462)	(20,152)	(97,251)	(29,615)
Depreciation <sup>(3)</sup>	(4,988)	(5,228)	(18,607)	(6,864)
Other <sup>(5)</sup>	(17,979)	(13,961)	(50,375)	(18,807)
<b>Total</b>	<b>(336,187)</b>	<b>(235,830)</b>	<b>(924,946)</b>	<b>(371,204)</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Water, energy and gas	(566)	(584)	(1,895)	(2,559)
Rental	(11,593)	(15,025)	(44,087)	(45,776)
Communications	(9,542)	(18,374)	(32,109)	(45,592)
Philanthropic contributions <sup>(2)</sup>	(381)	(8,602)	(1,068)	(38,898)
Maintenance and conservation of assets	(3,380)	(3,853)	(11,581)	(10,613)
Material	(1,453)	(675)	(3,041)	(2,812)
Data processing	(100,581)	(76,212)	(247,144)	(218,831)
Promotions and public relations	(3,160)	(4,036)	(7,547)	(16,204)
Advertising and publicity	(26,135)	(9,764)	(49,802)	(37,628)
Publications	-	-	(1,104)	(1,067)
Insurance	(1,377)	(1,530)	(4,587)	(4,077)
Financial system services	(15,854)	(25,773)	(60,077)	(78,906)
Outsourced services	(4,281)	(2,592)	(10,436)	(7,283)
Surveillance and security services	(317)	(454)	(1,022)	(1,465)
Specialized technical services	(159,598)	(140,006)	(432,307)	(381,010)
Transportation	(1,166)	(240)	(3,005)	(3,274)
Traveling	(68)	(205)	(181)	(3,257)
Judicial and notary public fees	(14,271)	(13,863)	(46,582)	(49,002)
Amortization <sup>(3) (4)</sup>	(48,135)	(30,265)	(118,327)	(83,077)
Depreciation <sup>(3)</sup>	(6,080)	(8,308)	(22,583)	(24,341)
Other <sup>(5)</sup>	(21,021)	(19,734)	(60,518)	(58,262)
<b>Total</b>	<b>(428,959)</b>	<b>(380,095)</b>	<b>(1,159,003)</b>	<b>(1,113,934)</b>

<sup>(1)</sup> Includes appropriation of expenses incurred on liabilities received from the merger of the spun-off portion of BV Financeira, after said event (Note 2b).

<sup>(2)</sup> The respective philanthropic contributions are detailed in note 30.

<sup>(3)</sup> If includes the effects of the agreement for apportionment/reimb unsegment of direct and indirect expenses and costs entered into between Banco Votorantim and its subsidiaries.

<sup>(4)</sup> In the period from January 1 to September 30, 2021, includes the amount of R\$ 3,166 in the bank and in the Consolidated for the amortization expenses of carbon credits consumed by offsetting the CO<sub>2</sub> emission by vehicles financed by the BV Bank (Note 30).

<sup>(5)</sup> Includes expenses related to offsetting direct greenhouse gas emissions, as detailed in note 30.

**e) Other operating income**

	Parent Company <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Recovery of charges and expenses	659	39	3,030	5,517
Restatement of judicial deposits	-	3,174	-	6,315
Active monetary variation	1,373	952	2,240	2,148
Reimbursement of overpaid tax fines	367	2,411	1,437	3,334
Reimbursement of operation costs	815	68	1,192	68
Recovery from operational losses	-	582	-	584
Others	1,945	3,048	23,299	4,326
<b>Total <sup>(4)</sup></b>	<b>5,159</b>	<b>10,274</b>	<b>31,198</b>	<b>22,292</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Recovery of charges and expenses	938	289	3,768	8,554
Restatement of judicial deposits	-	5,021	-	21,456
Active monetary variation	1,578	1,214	3,175	7,794
Reimbursement of overpaid tax fines	367	2,411	1,437	7,149
Reimbursement of operation costs	815	99	1,192	1,585
Recovery from operational losses	-	725	-	20,506
Reversal of provision for insurance cancellation	(1,483)	(969)	4,364	14,241
Banking and exclusivity and preference rights	6,743	-	17,715	-
Real state activity result <sup>(2)</sup>	4,885	2,911	1,072	5,421
Others <sup>(3)</sup>	3,544	7,035	29,740	10,104
<b>Total <sup>(4)</sup></b>	<b>17,387</b>	<b>18,736</b>	<b>62,463</b>	<b>96,810</b>

<sup>(1)</sup> Includes appropriation of income generated by assets received from merger of the spun-off portion of BV Financeira, after said event (Note 2b).

<sup>(2)</sup> Includes income from the sale of shares.

<sup>(3)</sup> Includes reversal of provision for restricting.

<sup>(4)</sup> Revenues and expenses of the same nature are presented at the net amount calculated in each period. The representation in the respective income or expenses line takes into account the most recent period.

## f) Other operating expenses

	Parent Company <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Costs associated with the origination - Business partners <sup>(2)</sup>	(213,243)	(117,440)	(587,543)	(118,601)
Civil claims	(25,923)	(20,742)	(79,687)	(20,867)
Tax claims	(2,176)	(1,547)	(6,118)	(4,145)
Update of escrow deposits <sup>(3)</sup>	(349)	-	(3,821)	-
Operating losses	(8,439)	(967)	(34,327)	(3,115)
Premium paid on financial assets	(60)	(118)	(170)	(239)
Premium paid for bank services preference	(7,252)	(2,141)	(21,838)	(8,029)
Provision for CO <sub>2</sub> offset expenses for vehicles financed by Bank BV	(3)	-	(430)	-
Other	(16,478)	(71,015)	(31,513)	(72,534)
<b>Total <sup>(4)</sup></b>	<b>(273,923)</b>	<b>(213,970)</b>	<b>(765,447)</b>	<b>(227,530)</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Costs associated with the origination - Business partners <sup>(2)</sup>	(305,644)	(244,690)	(833,199)	(637,144)
Civil claims	(27,096)	(34,456)	(83,282)	(94,776)
Tax claims	(2,676)	(2,118)	(7,396)	(6,357)
Update of escrow deposits <sup>(3)</sup>	180	-	(3,114)	-
Operating losses	(11,528)	(2,764)	(43,201)	(7,015)
Premium paid on financial assets	(60)	(118)	(170)	(239)
Premium paid for bank services preference	-	(2,141)	-	(8,029)
Provision for CO <sub>2</sub> offset expenses for vehicles financed by Bank BV	(3)	-	(430)	-
Other	(44,392)	(94,158)	(101,370)	(126,108)
<b>Total <sup>(4)</sup></b>	<b>(391,219)</b>	<b>(380,445)</b>	<b>(1,072,162)</b>	<b>(879,668)</b>

<sup>(1)</sup> Includes in the Bank the appropriation of expenses incurred on liabilities received from the merger of the spun-off portion of BV Financeira, after said event (Note 2b).

<sup>(2)</sup> Mainly refer to commissions on loans originated by partners and trade agreements with tenants and freelancers, including maintenance expenses.

<sup>(3)</sup> At the time course from January 01 to September 30, 2021, it includes a change in the index for updating escrow deposits.

<sup>(4)</sup> Income and expenses of the same type are presented at the net amount determined in each period. The presentation in the respective line of income or expense takes into account the most recent period.

## 23. OTHER INCOME AND EXPENSES

	Parent Company			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Other income</b>	<b>13,341</b>	<b>8,661</b>	<b>35,503</b>	<b>12,423</b>
Profit on the disposal of assets	11,708	4,785	21,598	6,062
Reversal of provision for devaluation of other issues and assets	(689)	-	5,740	-
Reversal of provision for investment losses due to tax incentives	1,483	-	1,483	2,485
Other income not directly associated with operating activity	839	3,876	6,682	3,876
<b>Other expenses</b>	<b>(1,453)</b>	<b>(6,153)</b>	<b>(9,614)</b>	<b>(44,543)</b>
Capital losses	(680)	(41)	(758)	(41)
Devaluation of other assets	-	(4,127)	-	(13,269)
Expense on real estate not in use	(752)	(439)	(6,172)	(1,714)
Expenses with goodwill and impairment of subsidiaries	-	-	-	(27,922)
Loss on intangible assets	-	-	(2,650)	-
Other expenses not directly associated with operating activity	(21)	(1,546)	(34)	(1,597)
<b>Total <sup>(2)</sup></b>	<b>11,888</b>	<b>2,508</b>	<b>25,889</b>	<b>(32,120)</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Other income</b>	<b>17,409</b>	<b>6,163</b>	<b>37,448</b>	<b>41,244</b>
Profit on the disposal of assets	11,688	3,839	21,583	499
Reversal of provision for devaluation of other assets <sup>(1)</sup>	1,179	(3,598)	5,312	26,047
Reversal of provision for investment losses due to tax incentives	3,616	-	3,616	5,931
Other income not directly associated with operating activity	926	5,922	6,937	8,767
<b>Other expenses</b>	<b>(762)</b>	<b>(7,502)</b>	<b>(75,356)</b>	<b>(44,200)</b>
Capital losses	(680)	(52)	(758)	(1,911)
Devaluation of other assets	-	-	(2,650)	-
Expense on real estate not in use	(752)	(439)	(6,172)	(3,619)
Expenses with goodwill and impairment of subsidiaries	706	(5,447)	(65,720)	(37,038)
Other expenses not directly associated with operating activity	(36)	(1,564)	(56)	(1,632)
<b>Total <sup>(2)</sup></b>	<b>16,647</b>	<b>(1,339)</b>	<b>(37,908)</b>	<b>(2,956)</b>

<sup>(1)</sup> In the time course from January 01 to September 30, 2020, it refers to the reversal of provisions for losses whose origin was the exchange of SPEs GMAX, Reserva Natural and NS Emp. Imob 10, for the control of SPE BVEP Vila Parque (This provision had been constituted in the year ended December 31, 2019).

<sup>(2)</sup> Income and expenses of the same type are presented at the net amount calculated in each period. The presentation in the respective income or expense line takes into account the most recent period.

## 24. SHAREHOLDERS' EQUITY

### a) Capital social

The capital of Banco Votorantim S.A., fully subscribed and paid-in, in the amount of R\$ 8,130,372 (R\$ 8,130,372 as of December 31, 2020) is represented by 3,299,670,406 shares, of which 2,131,587,081 common shares are held, book-entry and no nominal value and 1,168,083,325 nominal, book-entry and non-nominal preferred shares (53,760,296,740 nominative, book-entry and non-nominal value common shares and 51,631,176,076 nominative preferred shares, book-entry and without nominal value as of December 31, 2020).

On February 6, 2020, the Extraordinary General Meeting approved the conversion of 32,469,090,100 common shares into preferred shares.

On February 8, 2021, the group of all shares representing the Bank's Share Capital was approved at an Extraordinary General Meeting, in the proportion of 31.94 to 1 share of the same species, with the Share Capital being represented by 3,299,670,406 shares. After the grouping, the conversion of 448,421,874 preferred shares into common shares was approved.

### b) Capital reserve

On September 30, 2021 and December 31, 2020, capital reserve is related to premium that arose on subscription of shares, in the amount of R\$ 372,120.

### c) Profit reserve

#### Legal reserve

Composed mandatorily of 5% of the period's net profit, up to the limit of 20% of Capital. The Legal Reserve may cease to be funded when jointly with Capital Reserves it exceeds 30% of Capital. The Legal Reserve may be employed only in a capital increase or to offset losses.

#### Statutory reserve for expansion

The law and the Bylaws allow management, at the end of the period, making a proposal to allocate to "Statutory reserve for expansion" the portion of the profit not allocate to the Legal reserve and not distributed, if any, in order to meet the investments for business expansion. In addition, the reserve balance may also be used to pay dividends.

### d) Dividends / Interest on Equity

Shareholders are guaranteed a minimum mandatory dividend, both in the form of dividends and interest on equity, corresponding to 25% of the net income for the period, deducted from the legal reserve (adjusted net income). As provided for in CMN Resolution No. 4,820/2020, amended by CMN Resolution No. 4,885/2020, for the 2020 fiscal year, the remuneration of capital allowed is up to 30% of the adjusted Net Income for the period.

In accordance with Laws No. 9,249/1995 and No. 12,973/2014 and the Company's Bylaws, management decided to deliberate its shareholders' interest on equity and dividends, in relation to the results obtained in the period from January 1 to September 30, 2020. There was no resolution of capital remuneration for the period from January 1 to September 30, 2021.

Interest on equity is calculated on the adjusted equity accounts and limited to the variation, pro rata die, of the long-term interest rate (TJLP), subject to the existence of profits computed before deduction or retained earnings and profit reserves, in an amount equal to or greater than twice its value.

In accordance with the procedures corrected by CMN Resolution N°. 4,706 / 2018, the recognition of the allocation of capital must be made contra entry the retained earnings or reserves account, that is, no more processed in income accounts.

For the period ended September 30, 2020, the Company made the following distributions:

	01.01 to 09.30.2020			
	Value (R\$ thousand)	Value per lot of one thousand shares - R\$	Base date of the share position	Payday
Dividends	26,545	0.25	29.06.2020	18.12.2020
Interest on equity <sup>(1)</sup>	47,500	0.45	29.06.2020	18.12.2020
<b>Total for shareholders</b>	<b>74,045</b>	<b>0.70</b>		

<sup>(1)</sup> Amounts subject to 15% withholding income tax.

