



BANCO DO ESTADO DO RIO GRANDE DO SUL

/ Results Presentation

INVESTOR RELATIONS
DEPARTMENT

December/2020

/ ESG

Creation of an Administrative Structure focused on ESG

- Dedicated to strengthening the discussion on socio-environmental issues;
- Inspire a new corporate culture;
- Boost conscious consumption of resources;
- Prioritize the use of natural resources from renewable sources;

R\$7.59 million

Invested in

49 Social Projects



Local Communities-Oriented Sustainable Actions:

Banrisul's Seeds Program

Agricultural seeds distribution to farmers, schools, quilombolas and indigenous people.

Pescar Project

Personal and Professional development of young people from 16 to 19 years.

Sustentare Program

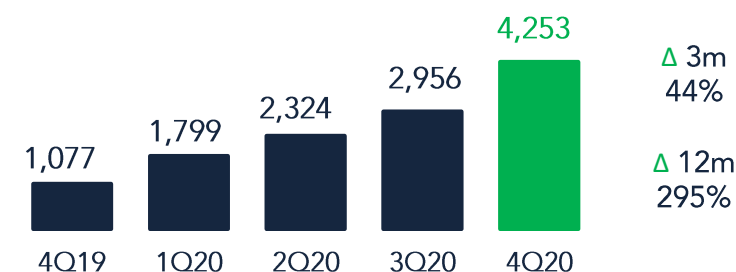
Aims to minimize damages caused to the environment and to enhance social inclusion.

4 Q 2 0 2 0

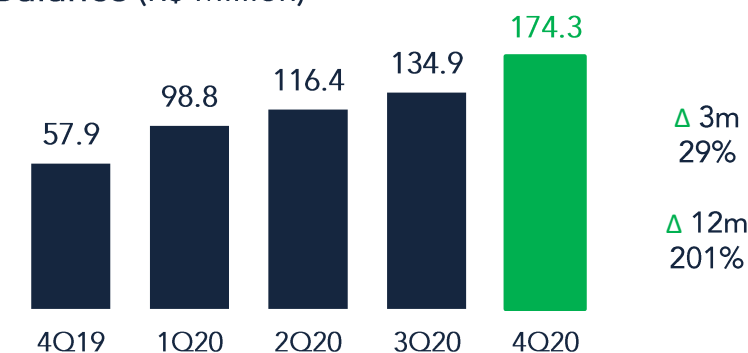
CDC Sustentabilidade

Financing for the purchase of solar and wind energy equipment

Contracts



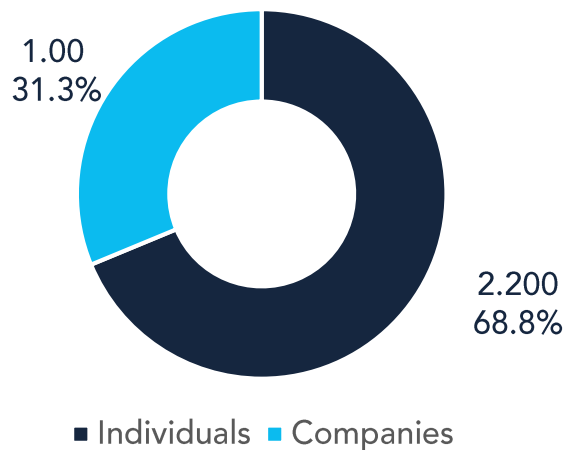
Balance (R\$ Million)



/ Agro is our ground

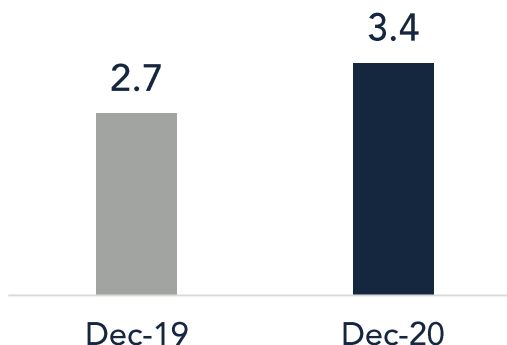
R\$3.2 bi
granted volume in 2020

R\$ Billion



Rural Loans

R\$ Billion



Market Share Increase

8.8%

Safrá Plan 2020/2021
Market Share
accumulated

10.8%

Market Share
in December/2020



15.0%

Market Share Goal
for Safrá Plan
2021/2022

Δ 27.5%
Growth in Rural Credit
Portfolio in 12 months

Guidance for Rural
Credit Portfolio

/ Digital Channels

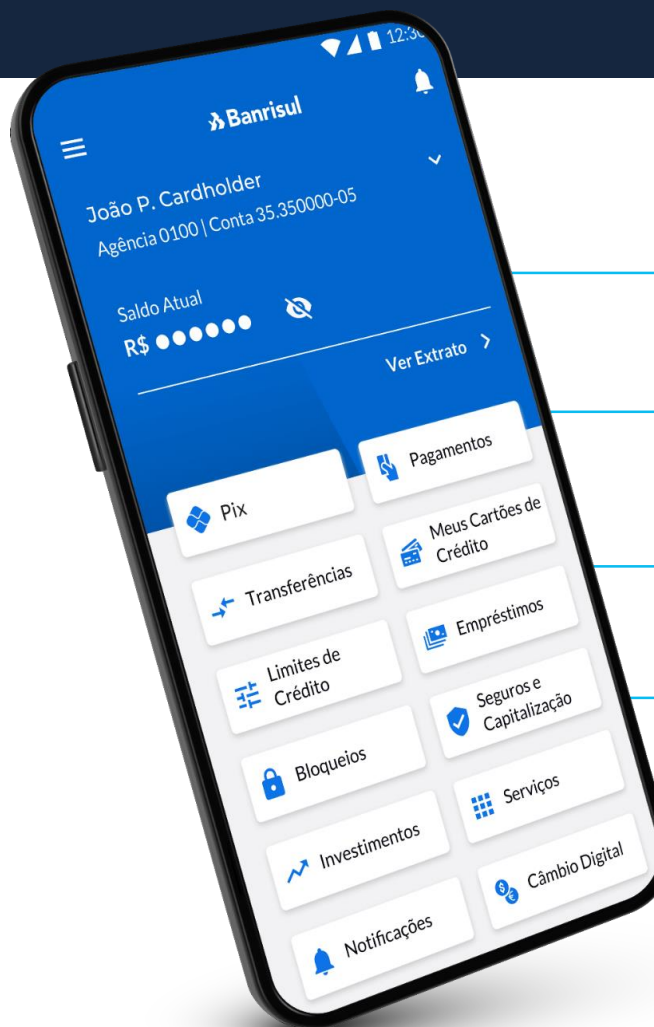
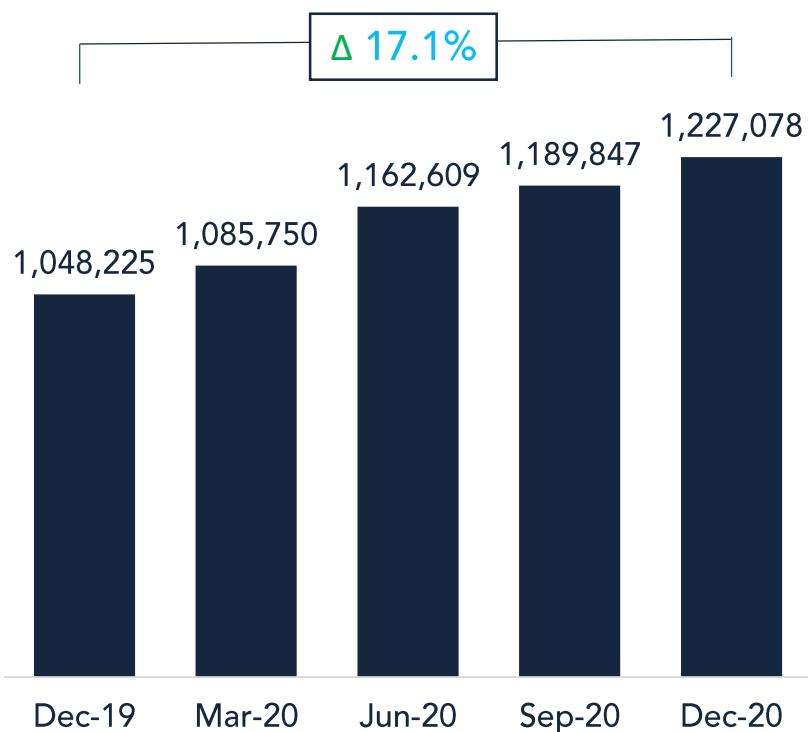
4 Q 2 0 2 0

359.3
million
accesses in
2020

+30,8%
increase from
2019

76.2%
of transactions
through digital
channels

Digital users



In a scenario of social distancing, digital channels have become even more important, being the main relationship channel between the Bank and customers.

