



BANCO DO ESTADO DO RIO GRANDE DO SUL

/ Results Presentation

INVESTOR RELATIONS
DEPARTMENT

June / 2021

/ Economic Scenario of Rio Grande do Sul

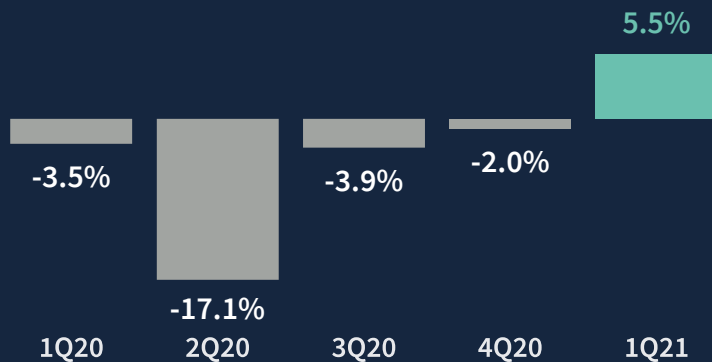
Recovery of
economic activity

Agribusiness (+42.2% YoY)

Industry (+10.5% YoY)

GDP - Rio Grande do Sul

Quarter over same quarter of the previous year

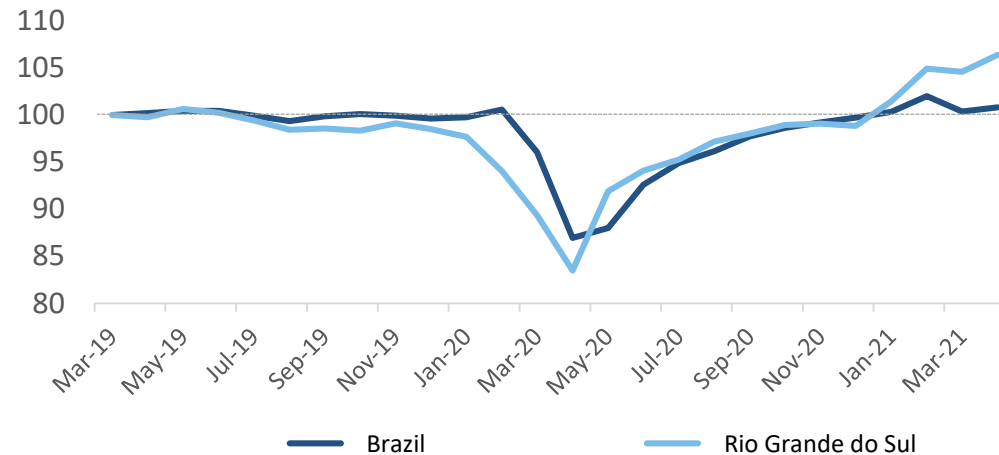


Sources: DEE, Central Bank.

Regional Economic Activity Index

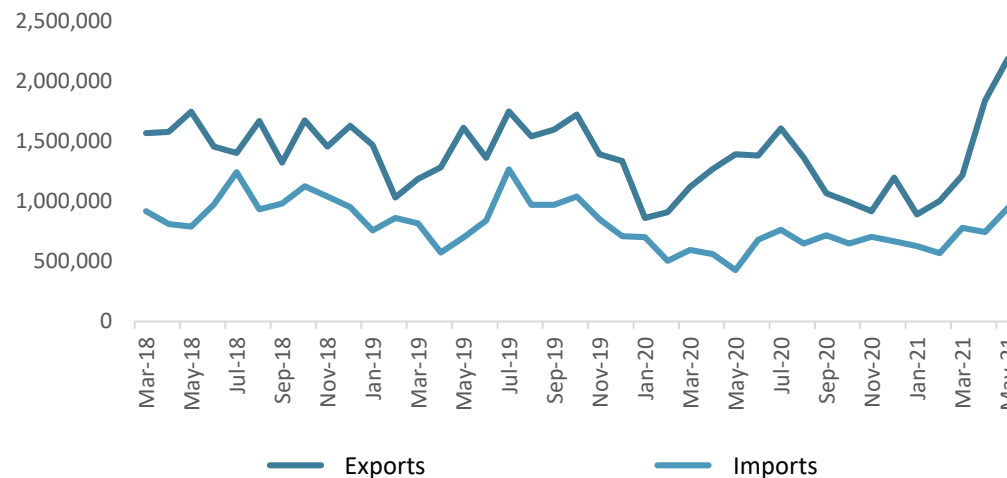
Seasonally adjusted data, 2019 = 100

2 Q 2 0 2 1



Rio Grande do Sul - Imports and Exports

US\$ thousand



Data shows the
economic recovery
in Rio Grande do Sul
is happening
**faster than
the national
average**

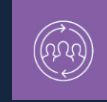
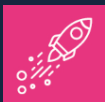
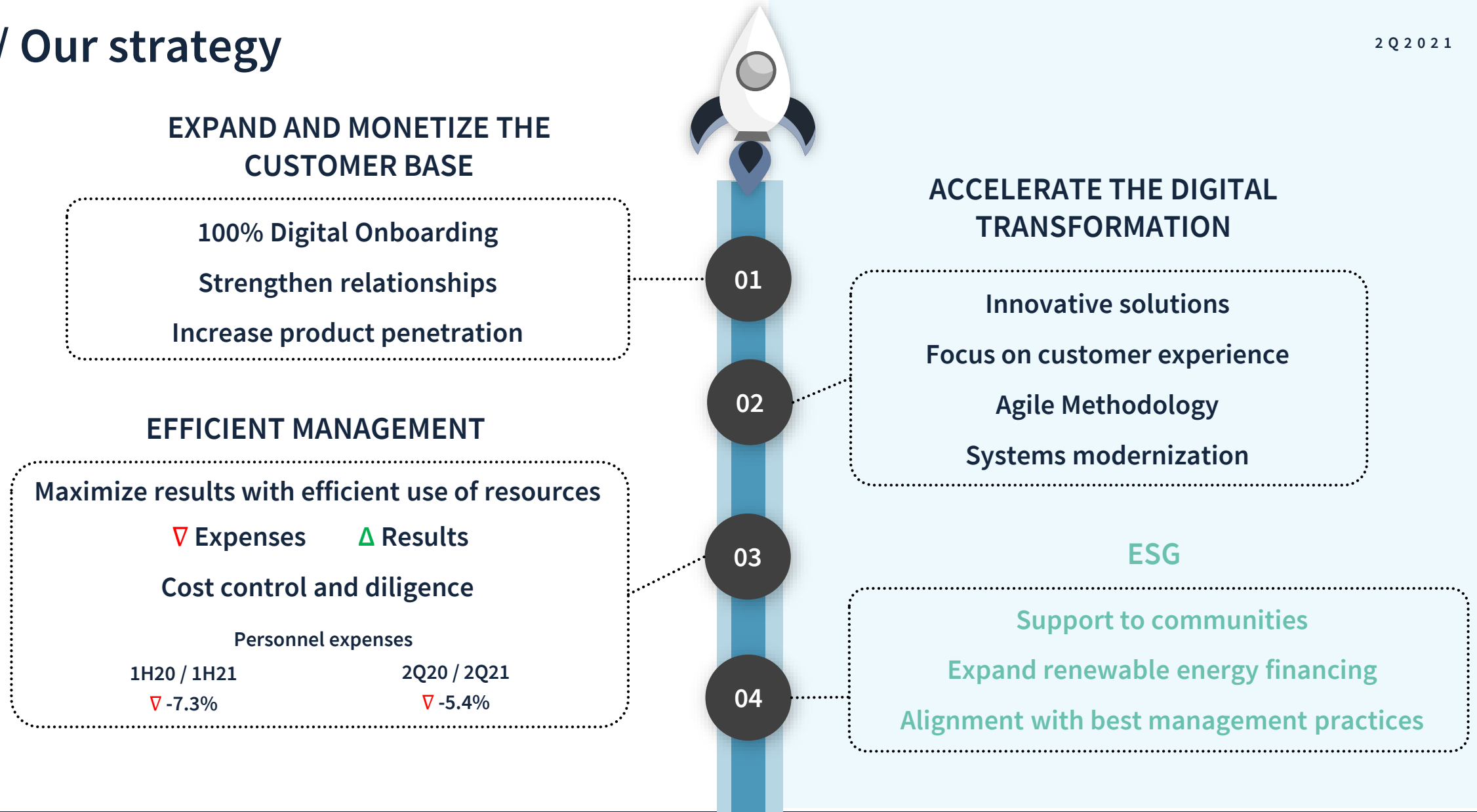
/ We are prepared to capture the best of this new moment