	01.01 to 09.30.2021	01.01 to 09.30.2020
	Value (R\$ mil)	
<b>Net income for the period - Banco Votorantim SA</b>	<b>1,184,108</b>	<b>684,002</b>
Legal reserve	(40,730)	(20,496)
<b>Calculation basis</b>	<b>1,143,378</b>	<b>663,506</b>
Dividends	-	26,545
Interest on equity (gross)	-	47,500
IRRF related to interest on equity	-	(7,125)
<b>Proposed value</b>	<b>-</b>	<b>66,920</b>
<b>% on the calculation basis</b>	<b>0%</b>	<b>10%</b>

#### e) Earnings per share

	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Net profit - Banco Votorantim S.A (R\$ thousand)	369,502	274,103	1,184,108	684,002
Weighted average number by thousand shares (basic and diluted)	14,643,204	14,643,204	14,643,204	14,643,204
Earnings per share (basic and diluted) (R\$)	25.23	18.72	80.86	46.71

<sup>(1)</sup> The weighted average number of shares is calculated based on the average number of shares for each month of the period ended September 30, 2021.

<sup>(2)</sup> The weighted average number of shares was restated for the semester ended September 30, 2020 due to the reverse split of all shares described in note 24a, in accordance with CPC 41.

#### f) Reconciliation of shareholders' equity and net profit

	Net profit				Shareholders' Equity	
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020	09.30.2021	12.31.2020
<b>Parent Company</b>	<b>369,502</b>	<b>274,103</b>	<b>1,184,108</b>	<b>684,002</b>	<b>12,223,013</b>	<b>10,746,169</b>
RNR effect <sup>(1)</sup>	633	589	1,866	33,692	6,303	7,548
<b>Consolidated</b>	<b>370,135</b>	<b>274,692</b>	<b>1,185,974</b>	<b>717,694</b>	<b>12,229,316</b>	<b>10,753,717</b>

<sup>(1)</sup> It refers to the unrealized result arising from transactions between affiliates, net of taxes.

#### g) Other comprehensive income

Parent Company and Consolidated	01.01 to 09.30.2021				01.01 to 09.30.2020			
	Opening balance	Changes	Tax effect	Closing balance	Opening balance	Changes	Tax effect	Closing balance
<b>Securities available to sale</b>	<b>245,530</b>	<b>(276,837)</b>	<b>124,356</b>	<b>93,049</b>	<b>100,332</b>	<b>177,121</b>	<b>(85,779)</b>	<b>191,674</b>
Banco Votorantim <sup>(1)</sup>	237,675	(250,028)	112,280	99,927	38,374	269,630	(121,529)	186,475
Subsidiaries	7,855	(26,809)	12,076	(6,878)	61,958	(92,509)	35,750	5,199
<b>Cash flow hedge</b>	<b>(96,177)</b>	<b>809,485</b>	<b>(364,268)</b>	<b>349,040</b>	<b>(127,069)</b>	<b>158,883</b>	<b>(71,497)</b>	<b>(39,683)</b>
Banco Votorantim <sup>(1)</sup>	(96,177)	809,485	(364,268)	349,040	(127,069)	158,883	(71,497)	(39,683)
<b>Total - Parent Company</b>	<b>149,353</b>	<b>532,648</b>	<b>(239,912)</b>	<b>442,089</b>	<b>(26,737)</b>	<b>336,004</b>	<b>(157,276)</b>	<b>151,991</b>
<b>RNR effect <sup>(2)</sup></b>	<b>18,870</b>	<b>(3,111)</b>	<b>-</b>	<b>15,759</b>	<b>76,057</b>	<b>(56,155)</b>	<b>-</b>	<b>19,902</b>
<b>Total - Consolidated</b>	<b>168,223</b>	<b>529,537</b>	<b>(239,912)</b>	<b>457,848</b>	<b>49,320</b>	<b>279,849</b>	<b>(157,276)</b>	<b>171,893</b>

<sup>(1)</sup> Includes agency abroad.

<sup>(2)</sup> Tax effect is presented in "Other credits - Sundry".

#### h) Shareholders interest (quantity of shares)

Composition of the class of shares issued by Banco Votorantim SA in which the shareholders are holders directly:

Shareholders - Shares (thousand)	09.30.2021					
	Ordinary	% Ordinary	Preference	% Preference	Total	% Total
Votorantim Finanças S.A.	1,065,793	50.00%	584,042	50.00%	1,649,835	50.00%
Banco do Brasil S.A.	1,065,793	50.00%	584,042	50.00%	1,649,835	50.00%
<b>Total</b>	<b>2,131,587</b>	<b>100.00%</b>	<b>1,168,083</b>	<b>100.00%</b>	<b>3,299,670</b>	<b>100.00%</b>
Domestic residents	2,131,587	100.00%	1,168,083	100.00%	3,299,670	100.00%



Shareholders - Shares (thousand)	12.31.2020					
	Ordinary	% Ordinary	Preference	% Preference	Total	% Total
Votorantim Finanças S.A.	26,880,148	50.00%	25,815,588	50.00%	52,695,736	50.00%
Banco do Brasil S.A.	26,880,148	50.00%	25,815,588	50.00%	52,695,736	50.00%
<b>Total</b>	<b>53,760,297</b>	<b>100.00%</b>	<b>51,631,176</b>	<b>100.00%</b>	<b>105,391,473</b>	<b>100.00%</b>
Domestic residents	53,760,297	100.00%	51,631,176	100.00%	105,391,473	100.00%

## 25. TAXES

### a) Tax assets

#### Total tax assets recognized

	Parent company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Current tax assets (Note 25 a.1)	220,332	303,609	276,175	358,504
Deferred tax assets (Note 25 a.2)	6,388,018	6,806,524	7,393,087	7,677,294
<b>Total</b>	<b>6,608,350</b>	<b>7,110,133</b>	<b>7,669,262</b>	<b>8,035,798</b>
Current assets	70,625	13,932	95,005	46,268
Non-current assets	6,537,725	7,096,201	7,574,257	7,989,530

#### a.1) Current tax assets

	Parent company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Taxes and contributions to be offset	71,567	154,844	126,188	206,500
Recoverable income tax	-	-	1,222	3,239
Presumed credit - Law no. 12,838/13	148,765	148,765	148,765	148,765
<b>Total <sup>(1)</sup></b>	<b>220,332</b>	<b>303,609</b>	<b>276,175</b>	<b>358,504</b>

<sup>(1)</sup> Includes taxes and current contributions to be offset whose expected offset time is more than 12 months.

#### a.2) Deferred tax assets (Recognized)

Parent Company	12.31.2020	01.01 to 09.30.2021		09.30.2021
	Balance	Net changes in the period		Balance
		Constitution <sup>(3)</sup>	Write-off <sup>(4)</sup>	
<b>Temporary differences</b>	<b>6,099,560</b>	<b>1,944,954</b>	<b>(2,212,883)</b>	<b>5,831,631</b>
Provision for losses associated with credit risk	4,070,766	1,535,581	(1,331,985)	4,274,362
Provisions	685,508	42,710	(126,391)	601,827
Fair value adjustments <sup>(1)</sup>	739,186	352,237	(739,186)	352,237
Other provisions <sup>(2)</sup>	604,100	14,426	(15,321)	603,205
<b>Tax loss / CSLL negative base</b>	<b>706,964</b>	<b>-</b>	<b>(150,577)</b>	<b>556,387</b>
<b>Total activated tax credits</b>	<b>6,806,524</b>	<b>1,944,954</b>	<b>(2,363,460)</b>	<b>6,388,018</b>
Income tax	3,761,050	1,049,372	(1,306,554)	3,503,868
Social contribution	3,045,474	895,582	(1,056,906)	2,884,150

Consolidated	12.31.2020	01.01 to 09.30.2021		09.30.2021
	Balance	Net changes in the period		Balance
		Constitution <sup>(3)</sup>	Write-off <sup>(4)</sup>	
<b>Temporary differences</b>	<b>6,531,918</b>	<b>2,165,038</b>	<b>(2,277,757)</b>	<b>6,419,199</b>
Provision for losses associated with credit risk	4,408,134	1,717,850	(1,369,464)	4,756,520
Provisions	765,941	76,201	(150,472)	691,670
Fair value adjustments <sup>(1)</sup>	739,186	356,561	(739,186)	356,561
Other provisions <sup>(2)</sup>	618,657	14,426	(18,635)	614,448
<b>Tax loss / CSLL negative base</b>	<b>1,145,376</b>	<b>33,943</b>	<b>(205,431)</b>	<b>973,888</b>
<b>Total activated tax credits</b>	<b>7,677,294</b>	<b>2,198,981</b>	<b>(2,483,188)</b>	<b>7,393,087</b>
Income tax	4,437,855	1,194,164	(1,393,243)	4,238,776
Social contribution	3,239,439	1,004,817	(1,089,945)	3,154,311

<sup>(1)</sup> The amounts corresponding to the movement of the tax credit resulting from the fair value adjustments of the effective portion of the cash flow hedge instruments and the fair value adjustments of securities classified as available for sale, recorded in equity accounts, in the period from January 1 to September 30, 2021, R\$ (78,690) of the total of R\$ (386,949) in the Bank and R\$ (74,367) of the total of R\$ (382,625) in the Consolidated.

<sup>(2)</sup> Includes tax credits arising from constitution expenses of provisions for reduction to recoverable value of securities.

<sup>(3)</sup> Includes the effects of the increase in the CSLL rate of financial institutions in the amount of R\$72,170, in the individual, and R\$75,670, in the consolidated, applicable to the tax credit realizable in the period from July 1 to December 31, 2021.

<sup>(4)</sup> Includes the amount of R\$ (31,410) in the Bank and R\$ (32,653) in the Consolidated, related to the tax credit made in the period from July 1 to September 30, 2021, originating from the increase in the CSLL rate, described in footnote 3.

### Realization estimate

The expected realization of deferred tax assets (tax credits) is supported by a technical study prepared in the 1st half of 2021.

	Parent Company		Consolidated	
	Nominal value	Present value	Nominal value	Present value
In 2021	1,056,836	1,038,658	1,107,590	1,088,540
In 2022	1,534,589	1,381,646	1,649,098	1,484,743
In 2023	1,411,352	1,157,229	1,572,630	1,289,468
In 2024	735,777	546,635	928,077	689,502
In 2025	536,826	360,822	824,630	554,267
From 2026 to 2027	493,531	294,250	675,569	404,853
From 2028 to 2030	619,107	234,795	635,493	241,392
<b>Total deferred tax assets</b>	<b>6,388,018</b>	<b>5,014,035</b>	<b>7,393,087</b>	<b>5,752,765</b>

### Realization of nominal values for deferred tax assets

	Parent Company		Consolidated	
	Tax losses/Social contribution on net profit to offset <sup>(1)</sup>	Intertemporal differences <sup>(2)</sup>	Tax losses/Social contribution on net profit to offset <sup>(1)</sup>	Intertemporal differences <sup>(2)</sup>
In 2021	0%	18%	2%	17%
In 2022	11%	25%	14%	24%
In 2023	14%	23%	18%	22%
In 2024	15%	11%	18%	12%
In 2025	20%	7%	19%	10%
From 2026 to 2027	32%	5%	24%	7%
From 2028 to 2030	8%	11%	5%	8%

<sup>(1)</sup> Projected consumption linked to the capacity to generate IRPJ and CSLL taxable amounts in subsequent periods.

<sup>(2)</sup> The consumption capacity arises from movements in provisions expectation of reversals, write-offs and uses.

### a.3) Unrecognized deferred tax assets

	Parent company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Social contribution on net profit tax loss/negative basis portions of CSLL	94,088	94,088	168,815	170,807
Intertemporal Differences portions	-	-	41,527	21,160
<b>Total of deferred tax assets not recorded in assets</b>	<b>94,088</b>	<b>94,088</b>	<b>210,342</b>	<b>191,967</b>
Income tax	52,271	52,271	150,540	137,411
Social contribution	41,817	41,817	59,802	54,556

The balance not constituted of tax assets will only be recognized in the accounting books when it meets the regulatory aspects for its activation and presents effective prospect of realization.

**b) Tax liabilities**
**Total tax liabilities recognized**

	Parent company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Current tax liabilities (Note 25 b.1)	200,776	136,295	416,992	259,497
Deferred tax liabilities - (Note 25 b.2)	534,212	336,102	535,395	346,416
<b>Total</b>	<b>734,988</b>	<b>472,397</b>	<b>952,387</b>	<b>605,913</b>
Current liabilities	200,776	136,295	411,552	254,649
Non-current liabilities	534,212	336,102	540,835	351,264

**b.1) Current tax liabilities**

	Parent company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Financial transaction tax payable <sup>(1)</sup>	38,705	1,877	40,476	1,911
Income tax and social contribution payable	-	-	6,109	6,036
Provision for taxes and contributions on income	79,130	32,866	266,141	129,131
Taxes and contributions payable	82,941	101,552	104,266	122,419
<b>Total <sup>(2)</sup></b>	<b>200,776</b>	<b>136,295</b>	<b>416,992</b>	<b>259,497</b>

<sup>(1)</sup> Decree 10,572 of December 11, 2020, reduced to zero the IOF rate on credit operations, in the period from December 15 to 31, 2020.

<sup>(2)</sup> Includes taxes and current contributions, the settlement period of which is more than 12 months.

**b.2) Deferred tax liabilities**

	Parent company		Consolidated	
	09.30.2021 <sup>(1)</sup>	12.31.2020	09.30.2021 <sup>(1)</sup>	12.31.2020
Fair value adjustments	515,720	320,175	515,741	327,928
Presumed credit - Law no. 12,838/13	15,075	15,075	15,075	15,075
Other liabilities	3,417	852	4,579	3,413
<b>Total deferred tax liabilities</b>	<b>534,212</b>	<b>336,102</b>	<b>535,395</b>	<b>346,416</b>
Income tax	297,574	187,375	298,739	194,228
Social contribution	236,638	148,727	236,656	152,188

<sup>(1)</sup> From January 1 to September 30, 2021, the portion of R\$ 360,639 (of the total of R\$ 515,720), in the Bank and R\$ 360,604 (of the total of R\$ 515,741), in the Consolidated, corresponds to the deferred tax liability resulting from adjustments in the fair value of the effective portion of the cash flow hedge instruments and securities classified as available for sale, recorded in equity account. As of December 31, 2020, the share was R\$ 189,411 (of the total of R\$ 320,175), in the Bank, and R\$ 193,195 (of the total of R\$ 327,928), in the Consolidated.