Scheduling of Service at Branches using the app;

New onboarding and quick customer help features by notification messaging;

redesign of the investments menu and option for the updating of personal data through app;

Developed focused on customer experience, the new version obtained a 90% approval rate in a phone survey carried out.

/ PIX

+ R\$1.2 Bi in financial volume;

+ 1.5 Mm in transactions;

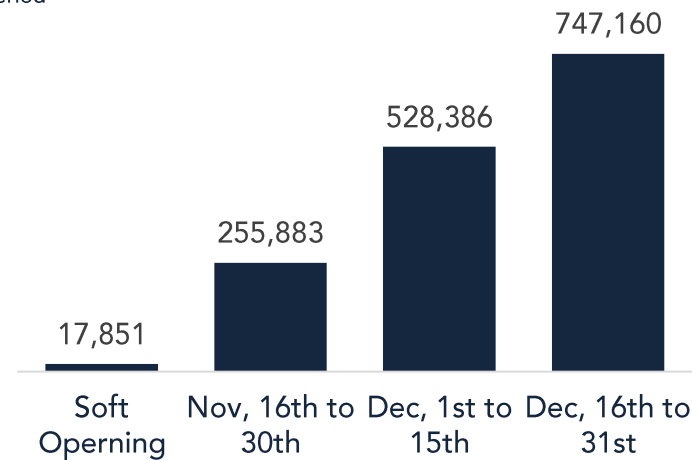
Launching of VeroX:

Receivment of transactions made by PIX on Vero acquiring network, through the generation of QR Codes.

4 Q 2 0 2 0

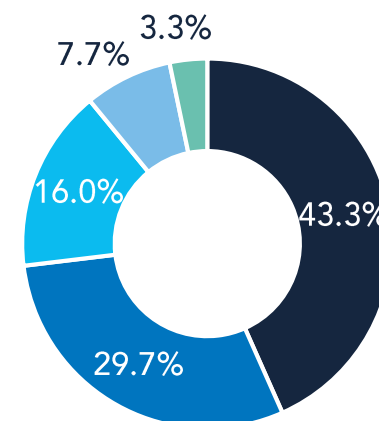
Transactions

period



ID Keys

In % - by type of ID key



Total Users: 461,397
Individuals: 429,281
Companies: 32,116

~ 10% of customers registered at PIX

Total ID Keys: 759,608

■ CPF (Individual's Tax Number)
■ E-mail
■ CNPJ (Company's Tax Number)

■ Phone number
■ Random Key

/ Subordinated Notes Issuance

4 T 2 0 2 0

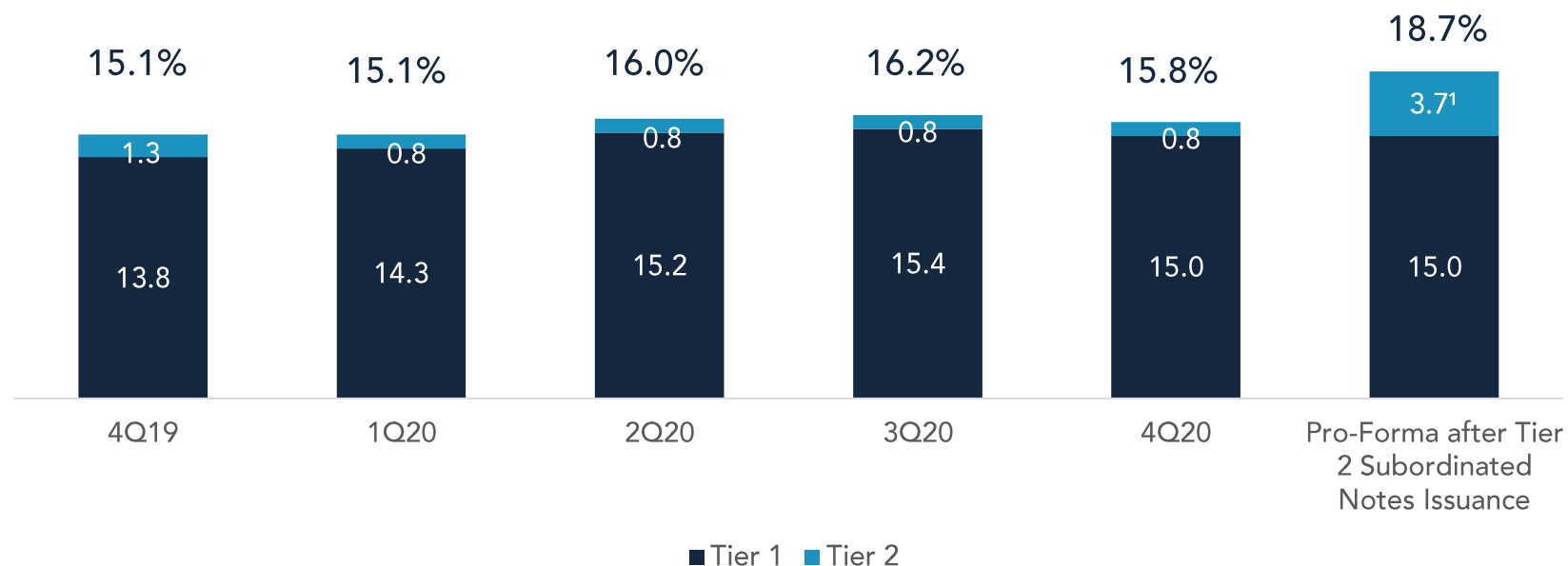
On January 21st, Banrisul priced the issuance of Subordinated Notes in the amount of US\$300 million.

The notes have 10 (ten) years of maturity and interest rates of 5.375% per year.

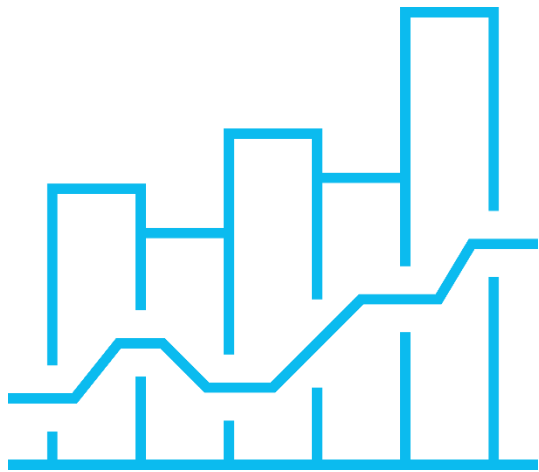
Transaction Objectives:

- Strengthen capital base to boost the Credit Portfolio;
- Replacement of Subordinated Debt, whose benefit for capital purposes ends in Feb/2021;
- Take advantage of favorable conditions on international market;

Basel Ratio



¹ Considering the exchange rate as of January 20, 2021 at 5.30.



