



BANCO DO ESTADO DO RIO GRANDE DO SUL

/ Institutional Presentation

INVESTOR RELATIONS

December/20



/ Institutional Presentation

This presentation contains forward-looking statements relating to the prospects of the business, estimates for operating and financial results, and those related to growth prospects of Banrisul.

These are merely projections and, as such, are based exclusively on the expectations of Banrisul's management concerning the future of the business and its continued access to capital to fund the Company's business plan.

Such forward-looking statements depend, substantially, on changes in market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors and risks disclosed in Banrisul's filed disclosure documents and are, therefore, subject to change without prior notice.

■ CORPORATE
PROFILE

■ BUSINESS
STRATEGY

■ FINANCIAL
SUMMARY



/ Corporate Profile

■ CORPORATE PROFILE

■ TIMELINE

■ ADMINISTRATIVE STRUCTURE

■ MANAGEMENT AND COMMITTEES

■ EXECUTIVE BOARD

■ BANRISUL GROUP

■ CORPORATE GOVERNANCE

■ BANRISUL SHARES

■ ESG

■ HUMAN RESOURCES

■ AWARDS



Efficiency

Focusing on the efficiency of management, centering objectives on faster, simplified processes, improving IT infrastructure and architecture, improving risk management and also adhering to best management practices.



Transformation

Following the path of transformation, through the implementation of new business models and new technologies, to maintain Banrisul's competitiveness.



Employees

The strength of its employees is key to achieve organizational success. To this end, the Bank has developed a challenging, agile environment, fostering the engagement and improving the management of human resources.



Customers

Considering the similarity of products in the financial market, the entry of new competitors and the perception of value and innovation, Banrisul intensifies focus on customer, in order to provide the best experience in financial solutions and raise their level of satisfaction.



Essence

Reinforce the commitment to being a retail bank, with a focus on Rio Grande do Sul.

/ Timeline

4 Q 2 0 2 0



1 9 2 8

On September 12, 1928 Banrisul starts operating as rural credit and mortgage public bank and its main activity was the long term lending with mortgage as collateral.



1 9 3 1

In the beginning of the 30's years, after incorporating the Pelotense Bank, Banrisul started being the tax collector for the State of Rio Grande do Sul. Listed on the Stock exchange in September, 1931.



1 9 4 3

Banrisul receives its first female employees on its office force.



1 9 6 4

With 35 years of existence and highlighted position at the national banking scene, Banrisul inaugurates its current main office, at the Capitão Montanha Street, at the heart of Porto Alegre.

/ Timeline

4 Q 2 0 2 0



1 9 9 3

It is inaugurated the first ATM room, totally automatized in Porto Alegre.



2 0 0 5

Banrisul launches the Banrisul Internet Card with smart chip, innovation at Latin America.



2 0 0 7

Capitalization and secondary emission of preferred shares joining the Level 1 of Corporate Governance. The operation was the largest primary offer of shares with banks in Latin America in the year.



2 0 1 2

Bem Promotora comes up, a company which acts as payroll loans originator.

/ Timeline

4 Q 2 0 2 0



2 0 1 4

Banrisul launches its new multibrand acquirer company, Vero.



2 0 1 7

Banrisul launched the Banrisul Digital app.