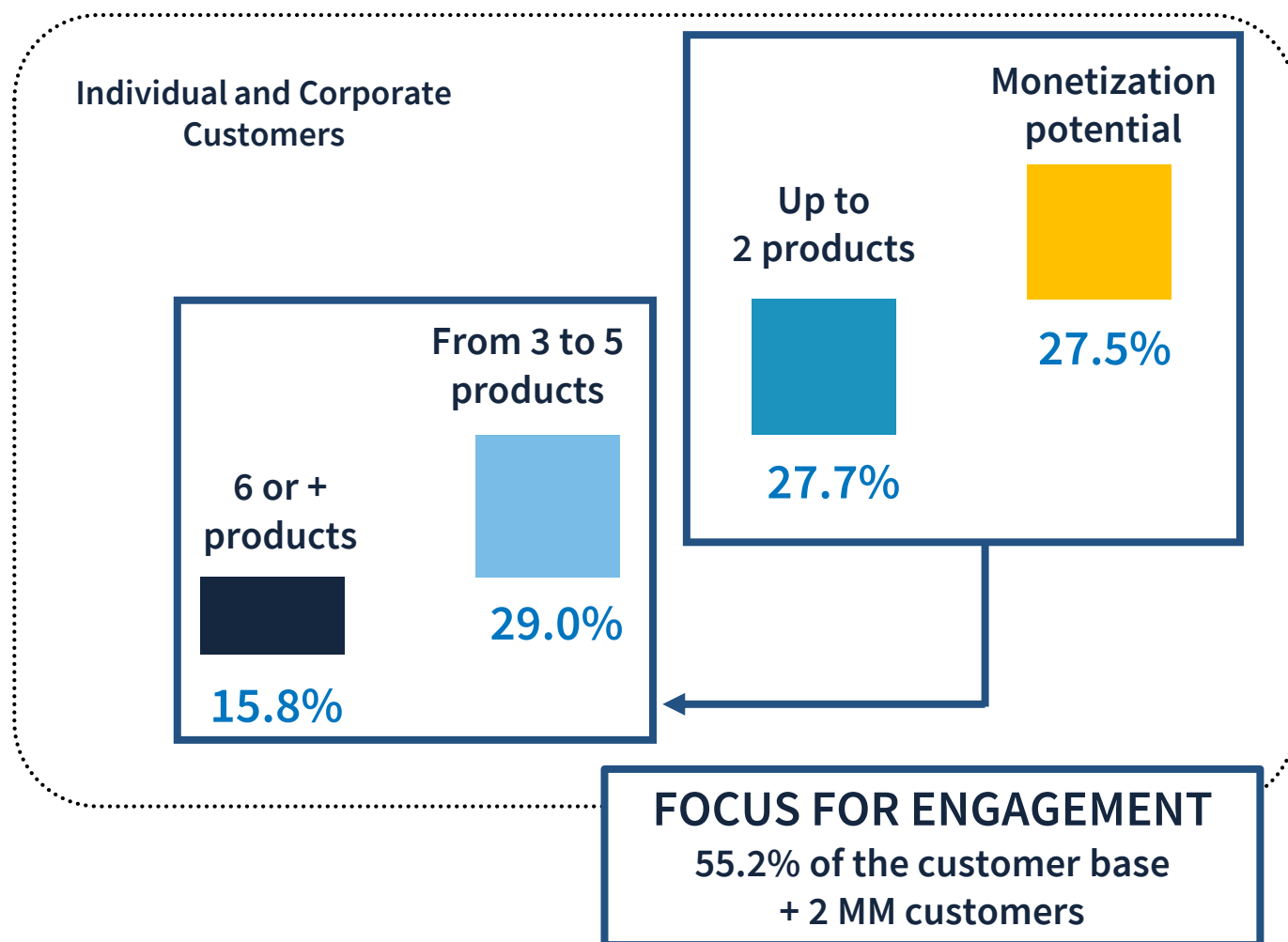
2 Q 2 0 2 1



/ Our strategy

2 Q 2 0 2 1





FULL RANGE OF PRODUCTS AND SERVICES

Some initiatives

Closer relationship

Personalized offers to customers

Portability Strategies for:

Payroll

Personal credit

Real Estate credit

Wages

100% Digital Onboarding

/ Supported by digital and innovative solutions



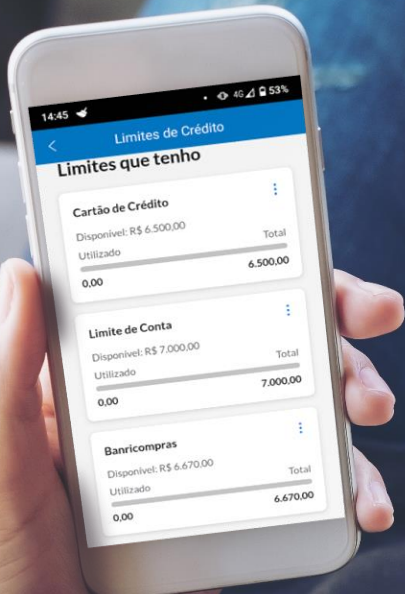
Transformation

2 Q 2 0 2 1



+100k
transactions

+14k
requested
bracelets



Management of
Credit Limits ²

+61k
operations

+R\$76 million
in limits

² Carried out during 1H2021.



Tap to Phone

Turning Smartphones
into Points of Sale

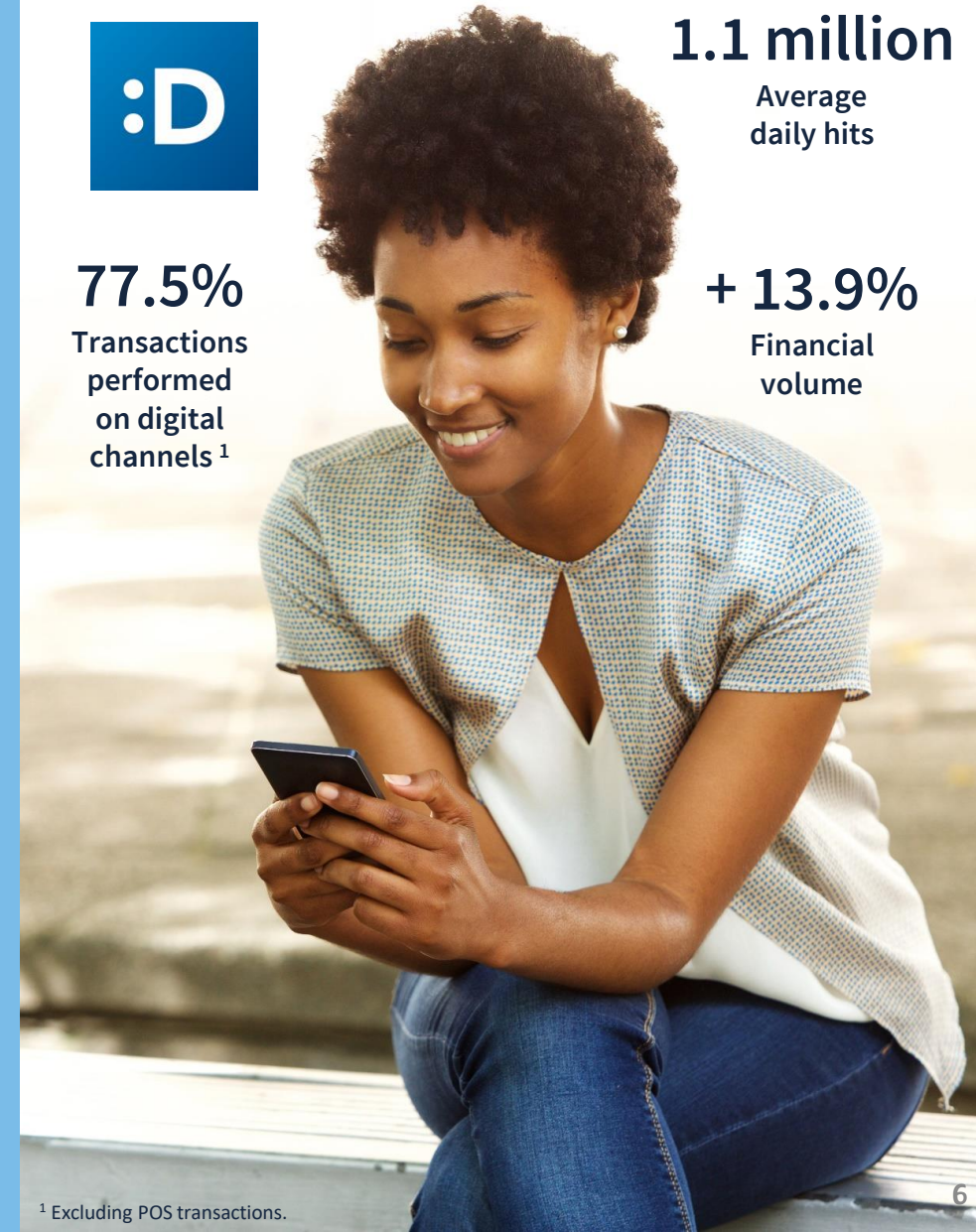
Simple, low-cost
solution with
high scalability