**c) Tax expenses**

	Parent company <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Contribution for Social Security Funding	(64,077)	(48,872)	(190,706)	(62,102)
ISSQN	(11,684)	(9,001)	(36,544)	(13,702)
PIS	(10,413)	(7,942)	(30,990)	(10,092)
Others	(5,553)	(3,652)	(13,409)	(15,910)
<b>Total</b>	<b>(91,727)</b>	<b>(69,467)</b>	<b>(271,649)</b>	<b>(101,806)</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Contribution for Social Security Funding	(92,486)	(89,954)	(266,424)	(265,511)
ISSQN	(20,004)	(19,372)	(59,262)	(53,349)
PIS	(15,709)	(15,255)	(45,261)	(44,806)
Others	(6,352)	(9,464)	(12,535)	(28,379)
<b>Total</b>	<b>(134,551)</b>	<b>(134,045)</b>	<b>(383,482)</b>	<b>(392,045)</b>

<sup>(1)</sup> Includes appropriation of expenses incurred on liabilities received from the incorporation of the split portion of BV Financeira, after that event (Note 2b).

**d) Income tax and contribution expenses**
**d.1) Expenses of taxes and contributions on profit - Income tax and social contribution**

	Parent company <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Current amounts</b>	<b>(107,881)</b>	<b>14,144</b>	<b>(273,093)</b>	<b>14,144</b>
IR e CSLL no país – Corrente	(138,080)	-	(303,292)	-
IR e CSLL no país – Exercícios anteriores	30,199	14,144	30,199	14,144
<b>Deferred amounts</b>	<b>(72,909)</b>	<b>368,601</b>	<b>(365,933)</b>	<b>856,839</b>
<b>Deferred tax liabilities</b>	<b>(215,585)</b>	<b>(68,267)</b>	<b>(26,117)</b>	<b>(72,114)</b>
Fair value adjustments	(212,791)	(67,378)	(22,246)	(70,930)
Other liabilities	(2,794)	(889)	(3,871)	(1,184)
<b>Deferred tax assets</b>	<b>142,676</b>	<b>436,868</b>	<b>(339,816)</b>	<b>928,953</b>
Tax loss carryforwards and negative basis of social contribution on net profit	(50,079)	(147,666)	(150,577)	(10,990)
Temporary differences	26,546	498,147	119,020	425,868
Fair value adjustments	166,209	86,387	(308,259)	514,075
<b>Total</b>	<b>(180,790)</b>	<b>382,745</b>	<b>(639,026)</b>	<b>870,983</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Current amounts</b>	<b>(233,359)</b>	<b>(73,908)</b>	<b>(579,679)</b>	<b>(455,494)</b>
Income tax and social contribution on net profit - current	(263,340)	(88,052)	(609,660)	(469,638)
Income tax and social contribution on net profit - previous years	29,981	14,144	29,981	14,144
<b>Deferred amounts</b>	<b>(8,024)</b>	<b>384,727</b>	<b>(236,082)</b>	<b>1,105,216</b>
<b>Deferred tax liabilities</b>	<b>(215,703)</b>	<b>(68,090)</b>	<b>(26,243)</b>	<b>(71,811)</b>
Fair value adjustments	(212,811)	(67,378)	(22,266)	(70,930)
Other liabilities	(2,892)	(712)	(3,977)	(881)
<b>Deferred tax assets</b>	<b>207,679</b>	<b>452,817</b>	<b>(209,839)</b>	<b>1,177,027</b>
Tax loss carryforwards and negative basis of social contribution on net profit	(62,868)	(198,569)	(171,488)	(191,187)
Temporary differences	104,338	566,131	269,908	856,040
Fair value adjustments	166,209	85,255	(308,259)	512,174
<b>Total <sup>(1)</sup></b>	<b>(241,383)</b>	<b>310,819</b>	<b>(815,761)</b>	<b>649,722</b>

<sup>(1)</sup> Includes appropriation of results generated by the assets and liabilities received from the incorporation of the split portion of BV Financeira, after that event (Note 2b).

## d.2) Reconciliation of IR and CSLL charges

	Parent company			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Income (loss) before taxes and contributions</b>	<b>579,949</b>	<b>(50,847)</b>	<b>1,945,015</b>	<b>(104,912)</b>
Total IR charges and CSLL <sup>(1)</sup>	(289,974)	22,882	(904,253)	47,787
Charges on JCP	-	-	-	21,375
Equity in the earnings of subsidiaries	45,271	53,482	105,510	185,859
Participation in profits and results	14,829	26,008	56,330	36,931
CSLL rate increase <sup>(2)</sup>	(31,410)	336,545	40,760	370,130
Income from abroad <sup>(3)</sup>	33,633	(23,405)	19,380	238,293
Other values	46,861	(32,767)	43,247	(29,392)
<b>Income tax and social contribution for the period</b>	<b>(180,790)</b>	<b>382,745</b>	<b>(639,026)</b>	<b>870,983</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
<b>Income (loss) before taxes and contributions</b>	<b>649,952</b>	<b>31,265</b>	<b>2,156,430</b>	<b>237,209</b>
Total IR charges and CSLL <sup>(1)</sup>	(324,975)	(14,069)	(1,002,890)	(106,744)
Charges on JCP	-	-	-	21,375
Equity in the earnings of subsidiaries	(84)	(1,457)	(323)	(16,284)
Participation in profits and results	17,295	30,326	69,612	76,156
CSLL rate increase <sup>(2)</sup>	(32,653)	375,654	43,017	409,239
Income from abroad <sup>(3)</sup>	33,633	(23,405)	19,380	238,293
Other values	65,401	(56,230)	55,443	27,687
<b>Income tax and social contribution for the period</b>	<b>(241,383)</b>	<b>310,819</b>	<b>(815,761)</b>	<b>649,722</b>

<sup>(1)</sup> The IR charges were calculated at the nominal rate of 25% and those of the CSLL were calculated by the rates: (i) 15% from January 1 to February 28, 2020; (ii) 20% in the period from March 1, 2020 to June 30, 2021; and (iii) 25% in the period from July 1 to September 30, 2021 (note 4q).

<sup>(2)</sup> Includes, from 1 January to 30 September 2020, the amount of R\$ 370,131 in the Bank and R\$ 409,239 in the Consolidated, related to the effects of the increase in csll's rate to 20%, applicable to the tax credit ineffective as of March 2020, referring to the amounts arising from January and February and amounts related to the incorporation of the split portion of BV Financeira and subsequent incorporation in Banco S.A.

<sup>(3)</sup> Includes charges on exchange variation of investments abroad.

## 26. RELATED PARTIES

Costs of salaries and other benefits granted to key management personnel of banco BV, comprising the Board, Audit Committee, Board of Directors and Fiscal Council:

	Parent company <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Administrators' remuneration and other	5,665	3,674	15,877	7,025
Bonuses	24,129	13,356	57,921	24,111
Social charges	9,201	5,384	22,735	11,031
<b>Total</b>	<b>38,995</b>	<b>22,414</b>	<b>96,533</b>	<b>42,167</b>

	Consolidated <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 to 09.30.2021	01.01 to 09.30.2020
Administrators' remuneration and other	7,441	5,642	20,854	16,398
Bonuses	24,852	14,746	60,249	31,394
Social charges	9,574	5,989	23,951	13,887
<b>Total</b>	<b>41,867</b>	<b>26,377</b>	<b>105,054</b>	<b>61,679</b>

<sup>(1)</sup> Includes the members of Audit Committee, Compensation Committee, Risk and Capital Committee and Related Parties Transactions Committee.

The Conglomerate offers a defined contribution private pension plan to key management personnel.

The Conglomerate did not grant loans to key management personnel during the period.

The balances of accounts relating to transactions between consolidated companies of the Bank are eliminated in the consolidated interim Financial Statements and also take into consideration risk free basis. The shareholders of the Company are Banco do Brasil Conglomerate and Votorantim S.A. (main firms that set part of the Votorantim S.A Group are: Votorantim Finanças and Votorantim Cimentos).

The Conglomerate carries out banking transactions with related parties, such as current account deposits (not remunerated), remunerated deposits, money market repurchase commitments, derivative financial instruments and assignment of Loan portfolios. There are also service agreements, which include the agreement for apportionment / reimbursement of expenses and direct and indirect costs entered into with the companies of the Conglomerate.

These transactions are carried out under terms and conditions similar to those performed with third parties where applicable. These transactions do not involve abnormal default risks.

The Conglomerate performs assigned loans (assignments with recourse) with substantial retention of risks and benefits with related parties. In the period from January 1 to September 30, 2021, the sum of the present amounts totaled R\$ 4,387,491 (R\$ 7,856,099 in the period from January 1 to September 30, 2020). The BV bank also carries out credit transfer ecoffers without co-obligation, but with substantial retention of risks and benefits with subsidiary and in the period from January 1 to September 30, 2021, the sum of the amounts present totaled R\$ 2,057,630 (In the period from January 1 to September 30, 2020 there were no descities with this characteristic). The net result of credit decities, considering the income and expenses of the descities with substantial retention of risks and benefits is presented in the following table in "Income with interest, provision of services and other income".

	09.30.2021						
	Conglom. Banco do Brasil	Votorantim S.A.	Financial Institution subsidiaries <sup>(1)</sup>	Non-financial Institution subsidiaries <sup>(2)</sup>	Key management personnel <sup>(3)</sup>	Others <sup>(4)</sup>	Total
<b>Assets</b>							
Funds available	15	-	-	-	-	-	15
Interbank deposit investments <sup>(5)</sup>	-	-	1,018,617	-	-	593,071	1,611,688
Securities and derivative financial instruments	779	74,182	-	-	-	2,110,400	2,185,361
Loans and leases	-	1,736	-	-	-	-	1,736
Other assets	280,504	8,132	48,615	7,335	417	6,677	351,680
<b>Liabilities</b>							
Demand deposits	(3,598)	(4,377)	(1,296)	(1,411)	(239)	(12,478)	(23,399)
Time deposits	(1,180,330)	(1,187,236)	-	(867,048)	(114)	(30,664)	(3,265,392)
Interbank accounts or relations	-	-	(97,660)	-	-	-	(97,660)
Money market repurchase	(32,248)	(32,710)	(546,801)	(724,112)	(1,157)	-	(1,337,028)
Funds for accepting and issuing bonds	(218,778)	(462,178)	-	-	(4,490)	-	(685,446)
Derivative financial instruments	(123)	(4,210)	-	-	-	(56,839)	(61,172)
Other liabilities	(6,697,514)	-	(13,783)	-	-	(2,057,630)	(8,768,927)
<b>07.01 a 09.30.2021</b>							
<b>Income (loss)</b>							
Income from interest, provision of services and other income	145,123	31	24,176	-	-	93,224	262,554
Income (losses) from derivative financial instruments	2,548	53,667	-	-	-	79,655	135,870
Fund raising, administrative expenses and other	(28,187)	(22,086)	(9,073)	(16,586)	(64)	(3,923)	(79,919)
<b>01.01 a 09.30.2021</b>							
<b>Income (loss)</b>							
Income from interest, provision of services and other income	395,611	1,020	47,497	-	-	104,105	548,233
Income (losses) from derivative financial instruments	843	21,199	-	-	-	39,495	61,537
Fund raising, administrative expenses and other	(54,676)	(41,615)	(12,630)	(30,552)	(138)	(4,006)	(143,617)

	12.31.2020						
	Conglom. Banco do Brasil	Votorantim S.A.	Financial Institution (1)	Non-financial Institution subsidiaries (2)	Key management personnel (3)	Others (4)	Total
<b>Assets</b>							
Funds available	972	-	-	-	-	-	972
Interbank deposit investments (5)	999,998	-	102,900	-	-	598,147	1,701,045
Securities and derivative financial instruments	-	109,703	-	-	-	1,971,994	2,081,697
Loans and leases	-	2,700	-	-	-	-	2,700
Other assets	13,422	9,608	20,837	23,034	431	15,676	83,008
<b>Liabilities</b>							
Demand deposits	(2,221)	(5,432)	(1,185)	(733)	(52)	(3,554)	(13,177)
Time deposits	(586,735)	(826,270)	-	(637,150)	(49)	(45,754)	(2,095,958)
Interbank accounts or relations	-	-	(145,443)	-	-	-	(145,443)
Money market repurchase	(739)	(91,905)	-	(608,406)	(135)	(1,919)	(703,104)
Funds for accepting and issuing bonds	(259,458)	(547,671)	-	-	(4,896)	-	(812,025)
Derivative financial instruments	-	(12,202)	-	-	-	(1,023,692)	(1,035,894)
Others liabilities	(5,802,007)	(36,355)	(15,367)	-	-	(105,905)	(5,959,634)
<b>07.01 a 09.30.2020</b>							
<b>Income (loss)</b>							
Income from interest, provision of services and other income	161,125	1,290	135,453	-	-	3,405	301,273
Income (losses) from derivative financial instruments	-	13,727	183	312	-	44,837	59,059
Fund raising, administrative expenses and other	(9,115)	(8,263)	(1,377)	(3,444)	(40)	(13)	(22,252)
<b>01.01 a 09.30.2020</b>							
<b>Income (loss)</b>							
Income from interest, provision of services and other income	349,528	1,317	1,109,505	-	-	13,078	1,473,428
Income (losses) from derivative financial instruments	(62,693)	176,678	5,435	6,359	-	440,889	566,668
Fund raising, administrative expenses and other	(35,842)	(41,713)	(8,927)	(14,766)	(162)	(13)	(101,423)

(1) Companies related in note no. 3. Does not include transactions between ventures.