2 0 1 9

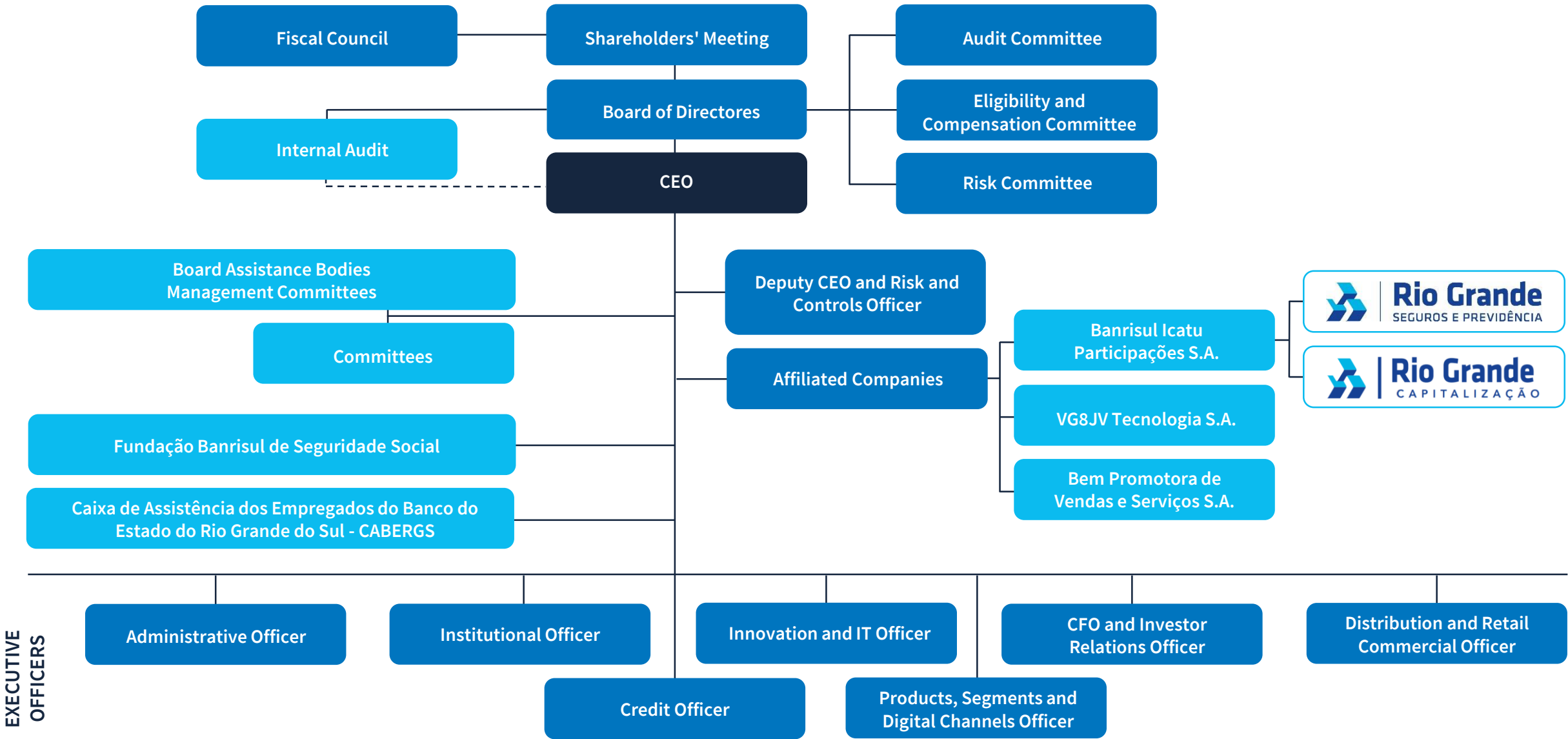
Banrisul launched the campaign “Agro is our business”, focusing on rural credit.