/ Results

■ HIGHLIGHTS

■ PROFITABILITY

■ NII & NIM

■ FUNDING

■ BANKING FEES

■ EFFICIENCY

■ CREDIT PORTFOLIO

■ PAYROLL LOANS

■ CREDIT RELIEF PROGRAMS

■ RENEGOTIATED CREDIT
PORTFOLIO

■ PROVISIONS

■ CREDIT QUALITY

■ GUIDANCE

/ Highlights

4 Q 2 0 2 0

2020 ADJUSTED
NET INCOME

R\$824.8

million

CREDIT
PORTFOLIO

R\$37.6 bi

Δ12m: 3.9%

PAYROLL
LOANS

R\$17.1 bi

Δ12m: 6.6%

FUNDING

R\$67.9 bi

Δ12m: 14.1%

4Q2020 ADJUSTED
ADMINISTRATIVE
EXPENSES

R\$905.0

▽12m: - 6.1%

DEFAULT RATE
OVER 90 DAYS

2.31%

90 DAYS
COVERAGE RATIO

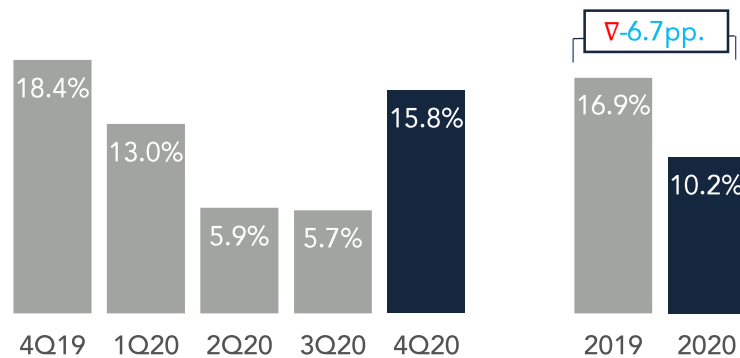
317.7%

/ Profitability

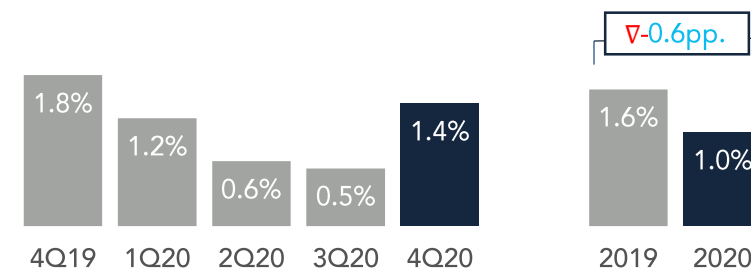
Resumption of returns to pre-pandemic levels in 4Q20;