(2) Includes Promotiva S.A., BVIA - BV Investimentos e Participações de Gestão de Recursos S.A., Votorantim Corretora de Seguros S.A., BV Empreendimentos e Participações S.A. and Atenas SP 02 Empreendimentos Imobiliários Ltda. Does not include transactions between ventures.

(3) Board of Directors and their respective advisory committees, Executive Board, Fiscal Council and family members (spouse, children and stepchildren) of key management personnel.

(4) Includes consolidated investment funds, subsidiaries of BVIA - BV Investimentos e Participações de Gestão de Recursos S.A. and subsidiaries of BV Empreendimentos e Participações S.A., as well as all companies in which key personnel hold an interest or in which they hold a statutory position. The list of funds is described in Note 3.

(5) Includes operations with an original maturity of 90 days or less classified as Cash and cash equivalents.

## 27. EMPLOYEES BENEFITS

The main benefits offered to the employees of the Conglomerate, provided for in the category collective agreement are health insurance, life insurance, dental care, meal and food vouchers, variable compensation programs and profit sharing. Among the mentioned benefits, we highlight the variable remuneration programs.

The short-term and long-term compensation programs: Conditional Variable Incentive, Long-Term Incentive and Virtual Stock Purchase Program, approved by the Board of Directors on May 10, 2012, were terminated in the 2016 competency exercise with effect until February 2021.

In the first semester of 2017, the Conglomerate implemented the new Variable Compensation Program. The directors and employees of the Conglomerate are eligible for the program. This program was approved by the Board of Directors on March 09, 2017.

**ILP Plan:** In 2021, the Conglomerate implemented a long-term incentive plan for executives, which consists of an expected right to receive in virtual shares, conditioned on the organization's performance over the time horizon, with the objective (i) attraction, motivation and retention of talents; (ii) alignment of executives' interests with the objectives and interests of shareholders; (iii) generation of results and sustainable creation of value; and (iv) creating a long-term vision. This plan lasts for 4 years.

Expenses whose expectation of realization stems exclusively from the provision of services to the Conglomerate by the beneficiaries of variable remuneration programs: in the period from January 1 to September 30, 2021 were recognized in the result of the Conglomerate, in Personnel Expenses – Proceeds R\$ 48,683 (R\$ 68,704 in the period from January 1 to September 30, 2020) in relation to long-term incentive transactions. Incentives generally become entitlement between 1 and no later than 4 years from the date of grant.

The following payments were made to employees related to the Long-Term Remuneration Programs:

Year of the program	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 a 09.30.2021	01.01 a 09.30.2020
2015	-	-	-	20,936
2016	-	718	27,625	7,243
2017	-	-	5,453	5,337
2018	-	-	674	6,329
<b>Total</b>	-	<b>718</b>	<b>33,752</b>	<b>39,845</b>

In September 30, 2021, the Conglomerate recorded under "Other liabilities - Provision for personnel expenses", the amount of R\$ 129.889 (R\$ 187.049 as of December 31, 2020).

Phantom share value is calculated a minimum on a quarterly basis and is based on the Conglomerate's income and on entries directly made to shareholders' equity accounts, as determined by prevailing accounting practices. From this change in shareholders' equity value, non-recurring movements will be excluded, individually evaluated and submitted to the Remuneration Committee, which will decide on its exclusion or not from shareholders' equity calculation basis to measure the value of the phantom shares.

#### Changes in phantom shares

	Parent company			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 a 09.30.2021	01.01 a 09.30.2020
<b>Opening quantity</b>	-	<b>10,801,381</b>	<b>12,792,843</b>	<b>17,620,394</b>
New / Updates	-	-	-	5,430,248
Paid	-	(42,101)	(12,743,493)	(12,176,768)
Expired	-	(91,237)	(49,350)	(205,831)
Transfer <sup>(1)</sup>	-	2,388,077	-	2,388,077
<b>Final quantity</b>	-	<b>13,056,120</b>	-	<b>13,056,120</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 a 09.30.2021	01.01 a 09.30.2020
<b>Opening quantity</b>	-	<b>14,843,371</b>	<b>14,137,436</b>	<b>24,125,108</b>
New / Updates	-	-	-	6,515,950
Paid	-	(103,535)	(14,088,086)	(15,542,082)
Expired	-	(184,355)	(49,350)	(543,495)
<b>Final quantity</b>	-	<b>14,555,481</b>	-	<b>14,555,481</b>

<sup>(1)</sup> Includes amounts related to the incorporation of the split portion of BV Financeira.

In addition to the benefits provided in the collective agreement category, the Conglomerate still offers other benefits, among which we highlight the private pension plan.

In March 2019, the defined contribution private pension plan was launched, in the Free Benefit Generation Plan and Life Generating Free Benefits modalities, where the Conglomerate, as a sponsor contributes to the formation of the amount to be converted to complementary post-employment retirement income. This new plan was approved by the Board of Directors on December 6, 2018.

The private pension program aims to (i) strengthen the long-term bond; (ii) awareness of financial planning; and (iii) supplement the retirement income.

## 28. CONTINGENT ASSETS AND LIABILITIES AND LEGAL, TAX AND SOCIAL SECURITY OBLIGATIONS

### a) Contingents Assets

Contingent assets are not recognized in the Interim Financial Statements in accordance with CMN Resolution 3,823/2009.

### b) Labor lawsuits

The Conglomerate is the defendant in labor lawsuits mostly filed by former employees. Provisions for probable losses represent several claim types, such as: Indemnities, overtime, working time exemption, supplement per function and representation, among other matters.

### c) Tax lawsuits

The Conglomerate is subject, to inspections made by tax authorities which may eventually generate assessments, for example: composition of the IRPJ/CSLL tax basis (deductibility); and discussion related to the levy of taxes, upon occurrence of certain economic facts. Most lawsuits deriving from tax assessments refer to Services tax, Income tax, Social contribution on net profit, PIS/Contribution for Social Security Funding and Employer Social Security Contributions. Some of them are guaranteed, when necessary, by escrow deposits made to suspend payment of taxes under discussion.

### d) Civil lawsuits

Basically refer to indemnity actions whose nature is as follows: challenge on contracts' total effective cost; review on contract conditions and charges; and fees.



**e) Provision for tax, civil and labor lawsuits - Probable loss**

The Conglomerate recognized a provision for tax, civil and labor lawsuits with “probable” risk of loss, classified on an individual or collective basis, according to the nature and/or value of the process.

The estimates of the outcome and the financial effect are determined by the nature of the actions, by the judgment of the entity’s Management, supplemented by the opinion of the legal counsel, based on the process elements and by the experience and complexity of similar claims.

The provision for tax, civil and labor lawsuits that was set up to cover the losses estimated, is considered sufficient by the Conglomerate’s Management.

**Contingent liability balances classified as probable**

	Parent company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Tax claims	46,382	37,235	57,795	53,301
Civil claims	251,483	259,758	265,141	273,612
Labor claims	403,413	470,740	423,882	491,785
<b>Total</b>	<b>701,278</b>	<b>767,733</b>	<b>746,818</b>	<b>818,698</b>

**e.1) Movements in provisions for tax, civil and labor demands classified as probable**

	Parent company			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 a 09.30.2021	01.01 a 09.30.2020
<b>Tax claims</b>				
Opening balance	39,236	5,731	37,235	5,653
Transfer <sup>(1)</sup>	-	31,116	-	31,116
Constitutions	9,663	-	9,747	30
Reversal of provision	-	(61)	(35)	(61)
Write-off due to payment	(3,551)	-	(3,562)	-
Updates	1,034	377	2,997	425
<b>Final balance</b>	<b>46,382</b>	<b>37,163</b>	<b>46,382</b>	<b>37,163</b>
<b>Civil claims</b>				
Opening balance	253,902	9,032	259,758	8,916
Transfer <sup>(1)</sup>	-	245,339	-	245,339
Constitutions	13,367	10	38,716	19
Reversal of provision	(11,489)	(4)	(36,158)	(25)
Write-off due to payment	(11,390)	(5)	(38,202)	(7)
Updates	7,093	4	27,369	134
<b>Final balance</b>	<b>251,483</b>	<b>254,376</b>	<b>251,483</b>	<b>254,376</b>
<b>Labor claims</b>				
Opening balance	442,294	89,859	470,740	89,291
Transfer <sup>(1)</sup>	-	454,189	-	454,189
Constitutions	34,750	27,419	148,492	40,480
Reversal of provision	(17,196)	(14,714)	(93,893)	(21,829)
Write-off due to payment <sup>(2)</sup>	(60,346)	(45,018)	(136,145)	(53,234)
Updates <sup>(3)</sup>	3,911	6,225	14,219	9,063
<b>Final balance</b>	<b>403,413</b>	<b>517,960</b>	<b>403,413</b>	<b>517,960</b>
<b>Total tax, civil and labor claims</b>	<b>701,278</b>	<b>809,499</b>	<b>701,278</b>	<b>809,499</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 a 09.30.2021	01.01 a 09.30.2020
<b>Tax claims</b>				
Opening balance	52,127	56,492	53,301	58,027
Constitutions	9,828	-	10,204	2,310
Reversal of provision	(31)	(79)	(144)	(369)
Write-off due to payment	(5,198)	-	(8,620)	(5,736)
Updates	1,069	857	3,054	3,038
<b>Final balance</b>	<b>57,795</b>	<b>57,270</b>	<b>57,795</b>	<b>57,270</b>
<b>Civil claims</b>				
Opening balance	267,803	271,165	273,612	261,263
Constitutions	14,941	16,625	43,730	44,828
Reversal of provision	(12,178)	(10,321)	(38,534)	(33,520)
Write-off due to payment <sup>(2)</sup>	(12,444)	(18,168)	(42,429)	(51,237)
Updates <sup>(3)</sup>	7,019	7,316	28,762	45,283
<b>Final balance</b>	<b>265,141</b>	<b>266,617</b>	<b>265,141</b>	<b>266,617</b>
<b>Labor claims</b>				
Opening balance	460,495	584,684	491,785	587,018
Constitutions	45,337	50,107	163,698	184,087
Reversal of provision	(20,402)	(29,160)	(100,928)	(83,098)
Write-off due to payment <sup>(2)</sup>	(65,574)	(74,391)	(145,360)	(175,520)
Updates	4,026	12,582	14,687	31,335
<b>Closing balance</b>	<b>423,882</b>	<b>543,822</b>	<b>423,882</b>	<b>543,822</b>
<b>Total tax, civil and labor claims</b>	<b>746,818</b>	<b>867,709</b>	<b>746,818</b>	<b>867,709</b>

<sup>(1)</sup> Includes in the Bank amounts referring to the merger of the spun-off portion of BV Financeira (note 2b).

<sup>(2)</sup> Refers to write-off for payment by judicial decision or agreement between the parties. The amount effectively paid is presented in note 22c and 22f.

<sup>(3)</sup> It includes inflation indexation and the effects of remeasurement of "unit prices", which compose the methodology for calculating losses.

## e.2) Estimated schedule of disbursements on September 30, 2021

	Parent company			Consolidated		
	Tax	Civil	Labor	Tax	Civil	Labor
Up to 5 years	26,017	251,483	403,413	32,493	265,141	423,882
From to 10 years	20,365	-	-	25,302	-	-
<b>Total</b>	<b>46,382</b>	<b>251,483</b>	<b>403,413</b>	<b>57,795</b>	<b>265,141</b>	<b>423,882</b>

Uncertain lawsuit duration and the possibility of changes in prior court judgments make disbursement schedule and values uncertain.

## e.3) (Provision) / reversal of provision for contingent liabilities

	Parent company <sup>(1)</sup>			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 a 09.30.2021	01.01 a 09.30.2020
Tax claims	(7,146)	(316)	(9,147)	(394)
Civil claims	2,419	(5)	8,275	(121)
Labor claims	38,881	26,088	67,327	25,520
<b>Total</b>	<b>34,154</b>	<b>25,767</b>	<b>66,455</b>	<b>25,005</b>

	Consolidated			
	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 a 09.30.2021	01.01 a 09.30.2020
Tax claims	(5,668)	(778)	(4,494)	757
Civil claims	2,662	4,548	8,471	(5,354)
Labor claims	36,613	40,862	67,903	43,196
<b>Total</b>	<b>33,607</b>	<b>44,632</b>	<b>71,880</b>	<b>38,599</b>

<sup>(1)</sup> Includes the appropriation in the result of the effects of contingent liabilities levied on businesses received from the merger of the spun-off portion of BV Financeira, after said event (Note 2b).

## f) Contingent liabilities - Possible loss

Amounts shown in the chart below represent estimated disbursement value in case the Bank receives a negative judgement. Claims are classified as possible when likelihood of loss is lower than probable and higher than remote.

### f.1) Balances of contingent liabilities classified as possible

	Parent company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Civil claims <sup>(1)</sup>	137,574	144,573	153,770	146,293
Labor claims <sup>(2)</sup>	256,624	244,676	279,701	280,774
Tax claims (Note 28.f.1.1)	1,865,316	1,878,755	2,112,924	2,075,715
<b>Total</b>	<b>2,259,514</b>	<b>2,268,004</b>	<b>2,546,395</b>	<b>2,502,782</b>

<sup>(1)</sup> Refer, basically, to collection actions.

<sup>(2)</sup> Refer to lawsuits filed, mostly, by former employees, whose nature of the claims involves indemnification, overtime, mischaracterization of working hours, additional function and representation and others.