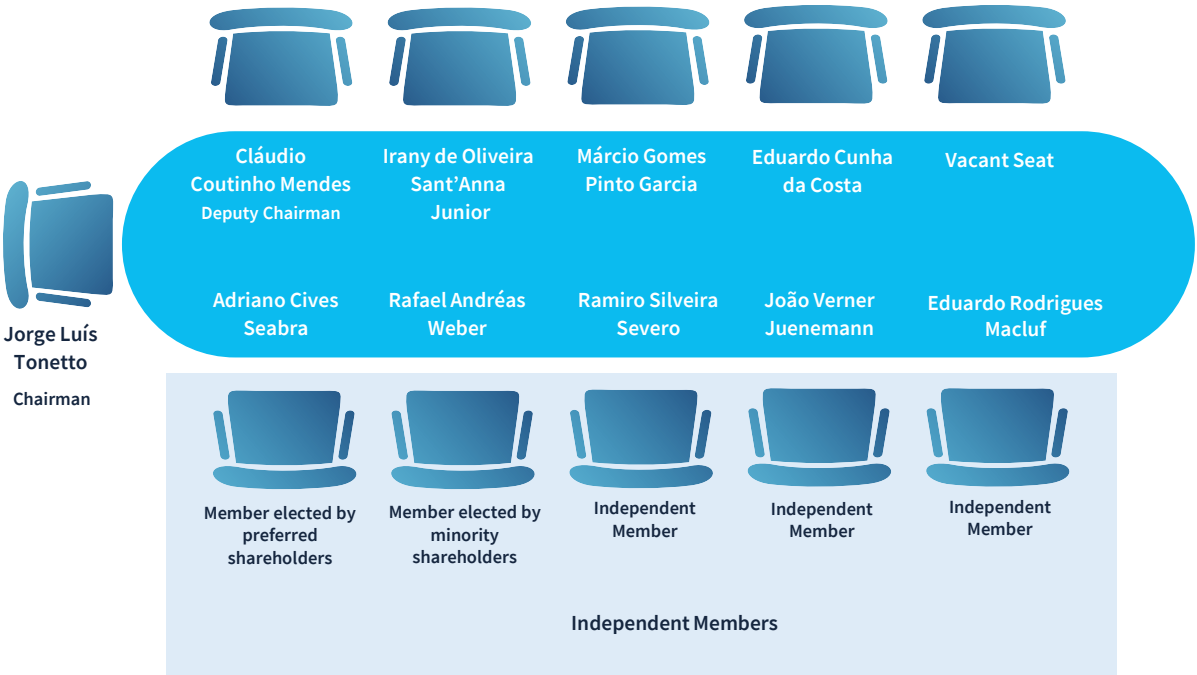
2 0 2 0

Banritech innovation hub is launched

/ Administrative Structure



/ Management and Committees



Risk Committee

Comprised of at least 3 and at most 5 members appointed and removable by the Board of Directors at any time.

Audit Committee

Composed of 3 members elected by the Board of Directors in the first meeting held after the Shareholders' Meeting.

Eligibility and Compensation Committee

Composed of 3 members, residing in the country with education standards and technical skills according to the duties of the position.

Other Committees

Banrisul has other 15 committees assisting the Executive Board.

Board of Directors is composed by up to 11 members, of which at least 25% are independent members.

Minority Shareholders elect 2 members to the Board of Directors.

The Fiscal Council is composed by 5 members (with equal number of alternate members) must have higher education level and experience.

Owners of preferred shares and minority shareholders elect 2 members to the Fiscal Council.

/ Executive Board

4 Q 2 0 2 0



**Cláudio Coutinho
Mendes**

CEO



**Irany de Oliveira
Sant'Anna Junior**

Deputy CEO and Risk and
Controls Officer



**Marcus Vinícius
Feijó Staffen**

CFO and Investor
Relations Officer



**Jorge Fernando
Krug Santos**

Innovation and IT
Officer



**Raquel Santos
Carneiro**

Institutional Officer



**Fernando
Postal**

Distribution and Retail
Commercial Officer



**Claíse Müller
Rauber**

Products, Segments and
Digital Channels Officer



Osvaldo Lobo Pires

Credit Officer



**Suzana Flores
Cogo**

Administrative Officer



Acquirer of the payment means sector with wide coverage of establishments in Rio Grande do Sul.



Intermediary with B3 in spot, options, term, future and fixed income markets through Tesouro Direto.



Manages consortium groups for the acquisition of automobiles, trucks, motorcycles, real estate and services.



It acts as a Bonded Warehouse and Certified Bonded Warehouse / dry dock.



Focus on maximizing the distribution of insurance, private pension and capitalization products.

Affiliated Companies



Operates exclusively into Banrisul's distributions channels offering life insurance and private pension plans products.



Offers savings bonds through the Bank's distribution channels with exclusive rights.



Acts as originator of payroll loans offered to INSS retirees and pensioners and federal civil servants.



Offers integrated payment solutions to shopping centers located in its operating area throughout the national territory.



Aligned with Good Market Practices

- Annual Financial Statements in International Standard IFRS / IASB.
- 100% tag along for all Banrisul shares.
- 50.61% free float.
- Resolution of disputes or controversies by the Market Arbitration Chamber.

Prevention Program for Money Laundering Fighting and Financing of Terrorism

- Establishes mechanisms, procedures and rules that guide the performance of employees in conducting business, in order to prevent the occurrence of operations related to these illegal acts in the institution.
- These principles cover all Banrisul Group companies.

Interest on Equity and Dividend Policy

- Transparent Shareholder Remuneration Policy regarding the distribution of dividends and / or payment of interest on equity, always observing the Company's capital structure.
- Banrisul had suspended the quarterly payment of Interest on Equity during the year of 2020 , in attendance to the CMN Resolution No 4820/20.