77.5%
Transactions
performed
on digital
channels ¹

1.1 million
Average
daily hits

+ 13.9%
Financial
volume

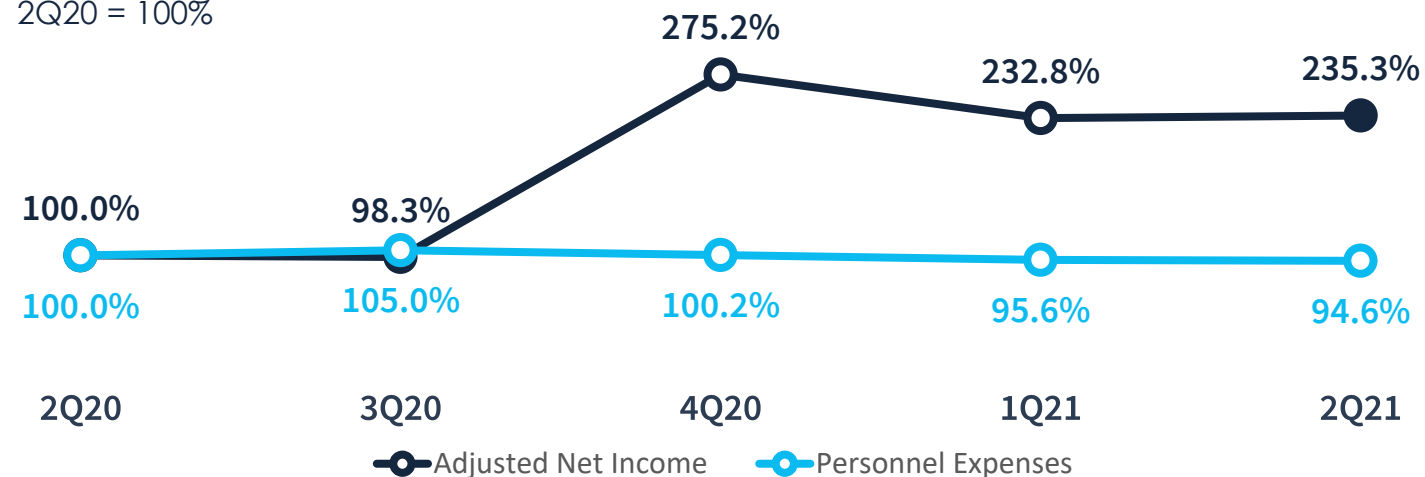


¹ Excluding POS transactions.



Adjusted Net Income vs Personnel Expenses

2Q20 = 100%



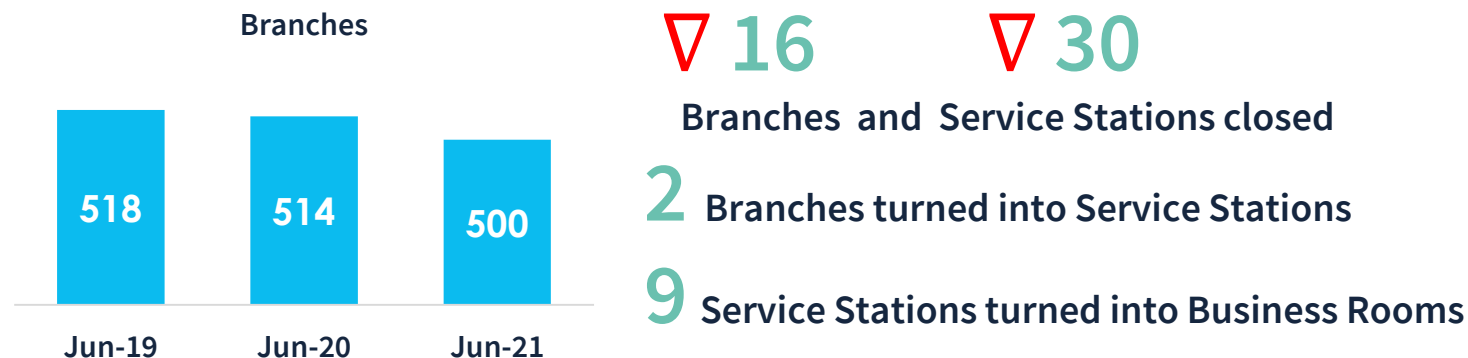
+2.3X Adjusted Net Income

-5.4% Personnel Expenses

+ Productivity
+ Efficiency

Restructuring in Service Networks and Back Office

June/21





Seeds Program

Distribution of 117.3 million
agroecological seeds
to 6,5k families



Sustainable Products

R\$ 219.5 million¹
in financing for clean and
renewable energy

+ 88.5%

in the last 12 months



Adherence to the **CDP - Carbon Disclosure Project** to promote a low-carbon economy.



Adherence to the **SDG Action against global climate change.**

Programa Brasileiro
GHG Protocol

Adherence to the **Brazilian GHG Protocol Program**, focusing on the reduction of greenhouse gases.

Roadmap

Creation of the **Sustainability Committee**, to promote the transversal nature of the ESG theme.

AgroInvest Sustainability
with strategic direction for
sustainable practices and
renewable energies

¹ Portfolio Balance at the end of June/21. 8

O AGRO
é o nosso
CHÃO.



Plano Safra 2021/2022



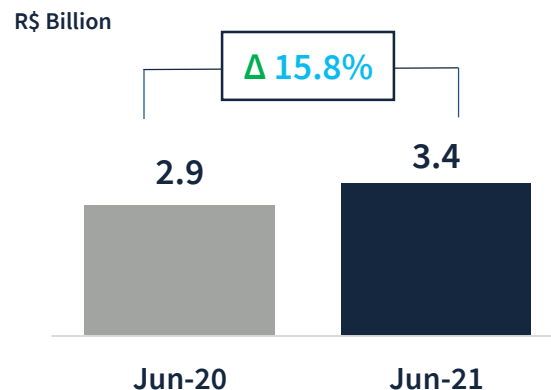
Credit granting
in half the time

350 branches
with operations specialized in
agribusiness

6 Agro Spaces
dedicated to rural credit

AgroInvest 4.0
to finance new technologies in
agricultural production

Rural Credit Portfolio



Credit Quality

Individuals

0.16%

NPL > 90d

Jun/21

Companies

0.54%

NPL > 90d

Jun/21

THE LARGEST CROP PLAN
FINANCING IN OUR HISTORY

R\$ 5.2 billion
in credit

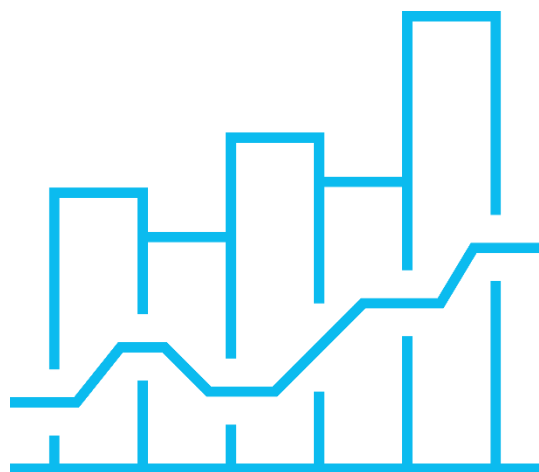
+27%
in relation to the previous plan

50k
farmers benefited

/ Guidance Update

	Projected	Revised
■ Loan Portfolio	10% to 15%	7% to 12%
Non-direct Lending – Individuals	10% to 15%	5% to 10%
Non-direct Lending – Companies	11% to 16%	8% to 13%
Rural Loans	22% to 27%	Maintained
■ Loan Loss Provision Expenses / Loan Portfolio	3.5% to 4.5%	2% to 3%
■ Funding¹	4% to 8%	Maintained
■ Return on Average Equity	10% to 14%	Maintained
■ Efficiency Ratio	50% to 54%	54% to 59%
■ Net Interest Margin on Earning Assets	6% to 7%	Maintained