**f.1.1) Main lawsuits of tax nature classified as possible loss**

Possible causes description - Tax	Parent company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
INSS without profit sharing <sup>(1)</sup>	626,688	605,577	648,060	626,602
IRPJ - FINOR	23,297	23,038	27,338	27,041
ISS	21,547	20,029	37,873	21,199
INSS on profit sharing - Nassau Branch	41,456	39,175	41,456	39,175
PIS/COFINS on demutualization	21,968	21,810	46,341	46,001
IRPJ on undue offset of tax loss - Gratuities to statutory officers	29,808	27,199	29,808	27,199
IRPJ/CSLL - Deduction Allowance for loan losses 2008 <sup>(2)</sup>	165,312	118,497	165,312	118,497
Infringement Fine (non-homologation of DCOMP)	-	47,013	-	47,013
IRPJ/CSLL - Assessment notice: improper exclusion of premium arose on acquisition of securities	24,560	24,047	24,560	24,047
IRRF from remittances abroad: impossibility of compensation	49,614	49,035	49,614	49,035
PF and BNCSLL: excess of compensation AB 2012	92,036	90,693	92,036	90,693
IRPJ/CSLL on JCP cumulatively distributed of previous periods <sup>(3)</sup>	110,319	109,172	136,285	134,692
IPVA - Third parties <sup>(4)</sup>	189,243	232,824	195,859	240,183
INSS - Benefits (VA/VR)	23,148	22,762	23,148	22,762
IRPJ/CSLL - Deduction Allowance for loan losses 2014	312,879	307,622	312,879	307,622
ISS VRG <sup>(5)</sup>	-	-	136,519	109,841
Others causes	133,441	140,262	145,836	144,113
<b>Total</b>	<b>1,865,316</b>	<b>1,878,755</b>	<b>2,112,924</b>	<b>2,075,715</b>

<sup>(1)</sup> Refer to assessments drawn up by the Brazilian Internal Revenue Service that deal with the collection of Social Security Contribution calculated on the amounts paid by companies as PLR supposedly in disagreement with the rules established by Law n°. 10,101/2000.

<sup>(2)</sup> Refer to assessments drawn up on the Brazilian Internal Revenue Service alleging the improper deduction of losses in Loans for allegedly not meeting legal requirements.

<sup>(3)</sup> Refer to the possibility of distribution of the accumulated JCP based on the profits earned in previous years, within the legal limit of 50% of the profit calculated in the distribution year.

<sup>(4)</sup> Refer to the liability for the payment of the IPVA of vehicles financed with fiduciary disposal in fiduciary creditor guarantee only in cases where they make the guarantee.

<sup>(5)</sup> Refer to the discussion on the incidence of ISS on the Guaranteed Residual Value - VRG charged by the company in leases held in the period from 2014 to 2017.

**g) Deposits as collateral**
**Balances of escrow deposits recognized for contingencies**

	Parent company		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Tax claims	202,648	198,072	237,083	233,648
Civil claims	154,053	162,221	167,963	177,693
Labor claims	188,984	266,560	190,219	268,205
<b>Total</b>	<b>545,685</b>	<b>626,853</b>	<b>595,265</b>	<b>679,546</b>

**h) Legal obligations**

Consolidated keeps the legal obligation in the amount of R\$ 53.058 (R\$ 45.662 as of December 31, 2020) and the Bank registered the amount of R\$ 46.803 (R\$ 40.684 as of December 31, 2020), the main discussion of which is in a declaratory action in which the isintended to remove the incidence of ISS on revenue stemming from endorsement operations , bail and Others guarantees provided, as well as obtaining the refund of the amounts paid in such a capacity in the last five years, the amount provisioned at the Bank is R\$ 30.494 (R\$ 26.560 at December 31, 2020).

The other actions refer to PIS LC 07/70, ISS Deduction in the PIS and COFINS calculation basis and FAP - Accident Protection Factor.

**i) Public civil lawsuits**

Conglomerate has contingent liabilities involving public civil actions in which, based on the analysis of the legal advisors and/or assessment of internal lawyers, the risk of loss is considered possible. Depending of their current stage of completion, measurement of amounts involved in these lawsuits could not be determined with accuracy, while the possibility of loss depends on the qualification of the clients interested in the lawsuit.

Main themes discussed in these lawsuits, which we can highlight are lawsuits of collection of tariffs and issues involving payroll credit to INSS retirees and pensioners, and CDC (direct credit to consumers).

**29. RISK AND CAPITAL MANAGEMENT**
**1) Risk management process**

The integrated risk-management approach includes adopting instruments to ensure that material risks incurred by the Conglomerate. This approach aims to organize the decision process and define the mechanisms that establish risk appetite and risk level that is acceptable and compatible with the volume of capital available, in line with the business strategy adopted.

The Institution has a group of risks considered to be material, whose approving is done periodically by the Board of Directors. For each listed risk an assessment the most appropriate treatment is done (Management, Hedge / Insurances or Capitalization) with the goal to address the best monitoring and controlling way of each exposure. Risks considered to be material in the reference date are:

- Credit risk;
- Counterpart credit risk;
- Credit concentration risk;
- Market risk;
- Interests rate variation of banking portfolio risk (RBAN);
- Liquidity risk;
- Operational risk;
- Reputation risk;
- Strategy risk;
- Socio-environmental risk;
- Climate risk.
- Models risk;
- Compliance risk;
- Underwriting risk;
- Collateral risk;
- Cyber security risk;
- Contagion risk; and

The levels of risk exposure are monitored through a risk limit framework, incorporated into the Conglomerate's daily activities. Senior Management is involved by following through and performing actions that are necessary for risk management.

Compliance framework for capital and risks management comprise the entire Prudential Conglomerate and is composed, besides the respective teams and directors responsible for risks and ALM (Asset Liability Management), also for collegiate forums, domestic and corporative, formally organized and with ranges representatives. Each compliance board have role, scope and composition determined by normative, that orientates about the rules, responsibilities and limits according to business strategies and market scenarios. Main forums are:

- Board of Controls and Risks and Board of ALM and taxes are the main internal management forums of risk and capital. In addition, the Executive Board (ComEx) has by assignment the general supervision of such matters.
- Board of Risks and Capital (CRC) is in charge of assist the Board of Directors, in accordance with Resolution no. 4,557 from BACEN, in the creation of a capital allocation strategy for the Conglomerate, in note to the risk appetite statement (RAS) and in the risk and capital monitoring, besides coordinate its activities with the Audit Board (COAUD), in order to turn the exchange of information easy, the necessary adjustments to the risks and capital compliance framework and guarantee the effective treatment to the risks the Conglomerate is exposed.

Risk appetite consists in risk statement that the Institution is inclined to accept to reach its goals, and is tracked through the indicators and its respective limits. Risks appetite statement is approved by the Board of Directors and reflects the expectation of the Senior Management and orientates the strategic planning and budget, permeating the Institution. As of this certificate, its monitoring happens through a dashboard composed by indicators and limits that are monthly followed-up in the competent ranges, besides shares, complementary monitoring and specific projects.

The Conglomerate has general and specific structures and policies for risk and capital management, in accordance with CMN Resolution No. 4,557, approved by the Board of Directors and the basic principles observed in the management and control of risks and capital were established in accordance with current regulations and market practices.

In addition emphasize that the Institution realizes the Internal Capital Adequacy Assessment Process (ICAAP), in line with CMN Resolution No. 4,557, Bacen Circular No. 3,911 and Bacen Circular-letter No. 3,907, and the respective report is annually disclosed to Bacen, comprising the plan of capital, stress test, plan of capital and management contingencies and the assessment of capital need before the relevant risks the Institution is exposed, among other subjects.

Detailed information on the risk and capital management process can be observed in the document "Risk and Capital Management Report", prepared based on compliance with BCB Resolution No. 54/2020, available on the Investor Relations website at [www.bancobv.com.br/ri](http://www.bancobv.com.br/ri). Below are the definitions of the main risks of the Conglomerate.

#### **a) Credit risk**

Credit Risk is defined as the possibility of occurrence of losses associated to:

- Non-compliance by the counterparty (the borrower, the guarantor or the issuer of securities or securities acquired), from its obligations under the terms agreed upon;
- Devaluation, reduction of remuneration and expected gains in financial instruments arising from the deterioration of the credit quality of the counterparty, the intervening party or the mitigating instrument;
- Restructuring of financial instruments; and
- Costs of recovery of exposures of problematic assets.

**a.1) Financial guarantees provided**

	Parent company and Consolidated			
	09.30.2021		12.31.2020	
	Guaranteed values	Provision	Guaranteed values	Provision
Linked to bids, auctions, provision of services or execution of works	931,570	3,342	694,486	2,481
Guarantee or surety in judicial and administrative tax proceedings	3,274,075	165,766	3,314,308	166,517
Linked to the distribution of securities by public offering	256,410	82	54,733	274
Other bank guarantees	2,574,080	34,671	2,697,807	49,252
Other financial guarantees provided	163,525	3	180,782	6
<b>Total</b>	<b>7,199,660</b>	<b>203,864</b>	<b>6,942,116</b>	<b>218,530</b>

**b) Liquidity risk**

Liquidity risk is defined as:

- Possibility of the Conglomerate not being able to effectively honor expected and unexpected current and future obligations, including those deriving from guarantee binding, without affecting its daily operations and without incurring significant losses; and
- Possibility that the Conglomerate not be able to trade a position at market price due to its large size in relation to the usually traded volume, or due to market discontinuity.

**c) Operational risk**

Operational risk is defined as the possibility of occurrence of losses resulting from external events or from failure, deficiency or inadequacy of internal processes, people or systems.

This definition includes the Legal Risk associated with inadequacies or deficiencies in contracts signed by the Conglomerate, penalties for noncompliance with legal provisions and indemnities for damages to third parties arising from the activities developed by the Conglomerate. Operational risk events include:

- Internal and external fraud;
- Labor claims and poor workplace safety;
- Inadequate practices regarding customers, products and services;
- Damage to physical assets owned or in use by the Conglomerate;
- Situations that lead to the disruption of the activities of the Conglomerate;
- Failures in information technology systems, processes or infrastructure; and
- Failure to execute, comply with deadlines or manage the activities of the Conglomerate.

**d) Market risk**

Market risk is defined as the possibility of financial losses arising from the variation in the fair value of exposures held by a financial institution. These financial losses may be incurred due to the impact produced by the variation of risk factors, such changes in interest rates, exchange rates, and stock or commodity prices.

**d.1) Sensitivity analysis**

Conglomerate uses two methodologies for sensitivity analysis of its exposures:

**Sensitivity analysis 1**

Initially, it uses the application of parallel shocks on most relevant risk factor curves. The purpose of this method is to simulate effects on the fair value of the Conglomerate portfolio in view of possible scenarios, which consider possible fluctuations in market interest rates. Two possible scenarios are simulated in which analyzed risk would be increased or reduced by 100 base points.

**Trading portfolio**

Risk Factor	Concept	Exposure	Basic interest rate shock			
			09.30.2021		12.31.2020	
			+ 100 bps	- 100 bps	+ 100 bps	- 100 bps
Fixed rate	Fixed interest rate variation risk	950,863	1,034	(1,013)	(1,412)	1,384
Foreign currency coupons	Foreign currency coupon exchange movements	966,392	8,693	(8,521)	10,669	(10,458)
Price indexes	Price indexes coupons variation risk	30,984	(606)	594	(703)	689

**Carteira trading e banking**

Risk Factor	Concept	Exposure	Basic interest rate shock			
			09.30.2021		12.31.2020	
			+ 100 bps	- 100 bps	+ 100 bps	- 100 bps
Fixed rate	Fixed interest rate variation risk	(4,675,415)	(177,295)	173,784	(184,375)	180,724
Foreign currency coupons	Foreign currency coupon exchange movements	2,347,568	88,773	(87,015)	120,641	(118,252)
Price indexes	Price indexes coupons variation risk	846,818	(10,058)	9,859	(11,205)	10,984
TR/TBF	Risk of TR (reference rate) and TBF (basic financial rate) coupon variation	27,383	104	(102)	199	(195)

**Sensitivity analysis 2**

Simulations that measure the effect of changes in market and price curves on Conglomerate exposures for the purpose of simulating effects on income of three specific scenarios, as follows:

• **Scenario 1** - In the construction of this scenario, the coins suffer shocks of 1% on the closing value. The stressed value of the U.S. dollar (BM&F's DOL-CL) would be R\$5.4429 (101% from R\$5.4973) (R\$5.2297 as of December 31, 2020). The shocked BOVESPA index is 112,089 points, equivalent to 101% of the closing value as of September 30, 2021 (120,603 points as of December 31, 2020). Pre-fixed interest curves, price index coupons, foreign currency coupons and other interest rate coupons suffer parallel shocks of 10 basis points, i.e. all values, regardless of term, increase or decrease by 0.10%.

• **Scenario 2** - Scenario where currencies and the BOVESPA index suffer shocks of 25% and interest rates suffer parallel shocks of 25% on the closing value. The pre rate, on September 30, 2021, for the one-year term is 8.9872% (2.8590% as of December 31, 2020). Thus, the entire curve is shocked by 2.25% more or less, according to the hypothetical result generated (0.71% as of December 31, 2020).

• **Scenario 3** - Scenario where currencies and the BOVESPA index suffer shocks of 50% and interest rates suffer parallel shocks of 50% on the closing value.

In the analysis made for operations classified in the banking portfolio, the valuation or devaluation due to changes in interest rates and market prices do not represent a significant financial and accounting impact on the results of the Conglomerate. This is because this portfolio is mainly composed of credit operations, borrowings and securities, whose accounting record is carried out mainly at the rates agreed upon when the operations were contracted. In addition, the main characteristic of these portfolios is the accounting classification of financial assets measured at fair value through other comprehensive results and, therefore, the effects of interest rate or price fluctuations are reflected in shareholders' equity and not in results. There are also operations naturally linked to other instruments (natural hedge), thus minimizing the impacts in a stress scenario.