4 Q 2 0 2 0

Adjusted ROAE

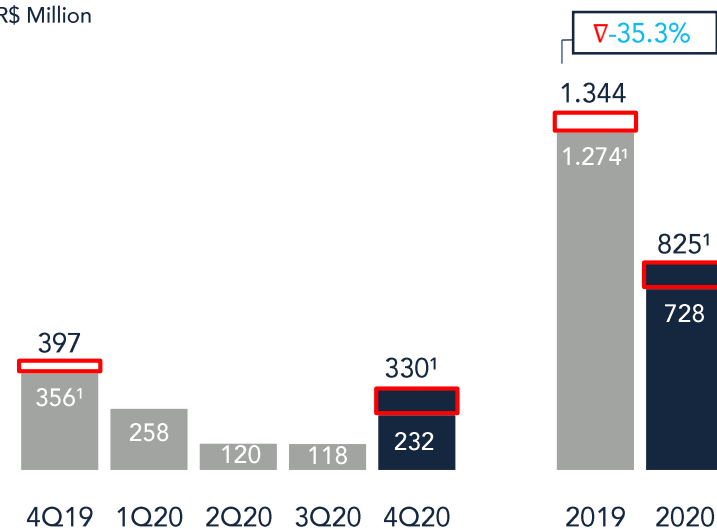


Adjusted ROAA



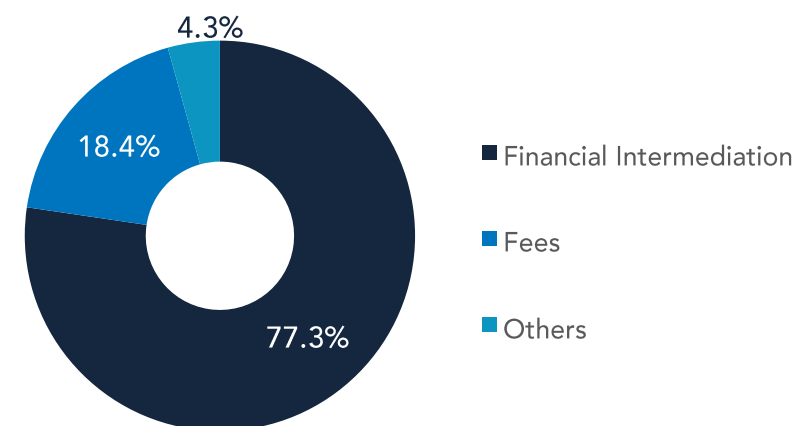
Net Income

R\$ Million



¹Adjusted Net Income

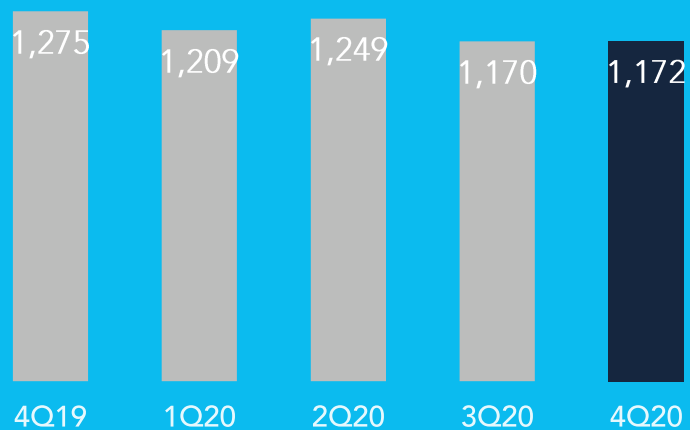
Revenues



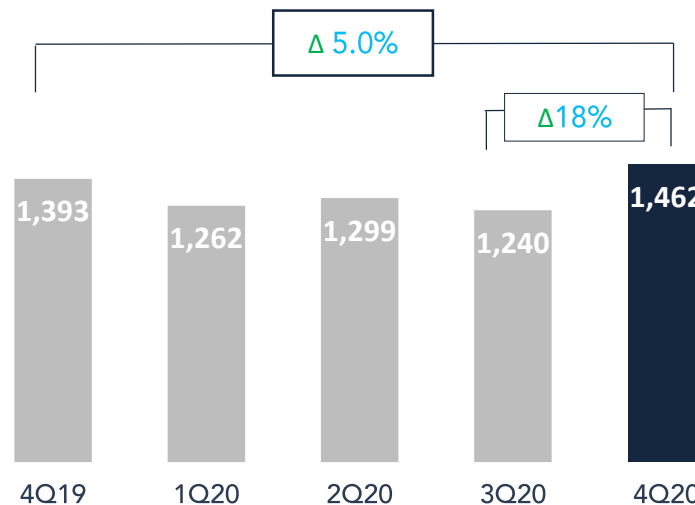
/ NII & NIM

Managerial NII¹

R\$ Million

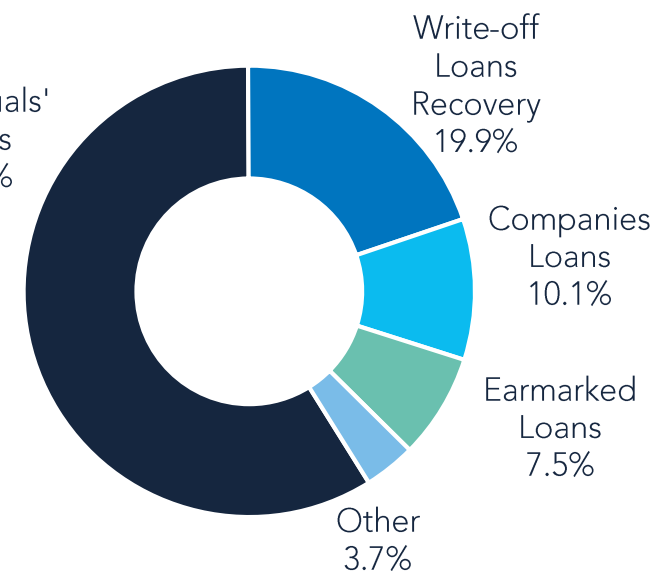


NII
R\$ Million

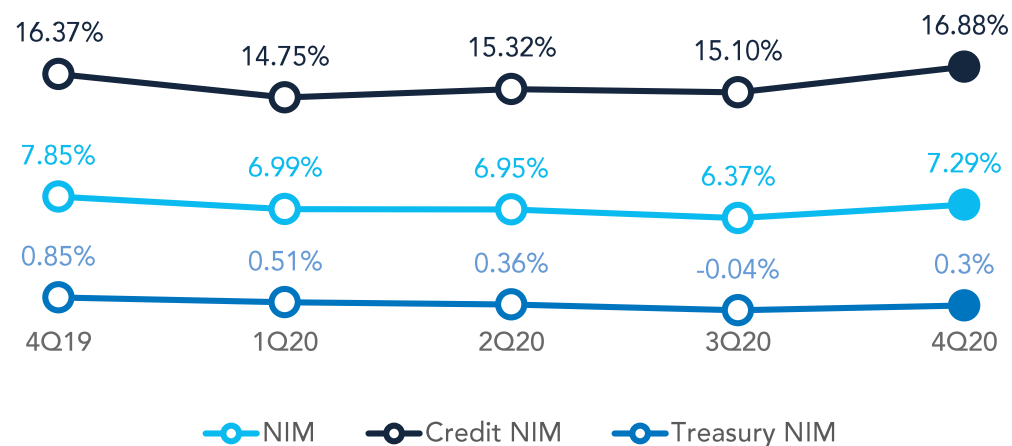


4Q20 Breakdown

Individuals' Loans
58.8%



NIM on Profitable Assets



¹ Not included income from write-offs loans recovery.

/ Funding

■ **86.76%** of CDI
Average Funding Cost in
Time Deposits

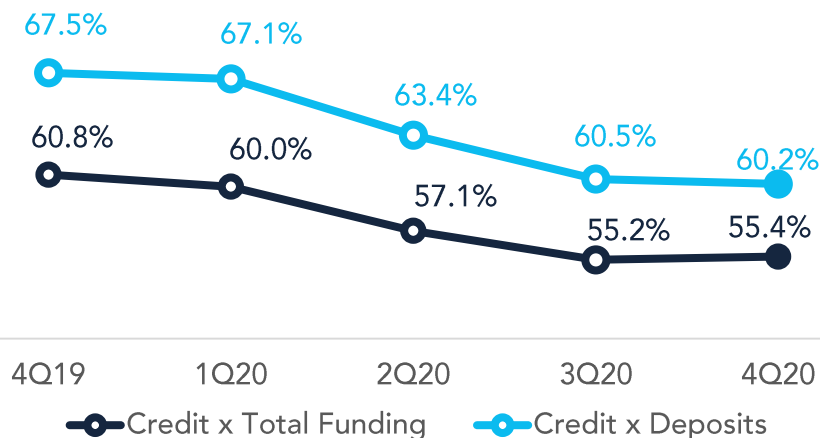
■ Pulverized Funding, grounded on its
recognized retail banking DNA in
the Southern Region of Brazil

Evolution:

▲ 12m: 14.1%

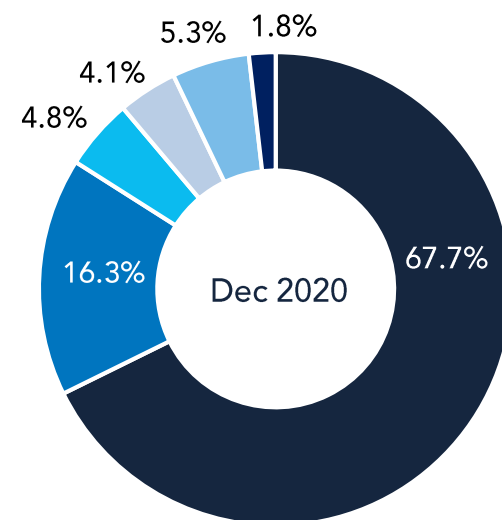
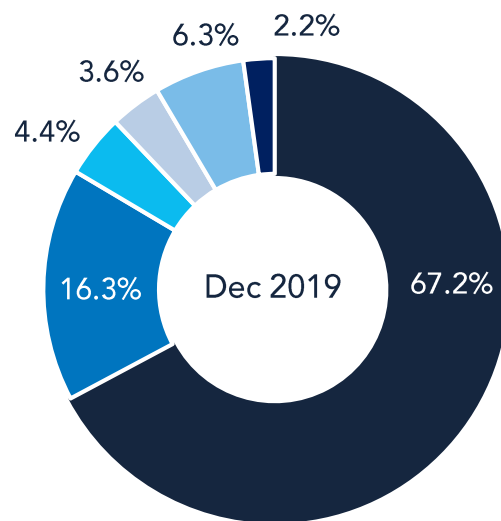
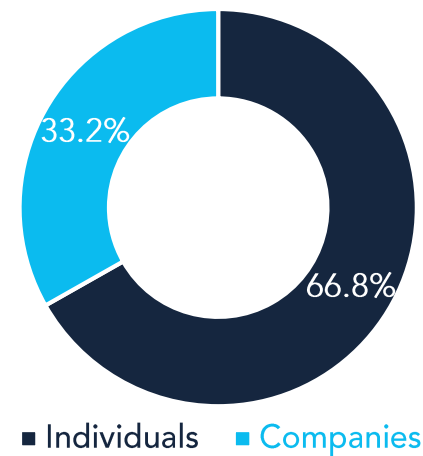
▲ 3m: 3.2%

Credit x Funding Relation



Funding by source

4 Q 2 0 2 0

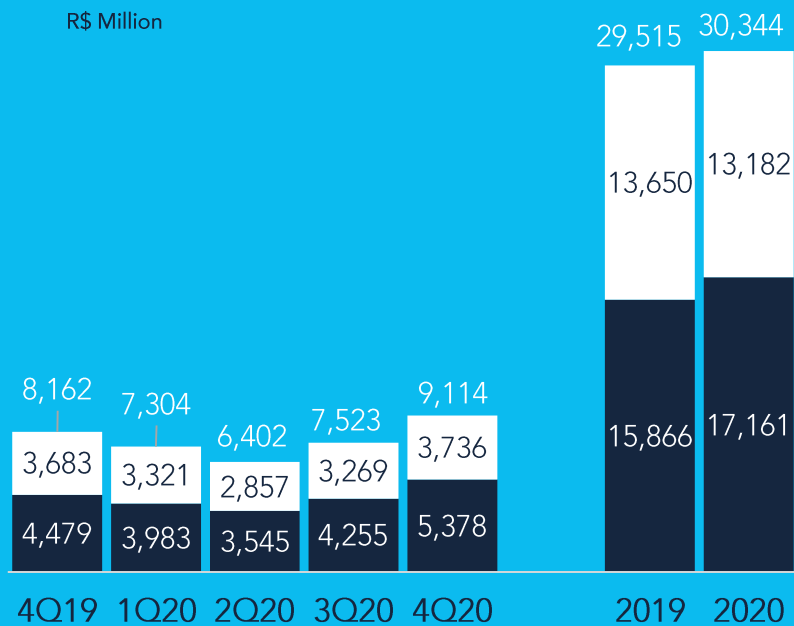


■ Time Deposits ■ Savings Deposits ■ Bonds ■ Bank Notes ■ Demand Deposits ■ Interfinanceiros