¹Funding: Deposits + Bank Notes and Similar



/ Results

■ HIGHLIGHTS

■ PROFITABILITY

■ NII & NIM

■ FUNDING

■ EXPENSES AND BANKING FEES

■ CREDIT PORTFOLIO

■ PAYROLL LOANS

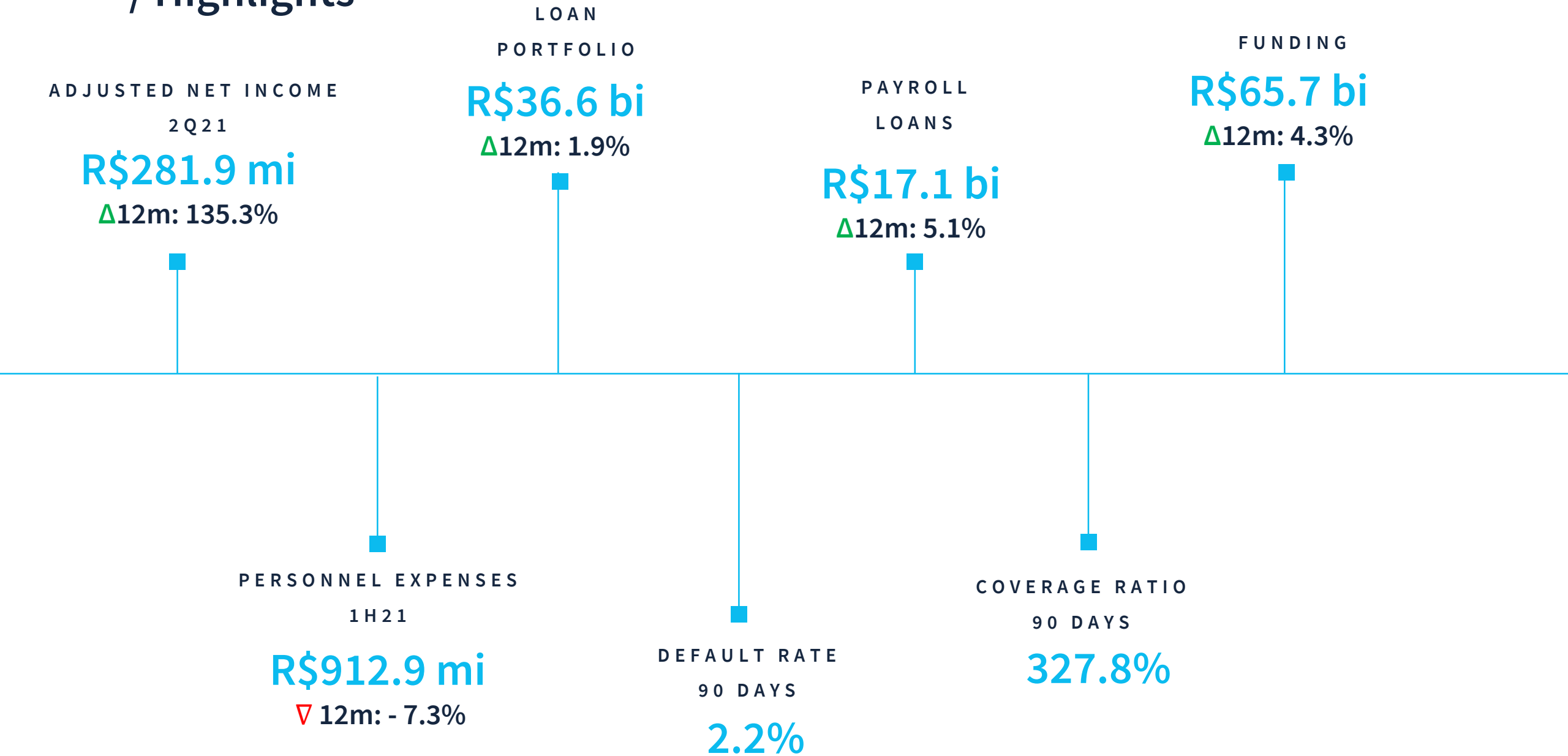
■ RENEGOTIATED LOANS

■ PROVISIONS

■ CREDIT QUALITY

■ CAPITAL

/ Highlights

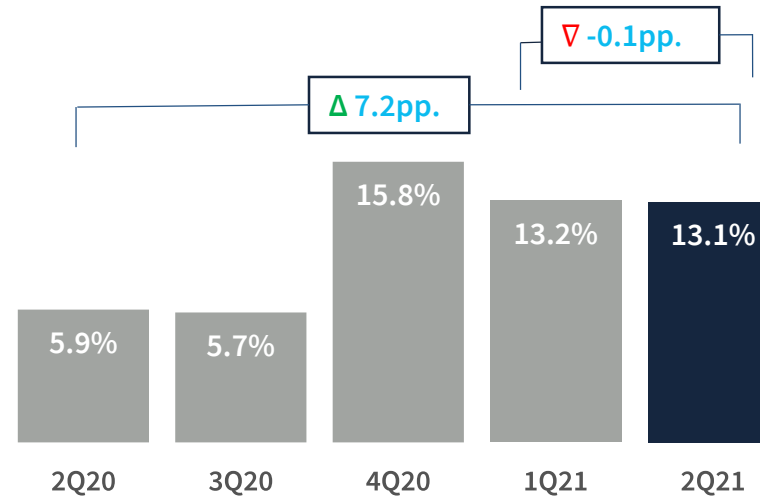


/ Profitability

2Q21 Adjusted Net Income impacted by:

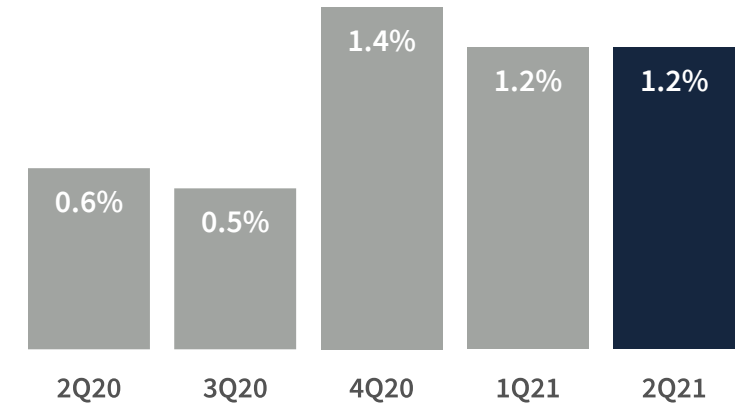
- ▽ Loan Loss Provisions;
- ▽ Personnel Expenses;
- ▽ Financial Margin;
- △ Taxes on Profit;