The tables below summarize the results for the trading portfolio, composed of public and private securities, derivative financial instruments and funds raised through repurchase agreement operations, and banking, presenting the amounts observed on each reference date:

**Trading portfolio**

Risk Factor / Concept	Exposure	Scenario I		Scenario II		Scenario III	
		Movements of rates	Income (loss)	Movements of rates	Income (loss)	Variation of taxes	Result
	09.30.2021						
Fixed rate / Fixed interest rate variation risk	950,863	Increase	104	Decrease	(2,785)	Decrease	(6,673)
Foreign currency coupons / Foreign currency coupon exchange movements risk	966,392	Increase	3,580	Decrease	(2,960)	Decrease	(5,966)
Foreign exchange movements / Exchange rate movements risk	1,637,922	Increase	16,461	Decrease	(420,228)	Decrease	(850,088)
Price index / Price indexes coupons variation risk	30,984	Increase	(60)	Increase	(318)	Increase	(615)
Other / Other coupons movements risk	11,131	Increase	108	Decrease	(3,022)	Decrease	(6,069)
	12.31.2020						
Fixed rate / Fixed interest rate variation risk	656,318	Increase	(140)	Increase	(1,082)	Increase	(2,341)
Foreign currency coupons / Foreign currency coupon exchange movements risk	(68,618)	Increase	1,078	Decrease	(2,324)	Decrease	(4,674)
Foreign exchange movements / Exchange rate movements risk	(155,881)	Increase	(1,523)	Increase	(26,443)	Increase	(30,705)
Price index / Price indexes coupons variation risk	16,076	Increase	(70)	Increase	(313)	Increase	(614)
Other / Other coupons movements risk	-	Maintenance	-	Maintenance	-	Maintenance	

**Trading and Banking Portfolio**

Risk Factor / Concept	Exposure	Scenario I		Scenario II		Scenario III	
		Movements of rates	Income (loss)	Movements of rates	Income (loss)	Movements of rates	Income (loss)
	09.30.2021						
Fixed rate / Fixed interest rate variation risk	(4,675,415)	Increase	(17,043)	Increase	(372,586)	Increase	(725,561)
Foreign currency coupons / Foreign currency coupon exchange movements risk	2,347,568	Increase	13,947	Decrease	(28,706)	Decrease	(57,686)
Foreign exchange movements / Exchange rate movements risk	(211,550)	Increase	(2,106)	Increase	(54,130)	Increase	(118,907)
TJLP / TJLP coupon movements risk	(20,197)	Increase	(3)	Increase	(21)	Increase	(40)
TR/TBF / TR (reference rate) and TBF (basic financial rate) coupon variation risk	27,383	Increase	210	Maintenance	-	Maintenance	-
Price index / Price indexes coupons variation risk	846,818	Increase	(1,421)	Increase	(8,503)	Increase	(16,498)
Other / Other coupons movements risk	12,766	Increase	108	Decrease	(3,022)	Decrease	(6,069)
	12.31.2020						
Fixed rate / Fixed interest rate variation risk	16,373,558	Increase	(16,897)	Increase	(119,848)	Increase	(237,485)
Foreign currency coupons / Foreign currency coupon exchange movements risk	(7,091,414)	Increase	11,651	Decrease	(32,808)	Decrease	(65,909)
Foreign exchange movements / Exchange rate movements risk	(337,278)	Increase	(2,582)	Increase	(51,297)	Increase	(76,646)
TJLP / TJLP coupon movements risk	(29,586)	Increase	12	Decrease	(70)	Decrease	(141)
TR/TBF / TR (reference rate) and TBF (basic financial rate) coupon variation risk	35,152	Increase	342	Maintenance	-	Maintenance	-
Price index / Price indexes coupons variation risk	591,925	Increase	(1,111)	Increase	(5,188)	Increase	(10,090)
Other / Other coupons movements risk	14,414	Maintenance	-	Maintenance	-	Maintenance	-

**d.2) Stress tests**

The Conglomerate uses stress measures resulting from simulations of their exposures subject to market risks under extreme conditions, such as financial crises and economic shocks. These tests aim at measuring impacts of events that are plausible but not likely to occur. The Conglomerate test program on market risk stress uses evaluation methods based on retrospective tests.

**Retrospective tests**

The retrospective test on stress estimates Bank's consolidated portfolio exposure variation by applying shocks to risk factors that are equivalent to those recorded in historic market stress periods, considering the following parameters:

- Extension of historic series to determine the scenarios: from 2005 to reference base date;
- Maintenance period: 10-business-day accumulated returns;
- Test frequency: daily

Results of retrospective stress tests intent to assess the capacity to absorb great losses and identify possible measures to reduce institution's risks.



For the estimates of gains and losses of the retrospective stress test in the consolidated portfolio, on September 30, 2021 and based on the perception of Management regarding the behavior of shares, commodities, foreign currencies and interest rates, two scenarios were used:

**Scenario I** - In this Scenario, interest curves suffer positive parallel shocks; the exchange rate (reais/dollar) considered is R\$ 6,37 (R\$ 5,86 at December 31, 2020); commodities suffer positive shocks of 10% on the closing value as of September 30, 2021; and a negative variation of -15.28% is applied in the BOVESPA Index (the same rates were used on December 31, 2020).

**Scenario II** - In this Scenario the interest curves suffer parallel shocks negAssets; the exchange rate (reais/dollar) considered is R\$ 5,02 (R\$ 4,62 at December 31, 2020); commodities suffer negAssets shocks of 10% on the closing value as of September 31, 2021; and a positive variation of 24.49% of the BOVESPA Index is applied (the same rates were used on December 31, 2020).

Chart amounts represent greatest losses and gains of the Consolidated Portfolio considering scenarios of the historic series used for the simulation.

Results of the retrospective stress test on consolidated portfolio, in accordance with the Conglomerate's market risk stress test program, are as follows.

#### Estimates of retrospective stress test greatest losses - Consolidated portfolio

Risk Factor	09.30.2021		12.31.2020	
	Exposure	Stress <sup>(1)</sup>	Exposure	Stress <sup>(1)</sup>
Shares	12,766	(7,615)	14,414	-
Foreign currencies	(211,550)	(31,195)	(337,278)	(42,530)
Interest rate	(1,473,843)	(292,132)	9,879,634	(309,818)
<b>Total</b>	<b>(1,672,626)</b>	<b>(330,942)</b>	<b>9,556,770</b>	<b>(352,348)</b>

#### Estimates of retrospective stress test greatest gains - Consolidated portfolio

Risk Factor	09.30.2021		12.31.2020	
	Exposure	Stress <sup>(1)</sup>	Exposure	Stress <sup>(1)</sup>
Shares	12,766	8,505	14,414	-
Foreign currencies	(211,550)	19,622	(337,278)	41,462
Interest rate	(1,473,843)	220,169	9,879,634	196,501
<b>Total</b>	<b>(1,672,626)</b>	<b>248,296</b>	<b>9,556,770</b>	<b>237,963</b>

<sup>(1)</sup> The optimistic and pessimistic stress tests for the group of stocks are done only under the BOVESPA index.

#### d.3) Fair value hierarchy

Calculation of fair value is subject to a control structure defined to assure that the calculated amounts are determined by a department that is independent from the risk taker.

Fair value is determined according to the following hierarchy:

- **Level 1:** prices quoted (not adjusted) in active market;
- **Level 2:** inputs which are observable for assets or liabilities, directly (prices) or indirectly (derived from prices); and
- **Level 3:** assumptions which are not based on observable market data (unobservable inputs). Involve the use of quantitative methods that use market references and unobservable data in the market in producing its estimates.

The amounts calculated for the instruments classified at level 3 for September 30, 2021 and December 31, 2020 are not material.

The following table presents financial instruments recorded at fair value on September 30, 2021 and December 31, 2020, classified at the different hierarchical levels of fair value measurement:

Consolidated	09.30.2021			
	Level 1	Level 2	Level 3	Total
<b>Asset</b>				
Hedged interbank investments (Nota 10f)	-	80,111	-	80,111
Securities (Nota 9a)	16,777,421	6,252,105	673,106	23,702,632
Trading securities	3,780,128	1,180,910	-	4,961,038
Securities available to sale	12,997,293	5,071,195	673,106	18,741,594
Derivatives financial instruments (Nota 10a)	21,846	4,272,546	-	4,294,392
Hedged loan portfolio (Nota 10g)	-	17,240,608	-	17,240,608
<b>Total</b>	<b>16,799,267</b>	<b>27,845,370</b>	<b>673,106</b>	<b>45,317,743</b>
<b>Liability</b>				
Money market repurchase commitments - Free portfolio (Nota 17c)	-	(485,524)	-	(485,524)
Derivatives financial instruments (Nota 10a)	(41,820)	(2,987,577)	-	(3,029,397)
<b>Total</b>	<b>(41,820)</b>	<b>(3,473,101)</b>	<b>-</b>	<b>(3,514,921)</b>

Consolidated	12.31.2020			
	Level 1	Level 2	Level 3	Total
<b>Asset</b>				
Hedged interbank investments (Note 10f)	-	501,451	-	501,451
Securities (Note 9a)	19,907,487	4,427,674	575,439	24,910,600
Trading securities	5,178,398	1,101,299	-	6,279,697
Securities available to sale	14,729,089	3,326,375	575,439	18,630,903
Derivatives financial instruments (Note 10a)	849,482	2,771,658	-	3,621,140
Hedged loan portfolio (Note 10f)	-	18,985,162	-	18,985,162
<b>Total</b>	<b>20,756,969</b>	<b>26,685,945</b>	<b>575,439</b>	<b>48,018,353</b>
<b>Liability</b>				
Money market repurchase commitments - Free portfolio (Note 17c)	-	(2,525,751)	-	(2,525,751)
Derivatives financial instruments (Note 10a)	(929,988)	(2,675,669)	-	(3,605,657)
<b>Total</b>	<b>(929,988)</b>	<b>(5,201,420)</b>	<b>-</b>	<b>(6,131,408)</b>

The fair value of financial instruments traded in active markets (such as securities held for trading and available for sale) is based on market prices quoted on the balance sheet date. A market is seen as active if quoted prices are readily and regularly available from an exchange, distributor, broker, industry group, pricing service or regulatory agency, and those prices that represent actual market transactions and occur regularly on a purely commercial.

The best evidence of fair value is the price quoted in an active market. Most valuation techniques use observable market inputs, characterizing a high degree of confidence in the estimated fair value.

According to the levels of information in the measurement of fair value, the following evaluation techniques are applied:

The fair value determined for financial instruments classified as level 1 assumes the pricing, at the daily minimum, through price quotes, indices and rates immediately available for non-forced transactions and originating from independent sources.

In cases where quoted market prices are not available, fair values are obtained by using quoted prices for similar assets and liabilities in active markets, or through future cash flows discounted to present value at discount rates obtained through observable market inputs or other valuation techniques based on mathematical methods that use market references.

In this context, the fair value of financial instruments that are not negotiated on active markets (for example, over the counter derivatives) is determined based on evaluation techniques. These valuation techniques maximize the use of the data adopted by the market where it is available and rely as little as possible on entity-specific estimates. If all relevant information required for the fair value of an instrument is adopted by the market, the instrument is included in level 2.

For the fair value of financial instruments classified as level 3, there is no pricing information observable in active markets. The Conglomerate uses pricing criteria based on mathematical models known in the academic environment and/or use specific governance with the participation of experts and structured internal processes.

For non-listed shares, currently classified at level 3, the process of fair value assessment uses the Merton model, considering the expected cash flows, subject to the conditions defined in the contract, and evaluates the behavior of the company's assets (information of the companies' financial statements) by estimating the volatility of the assets. This parameter is generated based on the historical volatility of similar assets observable on the market.

The quality of and adherence to the models used are guaranteed through a structured governance process. The areas responsible for defining and implementing the pricing models are segregated from the business areas. The models used are documented and submitted to validation of an independent area and approved by the Market Risk Committee.

#### (i) Transfers of level 3

Consolidated	Balance in 12.31.2020	01.01 a 09.30.2021		Balance in 09.30.2021
		Additions / (Settlements)	Income (loss) / Other changes	
Assets				
Securities				
Securities for trading	575,439	61,898	35,769	673,106
Securities available to sale	575,439	61,898	35,769	673,106

Consolidated	Balance in 12.31.2019	01.01 a 09.30.2020		Balance in 12.31.2020
		Additions / (Settlinents)	Income (loss) / Other changes	
Assets				
Securities				
Securities available to sale	216,043	401,308	(41,912)	575,439
Total	216,043	401,308	(41,912)	575,439

#### d.4) Fair value of financial instruments measured at adjusted cost

Financial instruments registered in equity accounts, compared to fair value:

Consolidated	09.30.2021		12.31.2020	
	Book value	Fair value	Book value	Fair value
<b>Assets</b>	<b>54,673,568</b>	<b>54,099,102</b>	<b>44,474,890</b>	<b>44,790,370</b>
Securities - Held to Maturity (Note 9a)	12,026,245	11,451,737	9,287,610	9,598,667
Loan portfolio (Notes 12a / 29.1.d.3)	42,647,323	42,647,365	35,187,280	35,191,703
<b>Liabilities</b>	<b>(86,524,820)</b>	<b>(88,914,967)</b>	<b>(85,606,518)</b>	<b>(88,666,002)</b>
Money market repurchase commitments (Notes 17c / 29.1.d.3)	(17,541,466)	(17,713,720)	(12,503,078)	(13,095,974)
Deposits (Note 17a)	(23,954,120)	(24,762,531)	(25,510,391)	(25,919,341)
Borrowings and transfers from Brazilian government (Onlendings) (Note 18)	(4,341,135)	(4,615,223)	(3,745,402)	(4,294,627)
Securities issued (Note 19)	(36,874,959)	(37,623,592)	(40,154,521)	(41,295,284)
Subordinated debts and debt instruments eligible for capital (Note 20)	(3,813,140)	(4,199,901)	(3,693,126)	(4,060,776)
<b>Total</b>	<b>(31,851,252)</b>	<b>(34,815,865)</b>	<b>(41,131,628)</b>	<b>(43,875,632)</b>

#### d.5) Determination of the Fair Value of Financial Instruments

**Securities:** Securities classified in the “trading” and “available for sale” categories are accounted by their fair value, based on the collection of market information and the use of standardized mark-to-market methodologies, generally based on the discounted cash flow method. For the calculation of fair value, the aforementioned techniques are also applied to securities classified in the “held to maturity” category.