/ Banking Fees

TPV – Banrisul Cartões

R\$ Million

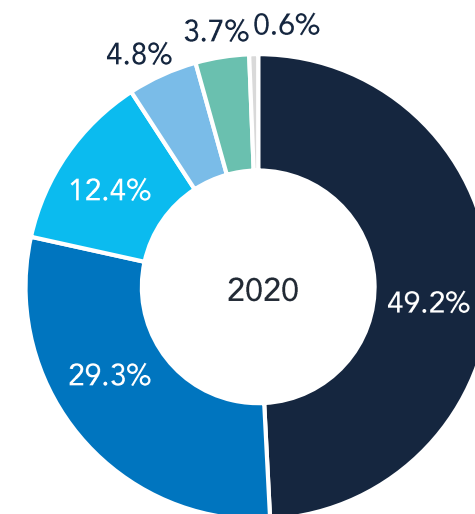
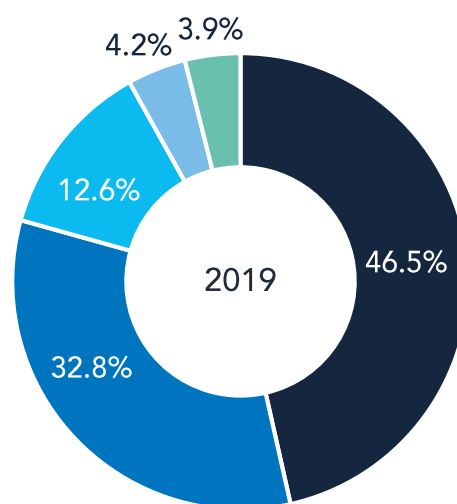
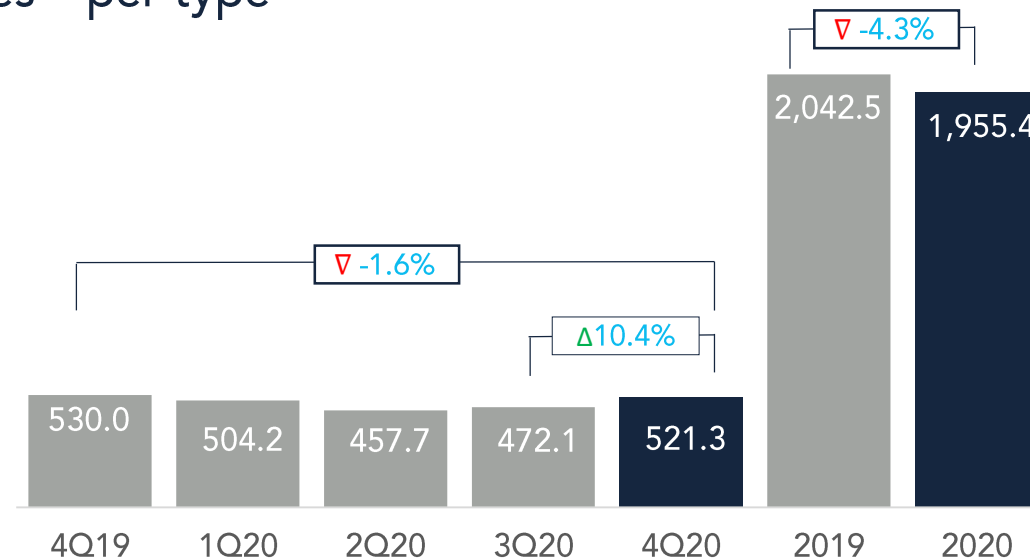


■ Debit Cards ■ Credit Cards

Banking Fees – per type

R\$ Million

4 Q 2 0 2 0



■ Banking Services ■ Cards ■ Insurance ■ Consortia Management ■ AUM ■ Broker Fees

/ Efficiency

PDV

Implementation costs of R\$177 million

Estimated annual savings of R\$160 million

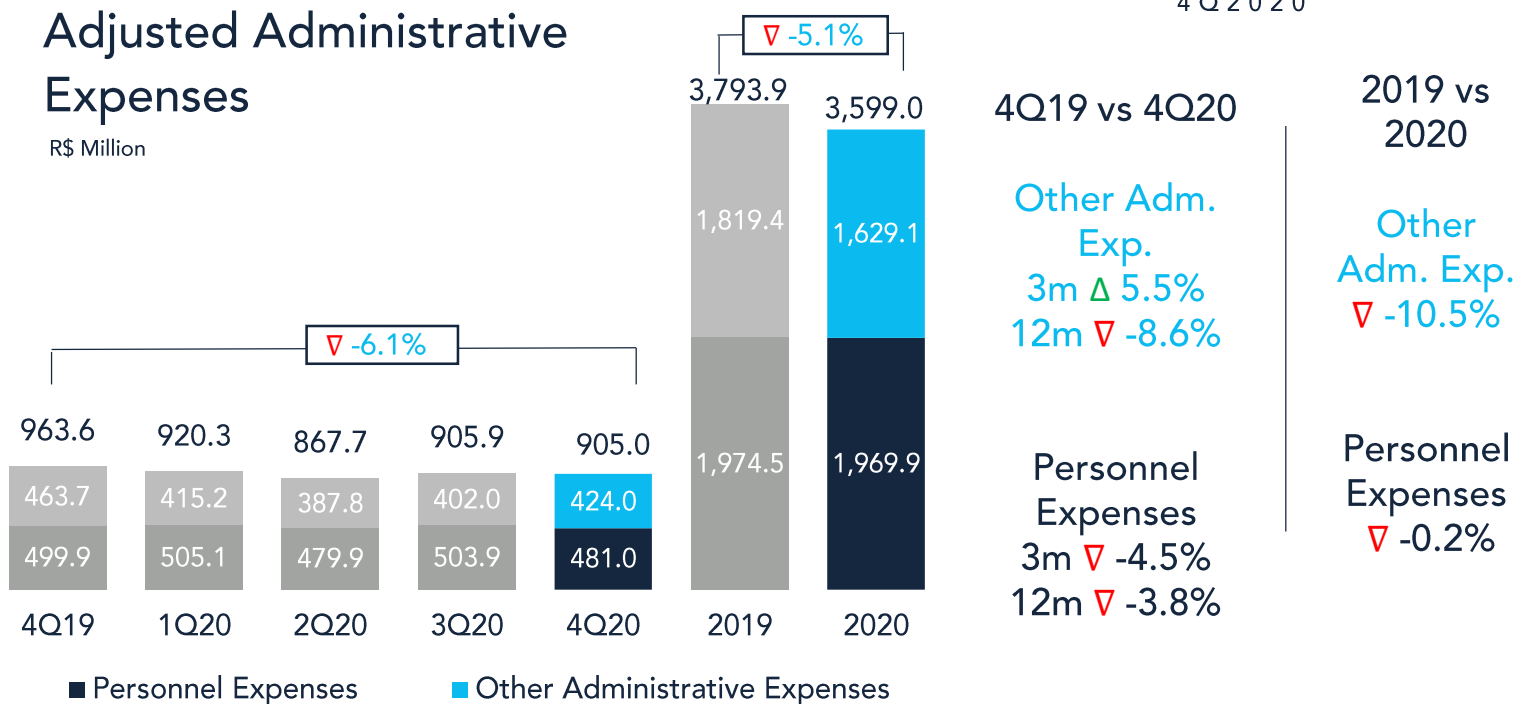
Restructuring

In 2020, 9 branches were closed and 3 other were turn into PABs.