Adjusted ROAE



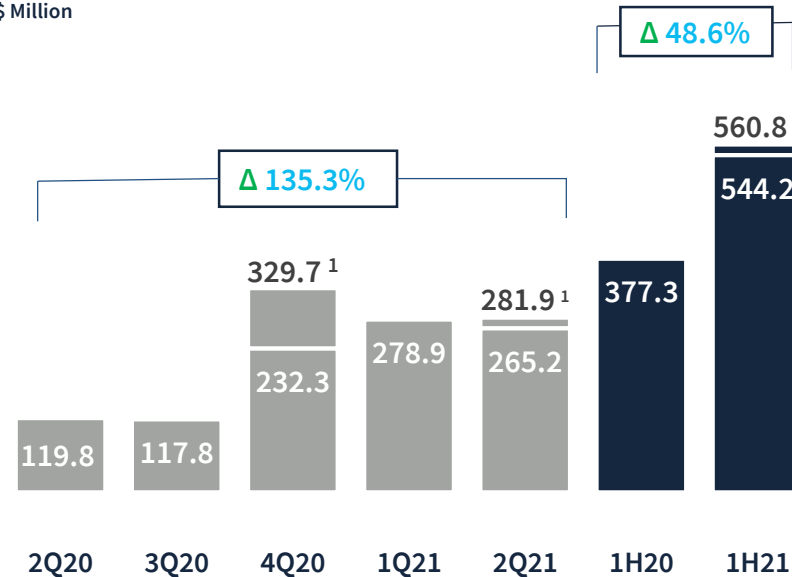
Adjusted ROAA

2 Q 2 0 2 1



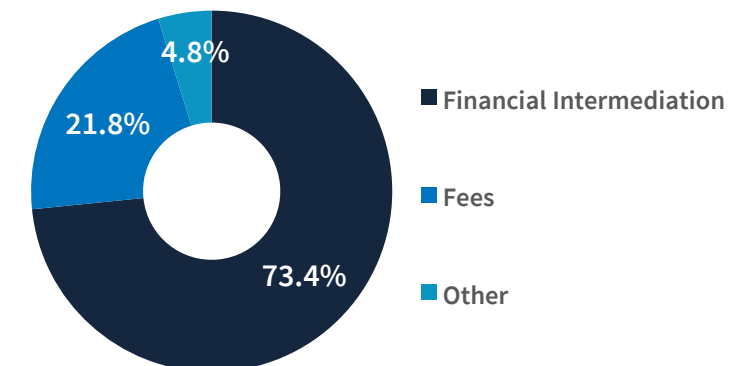
Net Income

R\$ Million



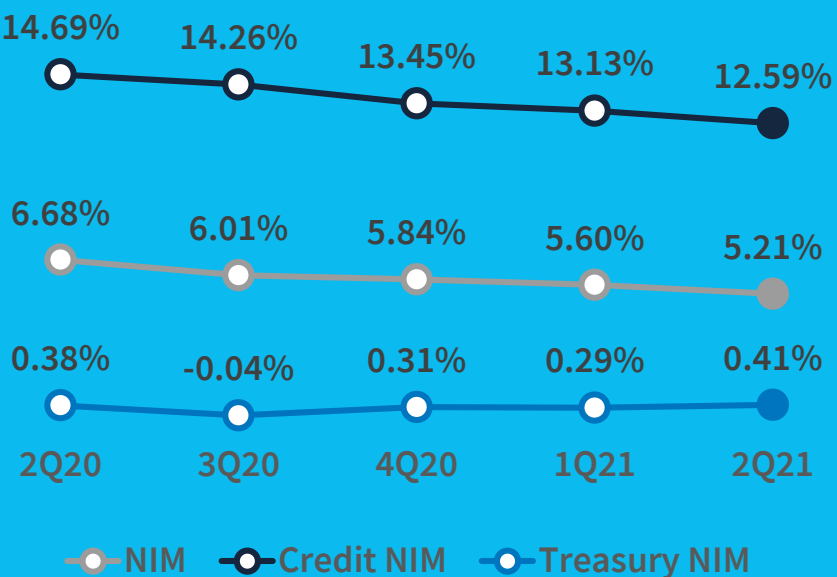
¹Adjusted Net Income

Revenues



/ NII & NIM

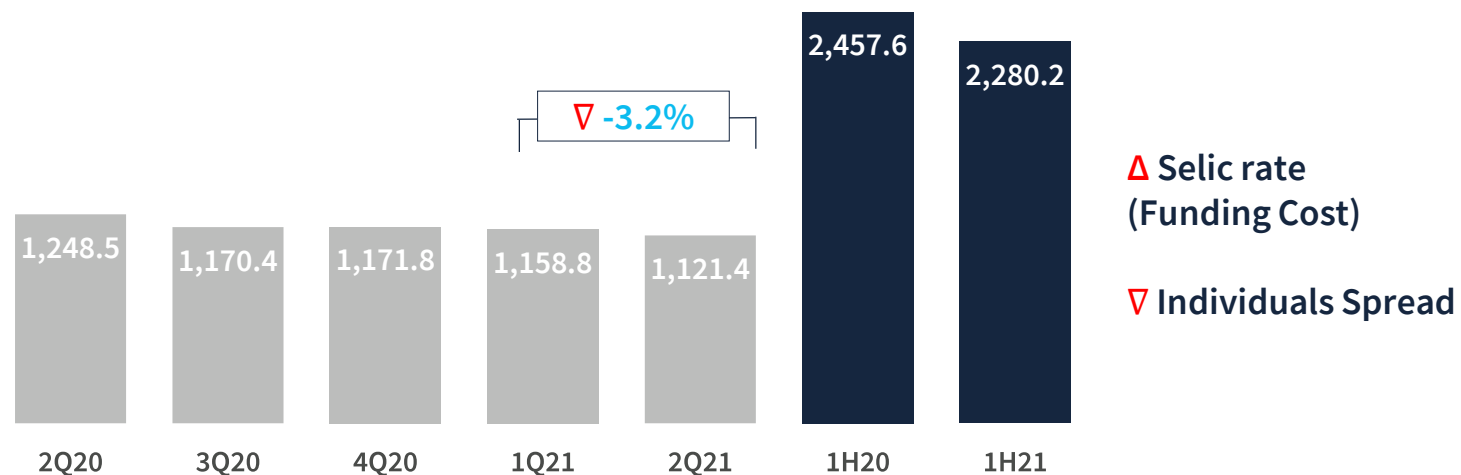
Managerial NIM on Profitable Assets



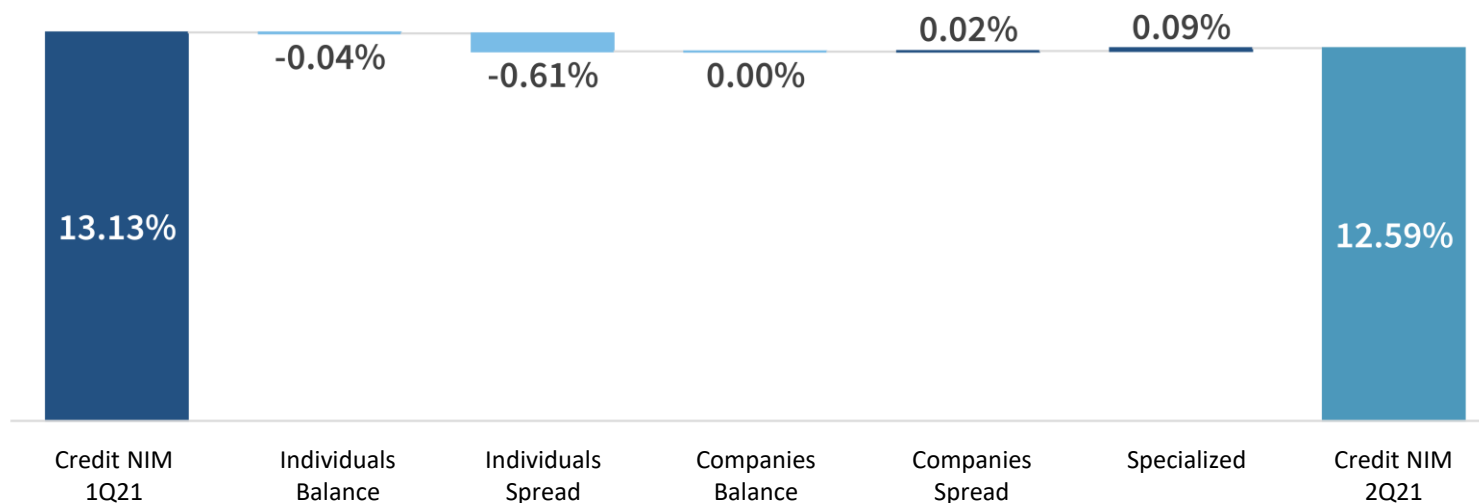
Managerial NII¹

R\$ Million

2 Q 2 0 2 1



Credit NIM Build up¹



¹ Excluding revenues from recovery of credits written off as losses.

/ Funding

■ **88.1%**
of Interbank Deposit Rate
Average Funding Cost in Time Deposits

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

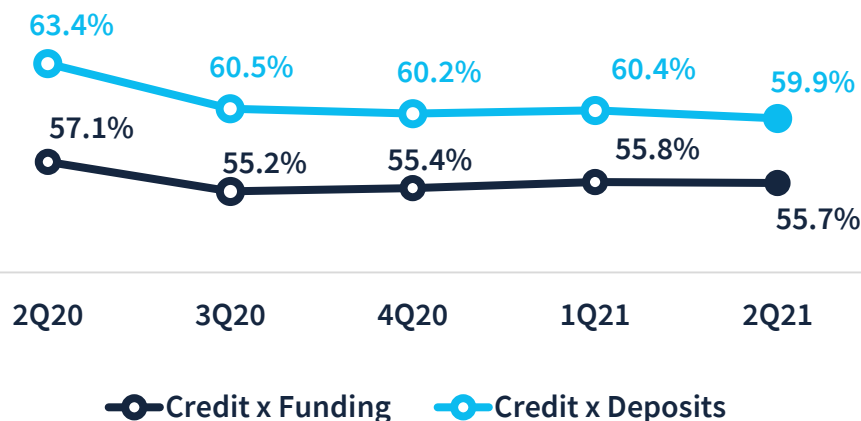
Evolution

△ 12m: 4.3%

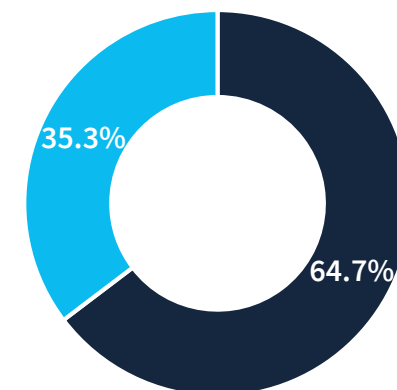
▽ 3m: -0.4%

2 Q 2 0 2 1

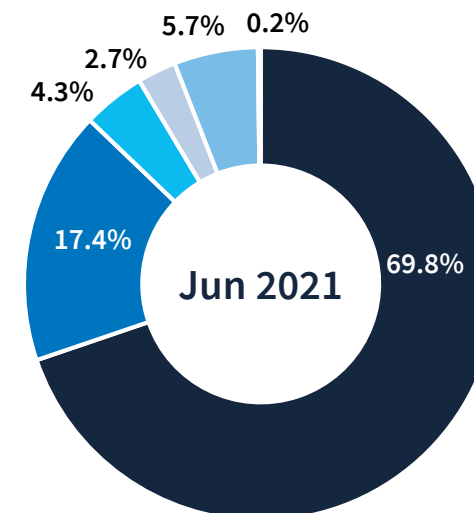
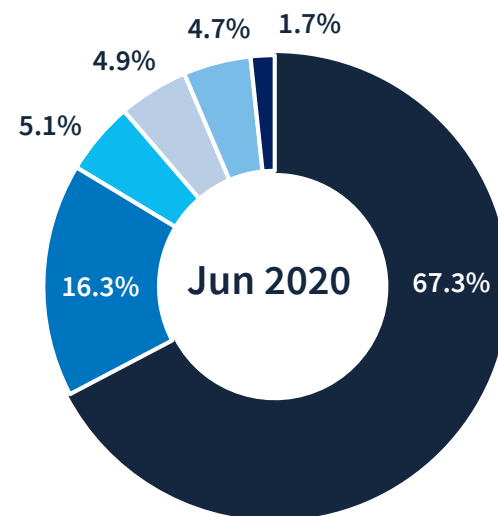
Credit x Funding Relation