**Loan and lease operations:** Loan operations allocated to Hedge Accounting programs, of the market risk hedge type, are accounted by their fair value. For leasing operations, the fair value was calculated based on discounted future flow values considering current market rates and for other operations, the book value was considered an equivalent approximation of the fair value.

**Deposits:** For time deposit operations, discounted future flow amounts were used for the calculation of fair value considering current market rates. For demand deposits, the book value was considered as fair value.

**Money market purchase commitment:** For variable rate commitments, it was considered the book value as an equivalent approach to fair value. For fixed rate commitments, it was used the values of discounted future flow to calculate fair value, considering present market rates.

**Borrowings and onlendings:** It was taken into account the fair value of this group operations equals to its book value.

**Securities issued:** For the operations of this group, the book value was considered as an approximation equivalent to the fair value. For fixed-rate transactions, the discounted future flows values were used to calculate the fair value considering current market rates.

**Subordinated debt and debt instruments eligible for equity:** For the operations of this group, the discounted future flow values were used to calculate the fair value, considering the prevailing market rates.

#### e) Socio-environmental risk

In September 2021, the Central Bank of Brazil and the National Monetary Council published a series of regulatory actions with a prudential focus to improve the rules for managing social, environmental and climate risks (RSAC).

In this context, CMN Resolution No. 4,943 (effective from Jul/22 for an institution classified under S2, which is the case of Bank BV) redefines social and environmental risk and introduces the concept of climate risk. Social risk is related to practices that violate fundamental rights and guarantees or common interests. Environmental risk is associated with acts of environmental degradation. The climate risk is divided into: (i) transition risk, related to the transition process to a low-carbon economy, and (ii) physical risk, related to the occurrence of frequent and severe weather or long-term environmental changes, which can be associated with changes in weather patterns.

The management of social and environmental risk by the Conglomerate is led by the Corporate Policy of Sustainability and Social and Environmental Responsibility (PSRSA). This policy complies with the provisions of CMN Resolution No. 4,327/2014 and the self-regulation Febraban SARB No. 14, guiding the behavior of companies of the Votorantim Financial Economic Conglomerate with regard to socio-environmental business practices and relationships with stakeholders.

The importance of the theme to the Institution, Bank BV's risk appetite (RAS) includes an exclusive dimension on socio-environmental risk, and the indicator is monitored monthly and reported to the Controls and Risks Committee (CCR), Risk and Capital Committee (CRC) and Board of Directors (CA).

BV's socio-environmental risk management structure is responsible for identifying, classifying, evaluating, monitoring, mitigating and controlling the socio-environmental risk associated with the institution's activities and operations, in view of the principles of relevance and proportionality of CMN Resolution No. 4,327/2014.

Social and environmental risk management observes the applicable environmental legislation, as well as assesses the social and environmental aspects with which the customer or supplier is involved, in order to support decision-making by the competent areas during the credit granting processes, evaluation of real estate guarantees and approval of suppliers.

The socio-environmental risk management procedures during the granting of credit are carried out through analysis methodologies that determine the Socio-Environmental Rating, inserted in the process of attributing the Credit Rating.

The Conglomerate is a signatory of the Equator Principles, a global initiative that establishes guidelines for the identification, assessment, and management of environmental and social risks in Project Finance (in operations over US\$ 10 million) and corporate financing for projects. These guidelines also stipulate a minimum standard for carrying out due diligence during the implementation of these ventures and assist in making credit decisions.

## 2) Capital management

Capital management in the Conglomerate is carried out with the objective of ensuring compliance with regulatory limits and establishing a solid capital base that enables the development of business and operations in accordance with the Conglomerate's strategic plan.

In accordance with Resolutions no. 4,557, of National Monetary Council (CMN), and Bacen Circular no. 3,846, the Conglomerate has structure and policies for capital management approved by the Board of Directors, in compliance with Internal Capital Adequacy Assessment Process (ICAAP), contemplating the following items:

- Capital management through a continuous process of planning, evaluating, controlling and monitoring the capital needed to deal with the relevant risks;
- Documented policies and strategies;
- Specific forums to compose strategies and manage the use of capital;
- Capital Plan for three years, including Capital targets and projections, main funding sources and Capital contingency plan;
- Stress tests and their impacts on Capital;
- Managerial reports to the Senior Management (Executive Board and Board of Directors);
- Evaluation of Capital Adequacy in the Regulatory and Economic View; and
- Report to the regulator regarding capital management, through the Statement of Operational Limits and Annual Report of ICAAP.

In addition, analyzes of the feasibility of repurchasing instruments eligible for capital with redemption clauses are performed, whenever pertinent.

### a) Capital sufficiency (Regulatory view)

Capital management in institution is done aiming to guarantee adequacy for regulatory limits and establishment of a solid capital basis that make possible business developments and operations according to strategic plan of the institution.

Aiming at assessing capital adequacy to address associated risks and compliance with regulatory operational limits, the institution annually prepares a Capital Plan considering growth projections for the loan portfolio and other operations and assets.

Monthly after the calculation of the Referential Equity (PR, in portuguese) and Required Capital, management reports for monitoring the capital allocated to risks and capital ratios (Basel, Level I and Principal) are published for the areas involved.

#### a.1) Capital ratios

Capital ratios are calculated according to the criteria set by CMN Resolutions no. 4,192 and no. 4,193, which refer to the calculation of Reference Equity (PR, in portuguese) and Minimum Required Reference Equity (MRE) in relation to Risk Weighted Assets (RWA), respectively, as follows:

- Basel Index (PR / RWA);
- Principal Capital Index (Principal Capital / RWA);
- Level I Index (Level I / RWA).

The Leverage Ratio (RA), as established in the circular, is defined by the ratio of Level I to the Total Exposure of the Conglomerate. The minimum limit of the Leverage Ratio (RA) is 3%, according to Resolution no. 4,615 of the National Monetary Council.

CMN Resolution no. 4,192/ 2013 defines the following items related to prudential adjustments deducted in full from Reference Equity since January 2018:

- (i) goodwill paid on acquisition of investments based on expected future income net of deferred tax liabilities;
- (ii) intangible assets formed as from October 2013;
- (iii) actuarial assets related to defined benefit pension plans net of related deferred tax liabilities associated to them;
- (iv) Investments in a) entity similar to unconsolidated financial institution, insurance company, reinsurer, capitalization company and open entity of supplementary pension; and b) an institution authorized to operate by The Central Bank of Brazil or in an institution located abroad that has an activity equivalent to that of a financial institution in Brazil, which does not compose the conglomerate;
- (v) participation of non-controlling shareholders in the capital of a) subsidiary that is an institution authorized to operate by Bank Central do Brasil; and b) subsidiary abroad that has an activity equivalent to that of a financial institution in Brazil;
- (vi) tax credits arising from temporary differences that depend on the generation of profits or future tax revenues for their realization;
- (vii) tax credits from tax losses arising from the supervening of depreciation;
- (viii) tax credits arising from tax losses and negative social contribution base on net income. The Conglomerate considers the effects of the application of CMN Resolution No. 4,851/2020, which authorizes financial institutions to stop deducting from the Principal Capital, until 12.31.2021, the tax credits of tax losses arising from a short position in foreign currency carried out for the purpose to provide hedge for its participation in investments abroad. After 01.01.2022, tax credits must be included with the following schedule: at least 50%, by 06.30.2022 and 100% by 12.31.2022;
- (ix) permanently differed assets;
- (x) others.

The scope of consolidation used as the basis for checking the operating limits considers the Prudential Conglomerate, defined in CMN Resolution No. 4,280/2013 and subsequent amendments.

The information on the Basel Ratio of the Prudential Conglomerate is presented below:

Basel ratio	09.30.2021	12.31.2020
<b>PR - Reference Equity</b>	<b>12,359,250</b>	<b>10,610,530</b>
<b>Level I</b>	<b>11,886,512</b>	<b>10,078,251</b>
<b>Complementary Capital</b>	<b>1,679,665</b>	<b>1,565,629</b>
<b>Common Equity</b>	<b>10,206,847</b>	<b>8,512,622</b>
Shareholders' equity <sup>(1)</sup>	11,754,495	10,698,401
Prudential adjustments <sup>(2)</sup>	(1,547,648)	(2,185,779)
Others	(1,546,402)	(2,185,402)
Adjustment to fair value	(1,246)	(377)
<b>Level II</b>	<b>472,738</b>	<b>532,280</b>
Subordinated debts eligible as capital	472,738	532,280
Subordinated debts authorized pursuant to rules prior to CMN Resolution no. 4,192/2013	472,738	532,280
<b>Risk-weighted assets (RWA)</b>	<b>78,911,602</b>	<b>72,467,089</b>
Credit risk (RWACPAD)	69,597,816	63,770,830
Market risk (RWAMPAD)	2,375,865	2,250,837
Operational risk (RWAOPAD)	6,937,921	6,445,422
<b>Minimum Required Regulatory Capital <sup>(4)</sup></b>	<b>6,312,928</b>	<b>5,797,367</b>
<b>Minimum Required Capital <sup>(5)</sup></b>	<b>3,551,022</b>	<b>3,261,019</b>
<b>Tier I Minimum Required Reference Equity <sup>(6)</sup></b>	<b>4,734,696</b>	<b>4,348,025</b>
<b>Regulatory Capital determined to cover interest rate risk of transactions not classified in trading portfolio (RBAN)</b>	<b>307,161</b>	<b>333,008</b>
<b>Margin on Minimum Required Regulatory Capital</b>	<b>6,046,322</b>	<b>4,813,163</b>
<b>Margin on Minimum Required Capital</b>	<b>6,655,825</b>	<b>5,251,603</b>
<b>Margin on Minimum Required Tier I Regulatory Capital</b>	<b>7,151,816</b>	<b>5,730,225</b>
<b>Margin on Minimum Required Regulatory Capital including RBAN and ACP <sup>(7)</sup></b>	<b>4,456,847</b>	<b>3,574,316</b>
<b>Common Equity Index (CP / RWA)</b>	<b>12.93%</b>	<b>11.75%</b>
<b>Tier I Capital Index (Tier I / RWA)</b>	<b>15.06%</b>	<b>13.91%</b>
<b>Basel ratio (PR / RWA)</b>	<b>15.66%</b>	<b>14.64%</b>
<b>Leverage ratio</b>	<b>8.10%</b>	<b>7.32%</b>

<sup>(1)</sup> According to article art. 4º, paragraph 2 of CMN Resolution No. 4,192/2013, the values related to the adjustments to fair value of the derivative financial instruments used for hedge of cash flow of protected items that do not have their mark-to-market adjustments recorded in the accounts do not compose the base calculated for purposes of determining the Reference Equity. The values reported include these adjustments.

<sup>(2)</sup> Consider the effects of the application of CMN Resolution No. 4,851/2020, which authorizes financial institutions to stop deducting from the Principal Capital, until 12.31.2021, the tax credits of tax losses arising from a short position in foreign currency carried out with the purpose of providing hedge for its participation in investments abroad. After 01.01.2022, tax credits must be included with the following schedule: at least 50%, by 06.30.2022 and 100% by 12.31.2022.

<sup>(3)</sup> The Balance of subordinated debt instruments issued prior to CMN Resolution No. 4,192/2013 was considered with the application of the reducers established in art. 27 of that Resolution.

<sup>(4)</sup> Corresponds to the application of the "F" factor to RWA amount, being "F" equal to 8% of RWA, as of 01.01.2019

<sup>(5)</sup> It represents at least 4.5% of RWA.

<sup>(6)</sup> It represents at least 6% of RWA.

<sup>(7)</sup> Additional Principal Capital (ACP) which corresponds to Conservation Additional and Countercyclical Additional. Resolution No. 4,783 / 2020 was published, which altered, for certain periods, the percentages to be applied to the amount of RWA for purposes of calculating the ACPConservação portion, with the beginning of the April 2020 base date formalized by Circular Letter No. 4,016 / 2020. Said Resolution contemplates the scope of regulatory actions disclosed in March 2020 to cover possible impacts from COVID-19.

#### Prudential Adjustments deducted from Common Equity:

	09.30.2021	12.31.2020
Prudential Adjustments I - Goodwill paid	(102,065)	(10,548)
Prudential Adjustments II - Intangible assets	(583,331)	(403,105)
Prudential Adjustments VII - Deferred tax assets from Intertemporal differences	(190,967)	(930,220)
Prudential Adjustments VIII - Deferred tax assets of Tax losses/negative basis of CSLL	(670,039)	(841,529)
Prudential Adjustments XV - Understatement - Resolution No. 4,277/13 Adjustments	(1,246)	(377)
<b>Total</b>	<b>(1,547,648)</b>	<b>(2,185,779)</b>

#### b) Fixed asset ratio

The property, plant and equipment index required ratio of the Prudential Conglomerate amounted to 17.80% (18.70% on December 31, 2020), and determined in accordance with CMN Resolutions No. 4,192/2013 and No. 2,669/1999.