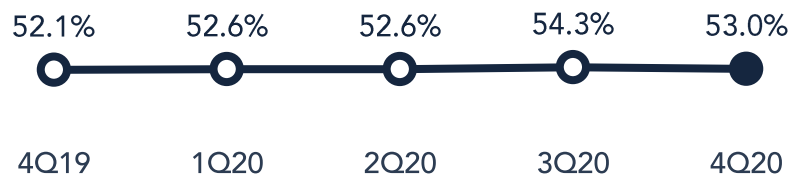


Adjusted Administrative Expenses

R\$ Million



Efficiency Ratio - 12 m



Personnel Expenses + Other Administrative Expenses / Financial Margin + Income from Services and Fees + (Other Income - Other Expenses).

Banking Fees x Personnel Expenses Relation



Banking Fees / Personnel Expenses

/ Credit Portfolio

Evolution:

Individuals Loans

3m Δ 4.2%

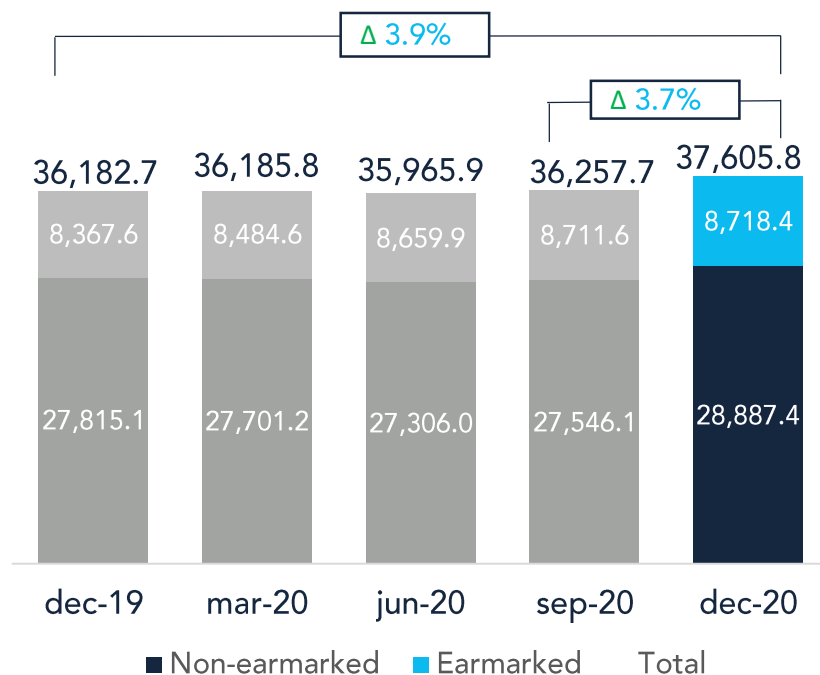
12m Δ 2.5%

Companies Loans

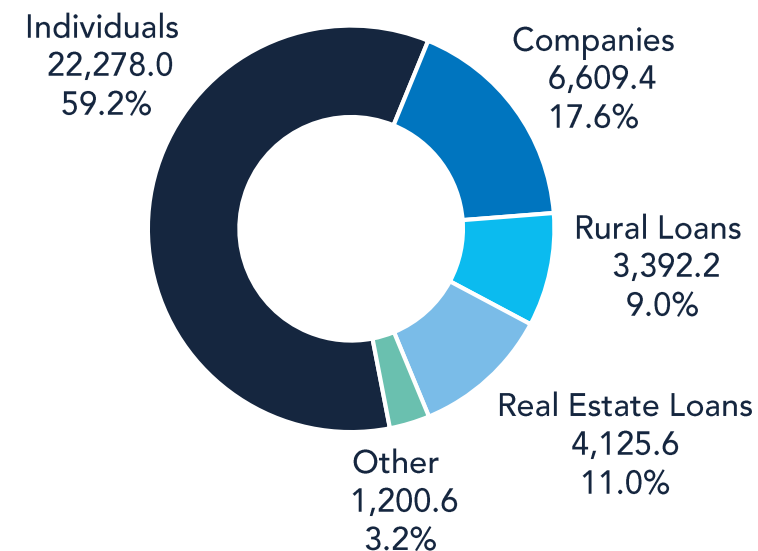
3m Δ 7.1%

12m Δ 8.6%

R\$ Million

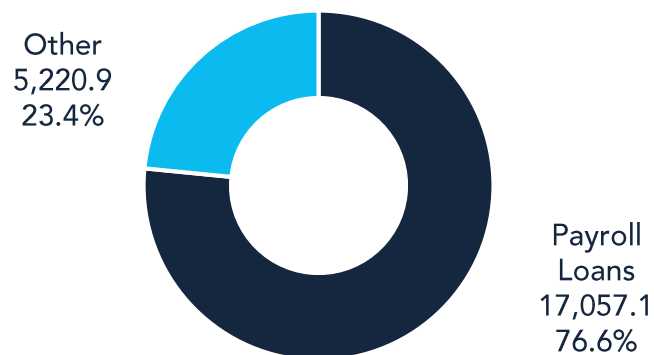


4 Q 2 0 2 0



Individuals

R\$ Million and %



Companies

R\$ Million and %

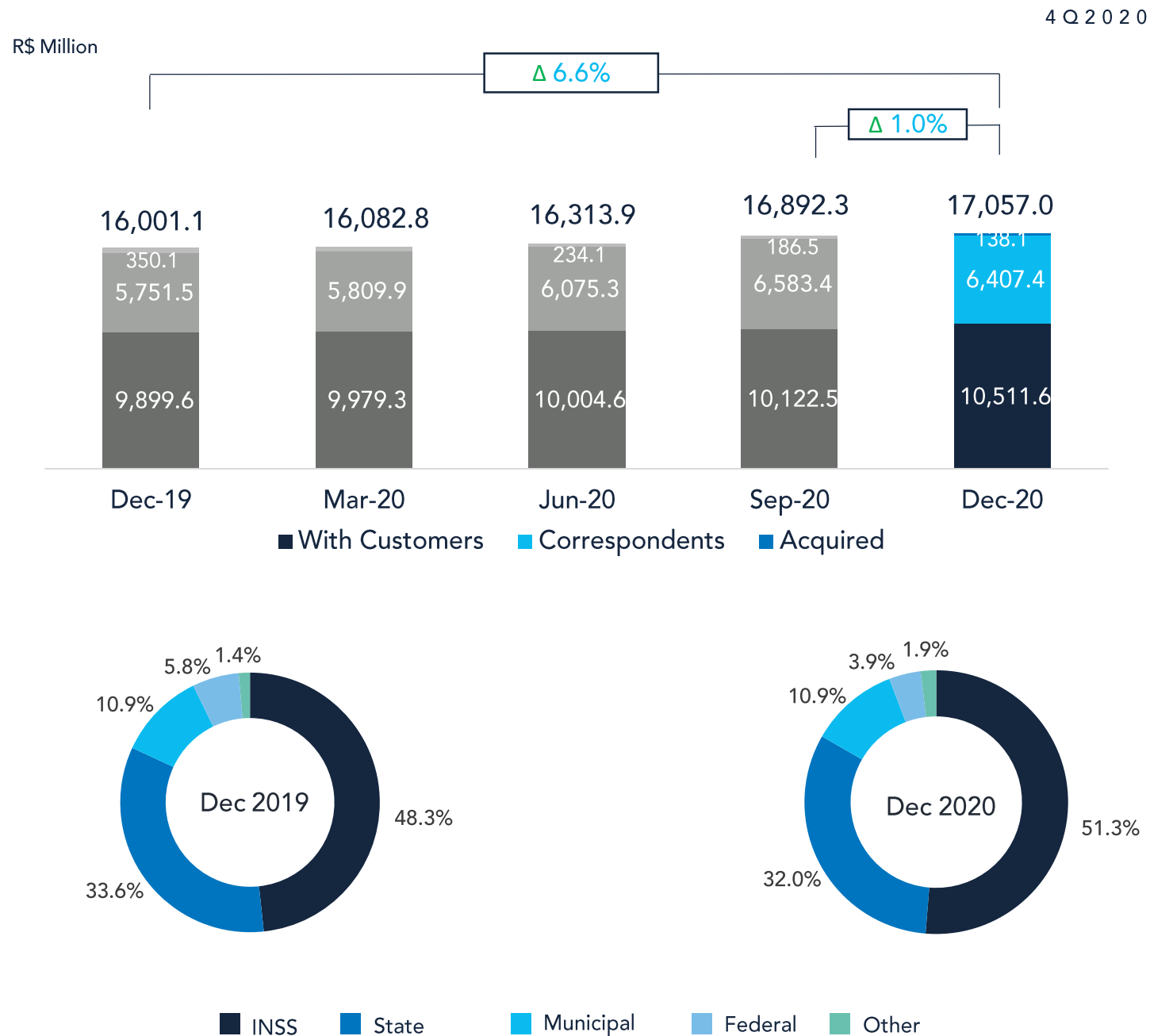


/ Payroll Loans

Evolution:

With
Customers
3m Δ 3,8%
12m Δ 6,2%

Correspondent
3m ∇ -2,7%
12m Δ 11,4%



/ Credit Relief Programs

R\$ Million

4 Q 2 0 2 0

Granted
Volume

In Dec/20

PEAC
780.7

Pronampe
632.6

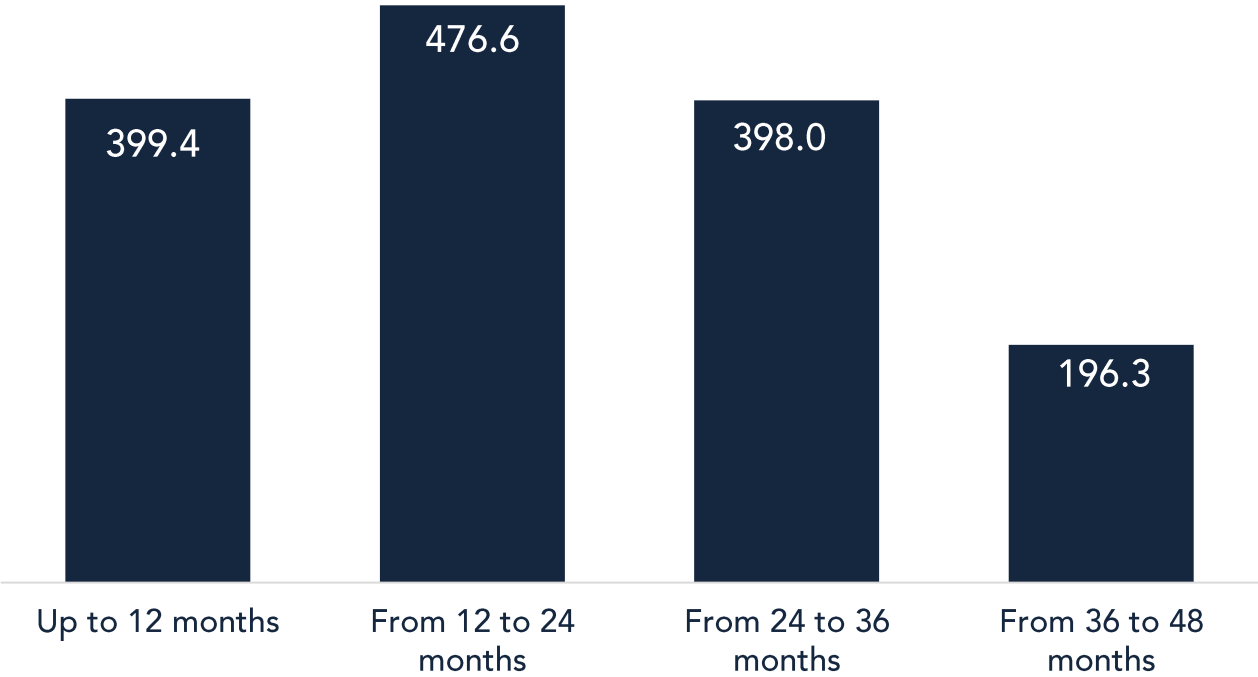