Funding by source



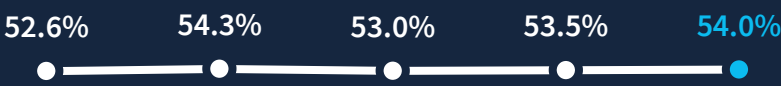
■ Individuals ■ Companies



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

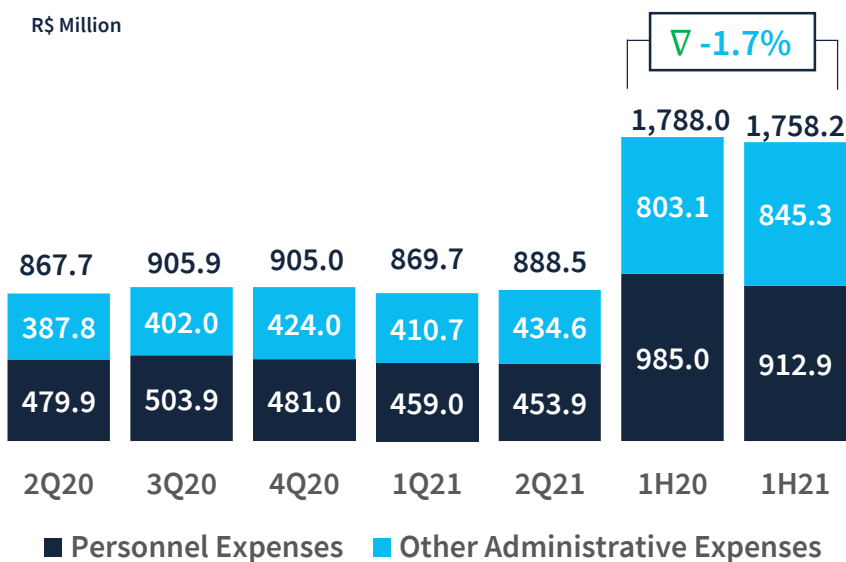
/ Expenses and Banking Fess

Adjusted Efficiency Ratio - 12 m



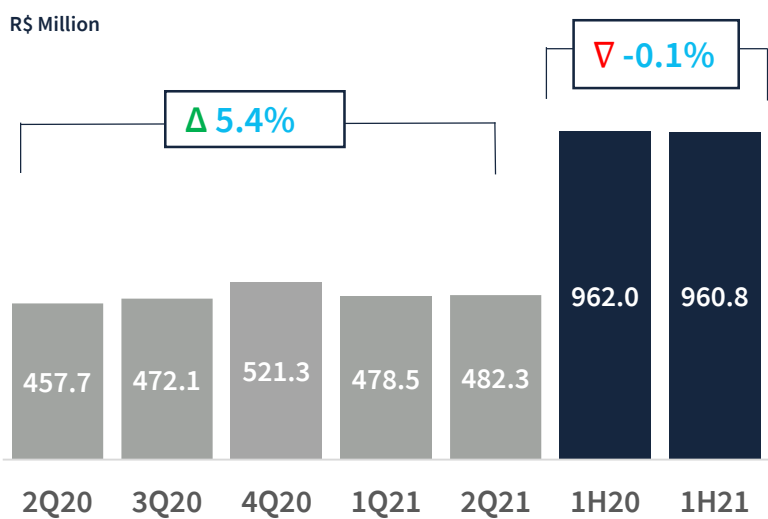
Personnel Expenses + Other Administrative Expenses / Financial Margin + Income from Services and Fees + (Other Income – Other Expenses).

Adjusted Administrative Expenses

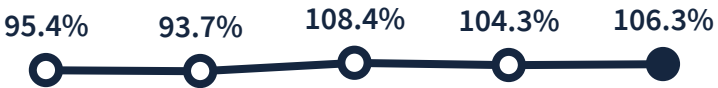


Diligence in costs;
PDV Benefits;

Banking Fees



Banking Fees X Personnel Expenses Ratio



Banking Fees / Personnel Expenses

/ Credit Portfolio

Renegotiated Loans

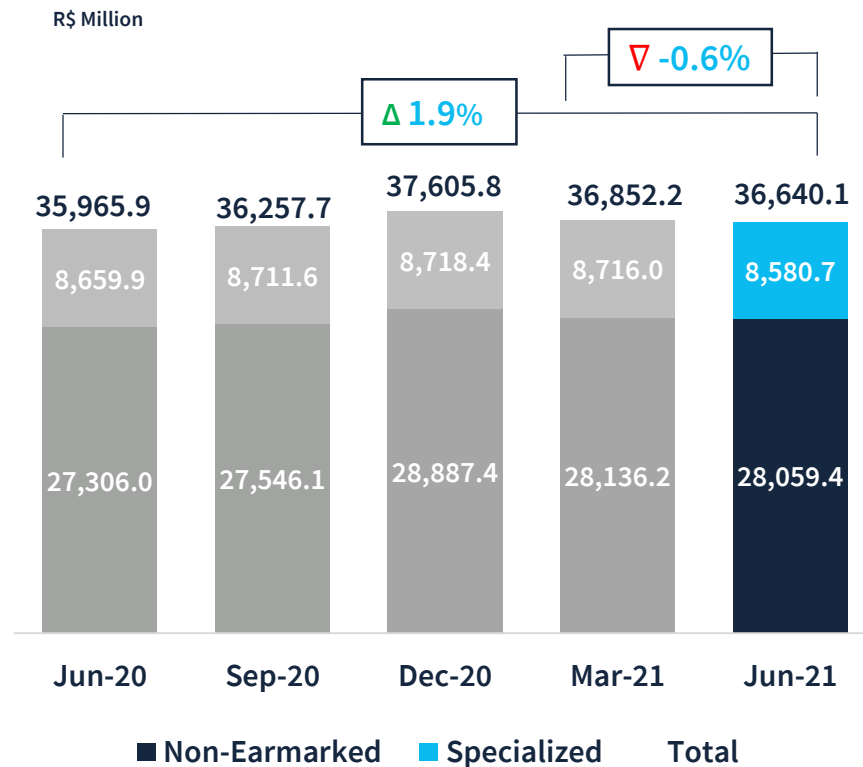
R\$208.6 million

(Balance as of Jun/21)

72%
already amortized

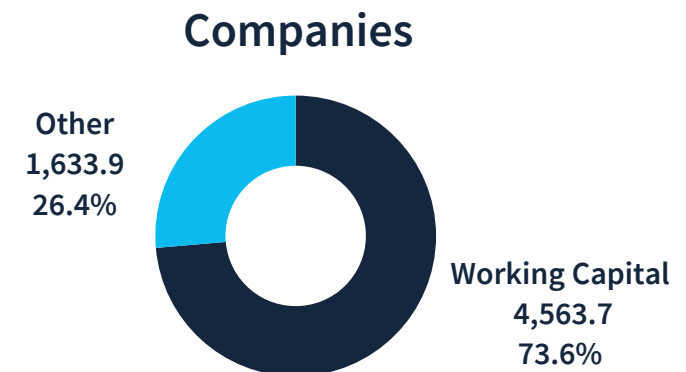
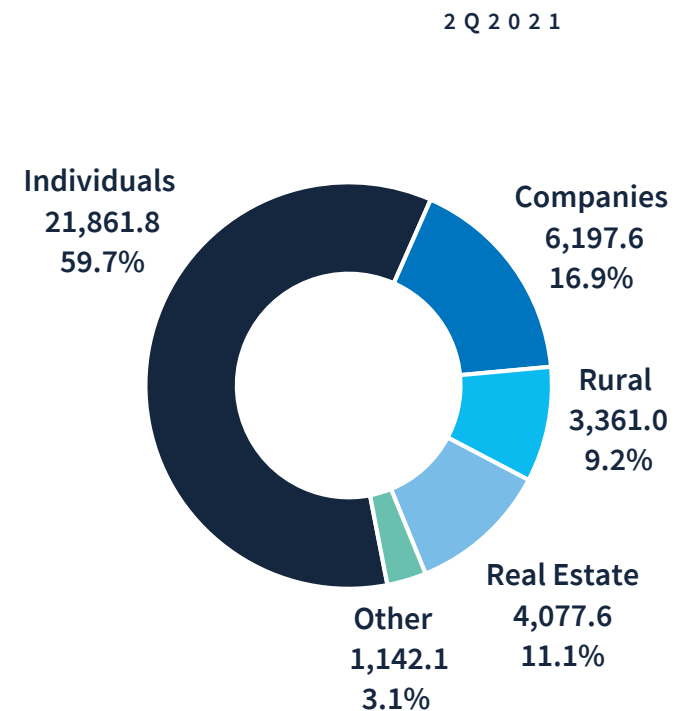
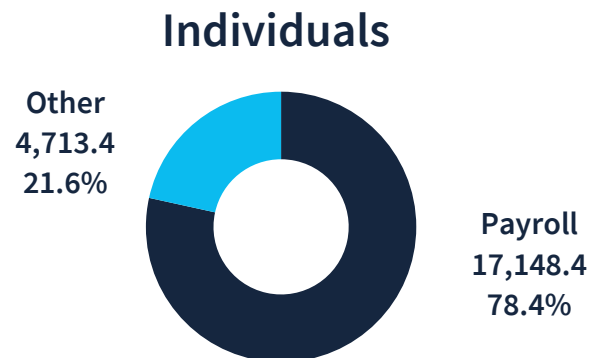
87.7%
classified as
AA to C Risk Ratings