	09.30.2021	12.31.2020
<b>Fixed assets limit</b>	<b>6,179,625</b>	<b>5,305,265</b>
Value of fixed assets limit position	2,200,214	1,983,723
Value of margin or insufficiency	3,979,411	3,321,542

In accordance with BCB Resolution nº 54/2020, the Conglomerate holds additional information of its procedure of capital and risks management in the website: [www.bancobv.com.br/ri](http://www.bancobv.com.br/ri).

### 30. ENVIRONMENT, SOCIAL AND GOVERNANCE - ESG PRACTICES

#### a) Governance and regulation

In December 2020, BV bank created a Sustainability Committee, in which it defines ESG objectives and strategies. In May 2021, the bank launched its long-term ESG commitments, until 2030, called the "Pact for a lighter future", which defines 5 public goals that will guide the Conglomerate's actions, divided into 3 pillars: climate change, sustainable business and diversity. In addition, the bank included sustainability goals in the variable remuneration of executives and in the strategic planning, as described in explanatory note 27.

In the context of the Sustainability dimension of the BC# Agenda, on September, 2021, the Central Bank of Brazil, using as a reference the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), a task force created in 2015 by the Stability Committee Financial (FSB), placed in public consultation a normative proposal establishing requirements for the disclosure of information on social, environmental and climate risks, to be reported via the Social, Environmental and Climate Risks and Opportunities Report (GRSAC) which will be implemented in 2 phases. The first phase focuses on governance, institutional strategies and risk management, and the second phase will incorporate quantitative aspects into the disclosure, with a focus on goals and metrics. In September 2021, following its sustainability schedule, Bacen published: BCB Resolution No. 139 and BCB Normative Instruction No. 153 which provide for the GRSAC Report and come into force in December 2022 and CMN Resolution No. 4,945 which provides for the Social, Environmental and Climate Responsibility Policy (PRSAC), and enters into force in July 2022.

The guidelines and definitions of social and environmental risk management established by CMN Resolution No. 4,327/2014 will be replaced by CMN Resolution No. 4943/2021, which amends CMN Resolution 4,557/2017, to include a specific section with definitions and requirements for the management of social, environmental and climate risks applicable to Financial Institutions, coming into force in July 2022. Additional information on socio-environmental risk and its management by the Conglomerate is described in note 29.1.e.

#### b) Environment

Banco BV is one of the main financing banks of photovoltaic panels for solar energy for residential use and as of September 30, 2021 this portfolio is R\$ 2,086,923 (R\$ 892,086 as of December 31, 2020).

In March 2020, BV bank carried out the first issuance of a green bond in the amount of R\$ 255,535 recorded under the heading of Resources from acceptance and issuance of bonds, which were allocated to assets or projects related to the generation of renewable energy, such as financing solar panels and developing wind farms. The bank's inaugural issue obtained the international certification of the Climate Bonds Standard, which is coordinated by the Climate Bonds Initiative (CBI). CBI is a non-profit organization focused on promoting large-scale investments in the low-carbon economy. It is the only organization in the world that has Climate Bonds Standard and Sectoral Criteria to certify emissions as green. Issue materials such as the Green Bond Framework, Second-Party Opinion, Green Bond Annual Report, and Post-issuance Verification can be found at [www.bancobv.com.br](http://www.bancobv.com.br).

From January 1st to September 30th, 2021, the bank carried out a new issuance of green bonds (financial bills) in the amount of R\$ 699,850 recorded under the heading of Funds from acceptances and issuance of bonds.

	Currency	issued amount	Interest rates p.a.	Issuance year	Maturity year	Parent Company and Consolidated	
						09.30.2021	12.31.2020
<b>Securities issued abroad</b>						<b>275,918</b>	<b>261,431</b>
Foreign exchange	USD	50,000	3,35% a.a. + exchange rate variation	2020	2024	275,918	261,431
<b>Financial bills</b>						<b>722,792</b>	<b>-</b>
Variable rate	R\$	283,150	1,40% a.a. + DI	2021	2024	287,498	-
Variable rate	R\$	416,700	5,35% a.a. + IPCA	2021	2027	435,294	-
<b>Total</b>						<b>998,710</b>	<b>261,431</b>

In November 2020, BV bank announced a public commitment to offset all the CO<sup>2</sup> emissions from the cars it finances from 2021 onwards. In the period ended September 30, 2021, BV bank recognized in the result (in Other operating expenses) the provision for CO<sup>2</sup> expenses, in contra-entry to the corresponding liability, recorded in Other liabilities - Compensation for CO<sup>2</sup> emissions by vehicles financed by BV bank. The bank acquired carbon credits, representing a total of 2,859 tons of CO<sup>2</sup>, recorded under Intangible assets and their consumption (amortization) based on the volume of CO<sup>2</sup> produced by financed vehicles, recorded under Other administrative expenses - Amortization. The accounting practices adopted by the Institution for the recognition and measurement of the carbon credits that will be acquired and the liabilities corresponding to the commitment to offset the carbon emissions are described in explanatory notes 4I and 4r, respectively.

The table below shows the accounting effects of the equity record and income:

	Parent company and Consolidated	
	09.30.2021	12.31.2020
<b>Asset</b>	<b>14,666</b>	<b>-</b>
<b>Intangible assets (note 16a)</b>	<b>14,666</b>	<b>-</b>
Carbon credits - Cost value	17,832	-
Carbon Credits - Accumulated amortization	(3,166)	-
<b>Liabilities</b>	<b>430</b>	<b>-</b>
<b>Other liabilities (note 21a)</b>	<b>430</b>	<b>-</b>
Compensation of CO2 emissions by vehicles financed by BV bank	430	-



	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 a 09.30.2021	01.01 a 09.30.2020
<b>Income</b>				
Other administrative expenses (note 22d)	(1,330)	-	(3,166)	-
Amortization	(1,330)	-	(3,166)	-
Other operating expenses (note 22f)	(3)	-	(430)	-
Provision for offsetting CO2 emissions by vehicles financed by BV bank	(3)	-	(430)	-
<b>Total</b>	<b>(1,333)</b>	<b>-</b>	<b>(3,596)</b>	<b>-</b>

Since 2020, the bank has offset its Greenhouse Gas (GEE) emissions in relation to 2019 emissions, which became a public commitment in 2021. The commitment is to offset 100% of direct GEE emissions, recognizing in the result (in Other administrative expenses - Other) the amount of R\$ 57 in the period ended September 30, 2021 (R\$ 132 in the semester ended September 30, 2020), referring to the acquisition of 10 thousand tons of credits from carbon and other consulting and auditing expenses for carrying out the GEE inventory.

### c) Social

In view of the pandemic caused by COVID-19, Banco BV allocated the amount of R\$30,000 in the period ended September 30, 2020, recorded in Other administrative expenses - Other. The objective is to support families in vulnerable situations and contributes to the improvement of hospital infrastructure, whose management has the support of Fundação Banco do Brasil and the Votorantim Institute. In 2021, Banco BV continues to promote support actions and allocated the amount of R\$ 1,068 in the period ended September 30, 2021.

Also aiming to reduce the impacts of the COVID-19 pandemic, the bank implemented a wide-ranging credit renegotiation program. Additional information about this program and renegotiated volumes are described in explanatory notes 5i and 12k.

## 31. OTHER INFORMATION

### a) Commitments undertaken due to funding from international financial institutions

The Conglomerate is a borrower of short-term loans from international financial institutions, which in certain cases may require compliance with financial ratios (financial covenants). When required, financial ratios are calculated based on accounting information, prepared in accordance with Brazilian legislation and Bacen standards. On June 30, 2021 and December 31, 2020 the Conglomerate did not have operations with these characteristics.

### b) Information about branches abroad

	09.30.2021	12.31.2020
<b>Current and non-current assets</b>	<b>8,143,389</b>	<b>8,747,286</b>
Banco Votorantim S.A. – Nassau Branch	8,143,389	8,747,286
<b>Total assets</b>	<b>8,143,389</b>	<b>8,747,286</b>
<b>Current and non-current liability</b>	<b>(6,405,454)</b>	<b>(7,105,914)</b>
Banco Votorantim S.A. – Nassau Branch	(6,405,454)	(7,105,914)
<b>Shareholder's equality</b>	<b>(1,737,935)</b>	<b>(1,641,372)</b>
Banco Votorantim S.A. – Nassau Branch <sup>(1)</sup>	(1,737,935)	(1,641,372)
<b>Total liabilities</b>	<b>(8,143,389)</b>	<b>(8,747,286)</b>

	07.01 to 09.30.2021	07.01 to 09.30.2020	01.01 a 09.30.2021	01.01 a 09.30.2020
<b>Income (loss)</b>	<b>23,931</b>	<b>56,102</b>	<b>84,159</b>	<b>52,325</b>
Banco Votorantim S.A. – Nassau Branch	23,931	56,102	84,159	52,325

<sup>(1)</sup> In the year ended December 31, 2020, the Nassau Branch abroad paid dividends in the amount of USD 150,000 (R\$ 754,545).

<sup>(2)</sup> Include exchange variation.

### c) Insurance coverage

The Conglomerate contracts insurance coverage for assets subject to risks for amounts considered to be sufficient to cover eventual claims, considering the nature of its activity.

### Insurance coverage

	09.30.2021		12.31.2020	
Covered risk	Covered values	Insurance premium	Covered values	Insurance premium
<b>Parent Company</b>				
Insurance Guarantee - Guarantee for legal proceedings	1,146,622	7,528	1,118,545	7,062
Real estate insurance for properties in use of relevant third parties	117,300	40	117,300	40
Cybersecurity insurance	100,000	2,476	100,000	1,810
<b>Consolidated</b>				
Insurance Guarantee - Guarantee for legal proceedings	1,322,050	8,260	1,159,710	7,384
Real estate insurance for properties in use of relevant third parties	123,000	43	123,000	43
Cybersecurity insurance	100,000	2,476	100,000	1,810



**d) Agreements for offset and settlement of liabilities in the scope of the National Financial System**

Agreements were executed for the offset and settlement of receivables and payables pursuant to CMN Resolution No. 3,263/2005, the purpose of which is to enable the offsetting of credits and debits maintained with the same counterparty, and in which the maturity dates of receivables and payables can be advanced to the date in event of default by one of the parties occurs or in case of the bankruptcy of the debtor.

**e) Reconciliation of equity transactions with cash flows arising from financing activities**

Parent Company and Consolidated	Liabilities			Shareholder's equity		Total
	Subordinated debts	Debt instruments eligible for capital	Dividends and interest over capital	Capital	Capital and income reserves	
Balance in 12.31.2020	193,543	3,499,583	72,709	8,130,372	2,466,444	14,362,651
Changes with cash effect	229,241	(379,953)	(72,709)	-	40,730	(182,691)
Resources from the allocation of income	-	-	-	-	40,730	40,730
Dividends paid	-	-	(72,709)	-	-	(72,709)
Liquidation	(27,684)	(645,055)	-	-	-	(672,739)
Transfers	(246,640)	246,640	-	-	-	-
Income from new funding	503,565	-	-	-	-	503,565
Taxes	-	18,462	-	-	-	18,462
Changes with no cash effect	5,401	265,325	-	-	-	270,726
Interest expenses	5,401	192,515	-	-	-	197,916
Exchange rate variation	-	72,810	-	-	-	72,810
Balance in 09.30.2021	428,185	3,384,955	-	8,130,372	2,507,174	14,450,686

Parent Company and Consolidated	Liabilities			Shareholder's equity		Total
	Subordinated debts	Debt instruments eligible for capital	Dividends and interest over capital	Capital	Capital and income reserves <sup>(1)</sup>	
Balance in 12.31.2019	3,116,893	3,480,275	25,042	8,130,372	1,751,822	16,504,404
Changes with cash effect	(3,136,236)	(259,764)	(25,042)	-	20,496	(3,400,546)
Interest over income paid	-	-	-	-	20,496	20,496
Dividends and interest on equity paid	-	-	(25,042)	-	-	(25,042)
Liquidation	(3,227,183)	(199,101)	-	-	-	(3,426,284)
Transfers	75,997	(75,997)	-	-	-	-
Income from new funding	15,000	-	-	-	-	15,000
Taxes	(50)	15,334	-	-	-	15,284
Changes with no cash effect	131,356	691,750	66,920	-	-	890,026
Interest expenses	18,679	208,750	-	-	-	227,429
Exchange rate variation	112,677	483,000	-	-	-	595,677
Dividends and interest on equity payable, net of taxes	-	-	66,920	-	-	66,920
Balance in 09.30.2020	112,013	3,912,261	66,920	8,130,372	1,772,318	13,993,884

<sup>(1)</sup> Refers to the balance of Banco Votorantim's capital and profit reserves. Does not include profit for the period recorded in retained earnings.

<sup>(2)</sup> Net value of taxes.

**f) Assets under management**

Position of investment funds managed by Votorantim Asset Management Distribuidora de TVM Ltda. <sup>(1)</sup>

	Quantity of funds/portfolios		Balance	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Investment funds and portfolios managed accounts	214	239	52,827,710	49,493,721

<sup>(1)</sup> On September 30, 2021, was approved the social name alteration of Votorantim Asset DTVM for BV DTVM

**32. SUBSEQUENT EVENTS**
**a) Assignments with co-obligation**

In October 07,2021, Banco BV carried out credit assignments with substantial retention of risks and benefits with a subsidiary in the amount of R\$1,464,529. There was no effect on the result on the respective transaction date.