PESE
61.3



Total
1,474.7

Payment Distribution¹

In Dec/20



¹ Considering only the loan principal repayment flow, interests not included.

/ Renegotiated Loans

R\$ Million

4 Q 2 0 2 0

Total Renegotiated

R\$744.6 million

Renegotiated
Loans Profile

In Dec/20

Companies
318.0

Corporate	157.0
Middle	74.9
Small	72.2
BNDES Stand Still	13.9

Rural Loans
94.8

80.6%
Classified as
AA to C Risk

100%
In amortization

Individuals
259.4

Payroll Loans	188.1
Personnel Loans	71.3

Real Estate Loans
72.4

273.0 million
36%
Already amortized

2.59%
NPL > 90 days

/ Allowance for Loan Losses

2020 vs 2019

Mostly reflects the loan book rollover by risk rating, impacted by the current economic scenario.

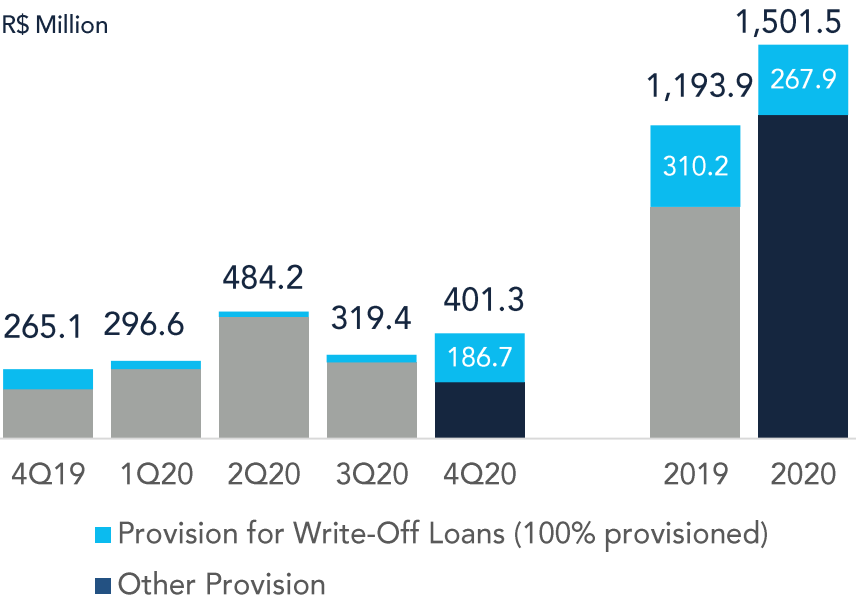
4Q2020 vs 4Q2019 and 3Q2020

Mostly reflects the greater volume of recovery of write-off credit fully provisioned, from corporative clients, the rollover of the loan book by risk rating and the decrease in arrears.