4.6%
R\$9.5 million
NPL > 90 days



Non-Earmarked Credit

R\$ Million and %



/ Payroll Loans

Evolution :

With Customers

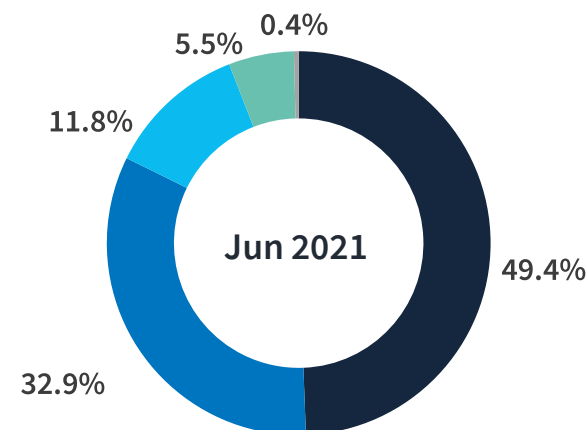
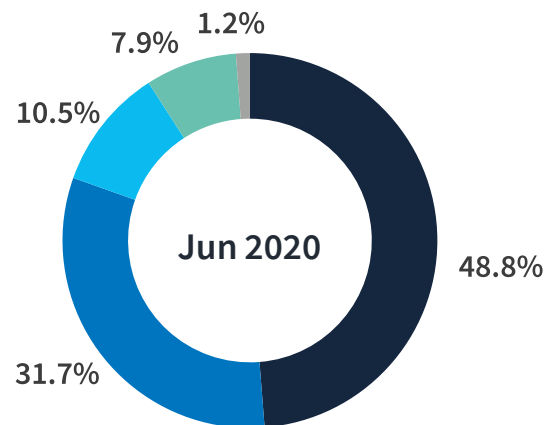
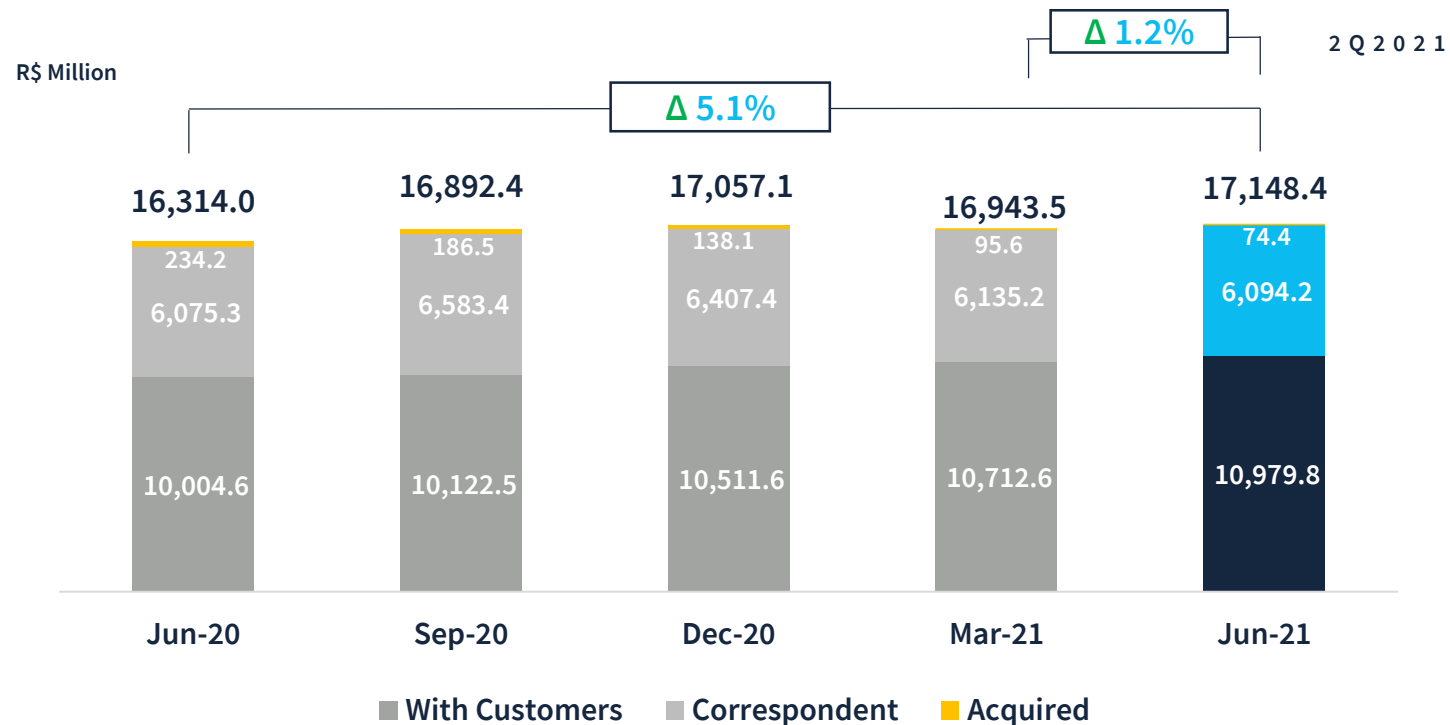
3m Δ 2.5%

12m Δ 9.7%

Correspondent

3m ∇ -0.6%

12m Δ 0.3%



/ Loan Loss Provisions

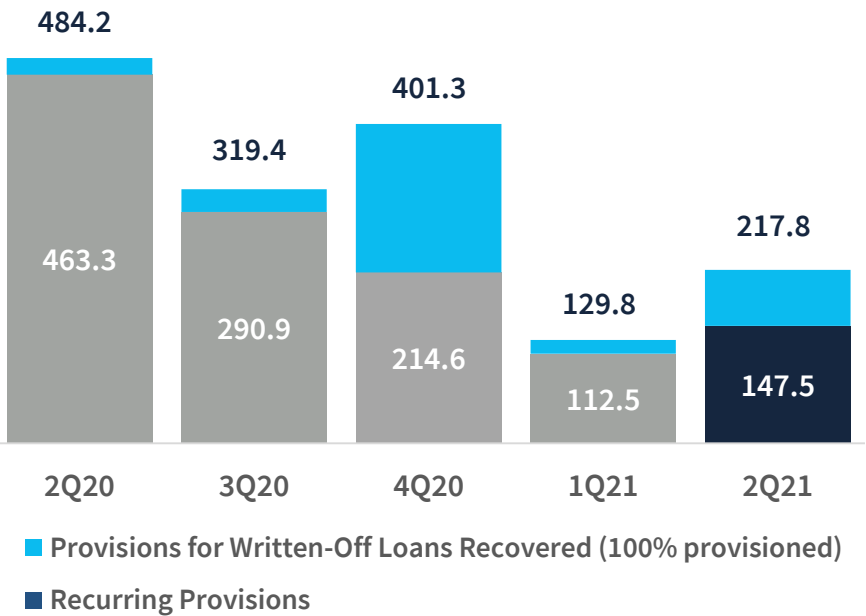
- Stabilization of portfolio risk
- Performance aligned to best estimates