4 Q 2 0 2 0

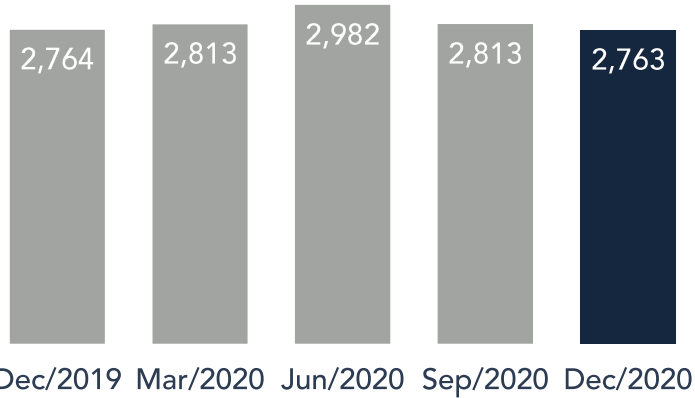
Provision Expense

R\$ Million

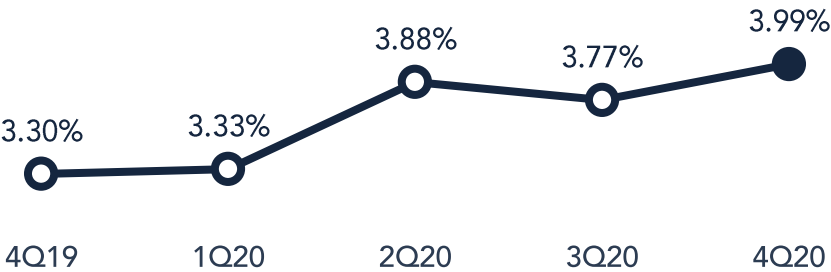


Provision Balance

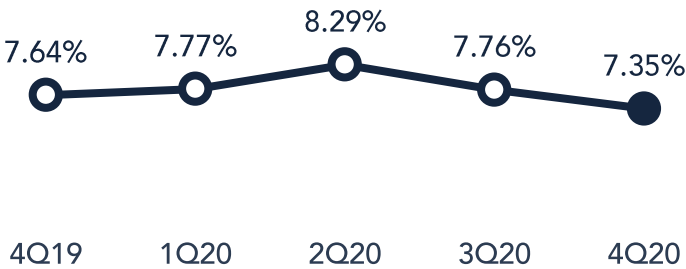
R\$ Million



12m Provision Expense / Credit Portfolio



Provisioning Index



/ Credit Quality

Evolution:

Normal Risk (AA-C)

3m Δ 1.1 pp.

12m Δ 1.2 pp.

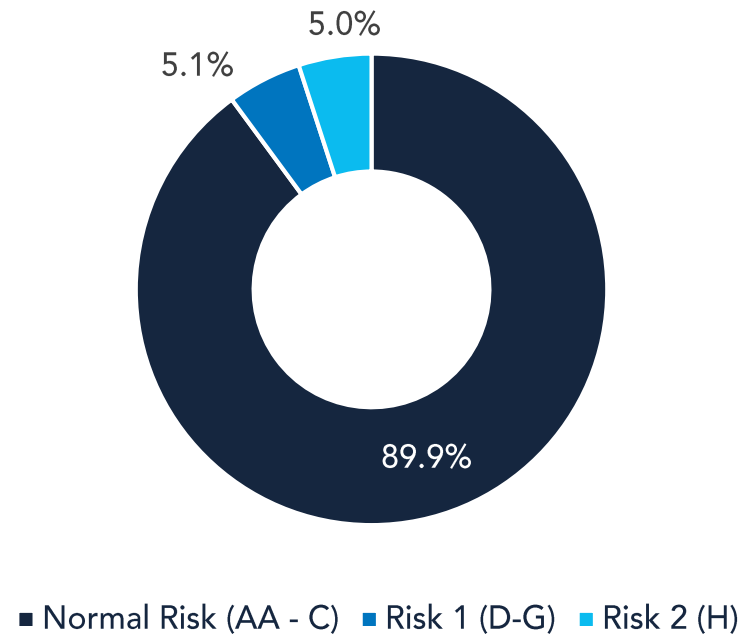
Evolution:

Default Ratio over 90 days

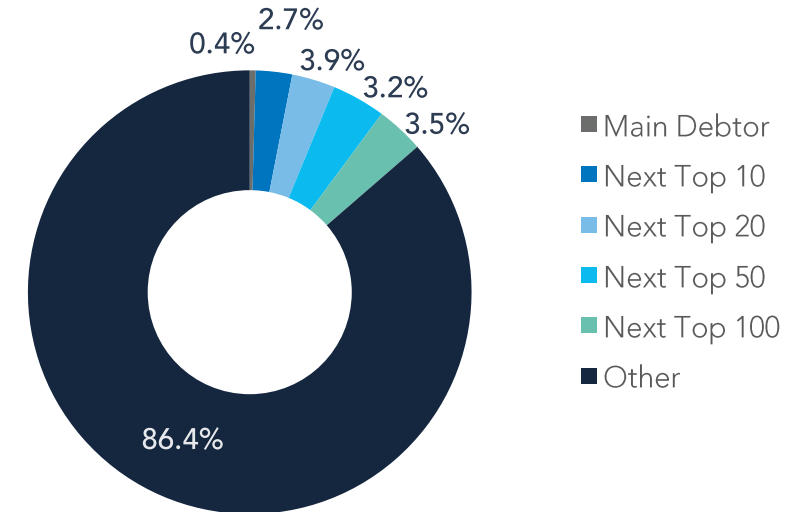
3m ∇ -0.67 pp.

12 ∇ -1.06 pp.

Distribution by Rating

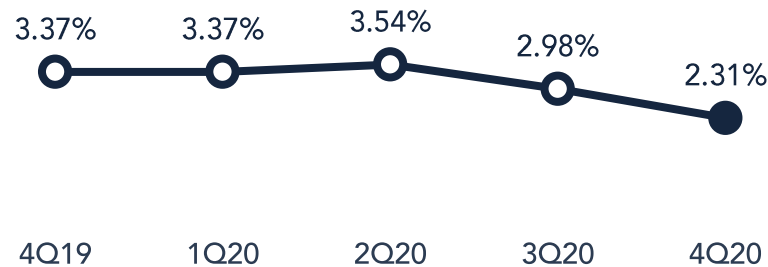


Concentration

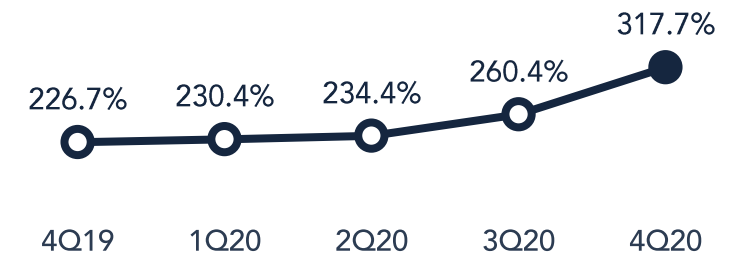


4 Q 2 0 2 0

Default Rate > 90 days



Coverage Ratio > 90 days



	2021 year
■ Total Credit Portfolio	10% to 15%
Non-direct Lending – Individuals	10% to 15%
Non-direct Lending – Companies	11% to 16%
Rural Loans	22% to 27%
■ Provision Expenses / Credit Portfolio	3,5% to 4,5%
■ Funding ¹	4% to 8%
■ Return on Average Equity	10% to 14%
■ Efficiency Ratio	50% to 54%
■ Net Interest Income / Interest-Earning Assets	6% to 7%

¹Funding: Deposits + Bank Notes and Similar



/ Results Presentation

INVESTOR RELATIONS
DEPARTMENT