Reduction in recurring provision expenses

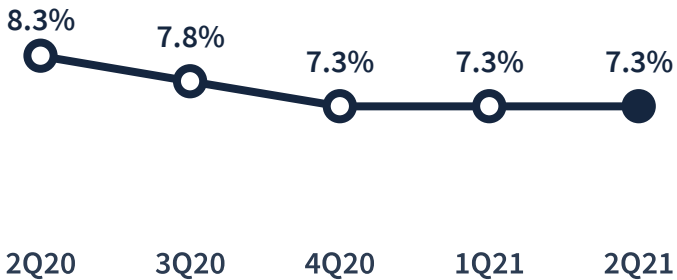
12m ▼ -68.1%

Provision Expenses

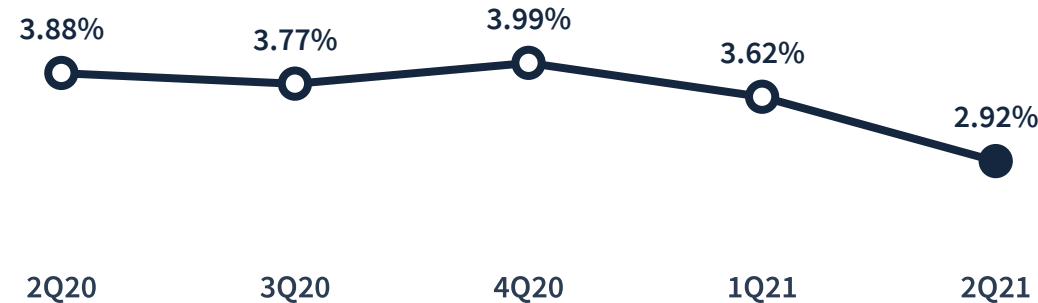
R\$ Million



Provisioning Index

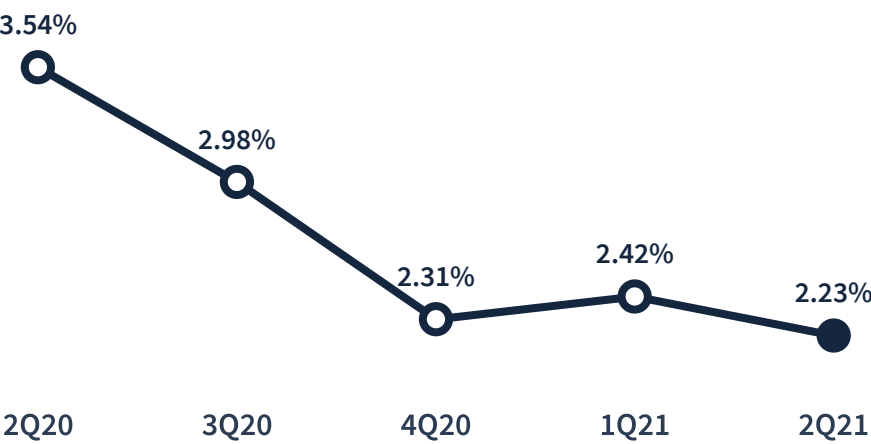


12m Provision Expenses / Credit Portfolio

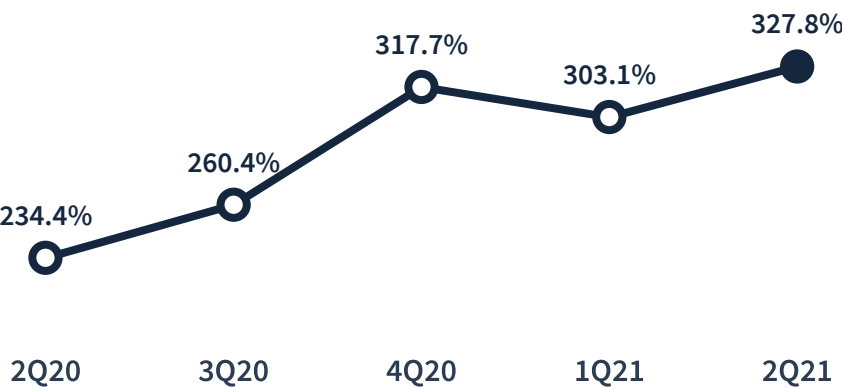


2 Q 2 0 2 1

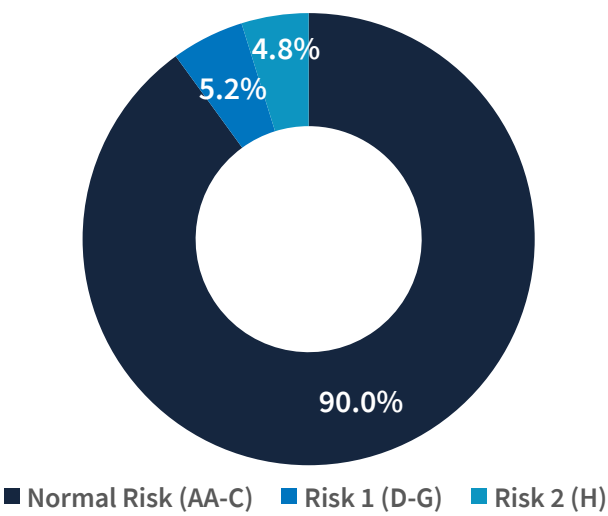
Default Rate > 90 days



Coverage Ratio > 90 days



Rating Breakdown

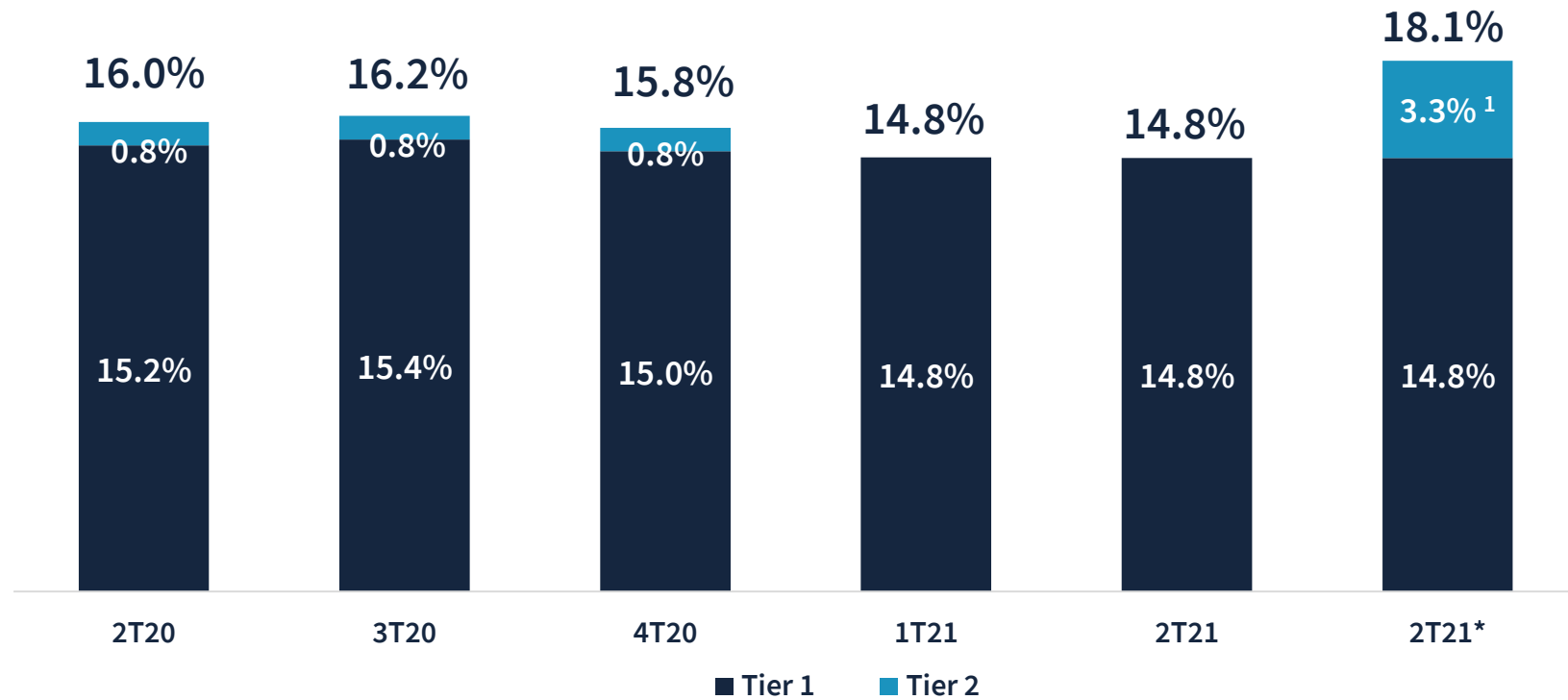


Concentration

Largest Debtor	0.4%
Top 10 Next	2.4%
Top 20 Next	3.1%
Top 50 Next	3.7%

Comfortable
capital for credit
portfolio growth

Basel Ratio



*Proforma after the
issuance of Tier 2
Subordinated Notes

¹ Considers the exchange rate of June, 30 of 2021 with a quotation of R\$5.00.



Visit our website : ir.banrisul.com.br



Download Center



Historical Series



Institutional
Presentation



Investor Kit



Banrisul
Bookkeeping

/ Results Presentation

Sign up for our mailing list and
receive our communications

INVESTOR RELATIONS DEPARTMENT

+55 (51) 3215-3232

ri@banrisul-ri.com.br