Other Policies

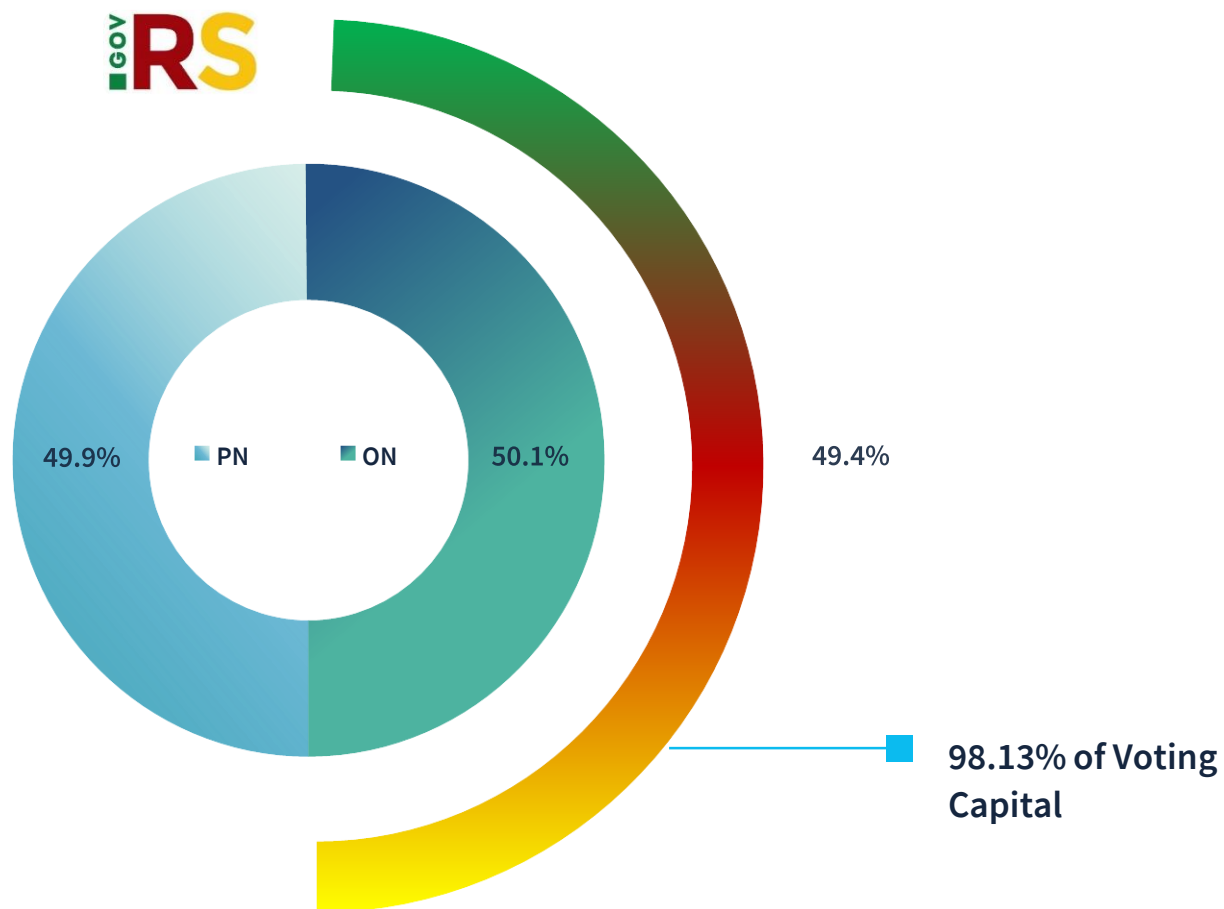
- Disclosure.
- Security Trading.
- Anti-corruption.
- Related Party Transactions.
- Indication and Succession.
- Capital and Corporate Risk Management.
- Code of Ethics and Conduct.

/ Banrisul Shares

4 Q 2 0 2 0



IFNC
IDIV
ITAG
IGC
IBRA
IGCT
SMML



¹ 4Q20 Average

Listed at Level 1 of B3 Corporate Governance since 2007.

Foreigners are 23% of the total base and 46.4% of the free float.

Average daily trading financial volume of R\$30.7 mm. ¹

2.4 mm average daily traded shares. ¹

More than 100,000 individuals in our shareholder base.

Banrisul is present in seven of B3's listing indexes.

/ ESG

Creation of an Administrative Structure focused on ESG:

- Dedicated to strengthening the discussion on socio-environmental issues;
- Induce a new corporate culture;
- Boost consumer awareness of resources;
- Prioritize the use of natural resources from renewable sources;
- Set a target for reducing carbon emissions.

R\$7,59 million

for

49 Projects



Community Projects:

Programa Sementes

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

Projeto Pescar

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

Programa Sustentare

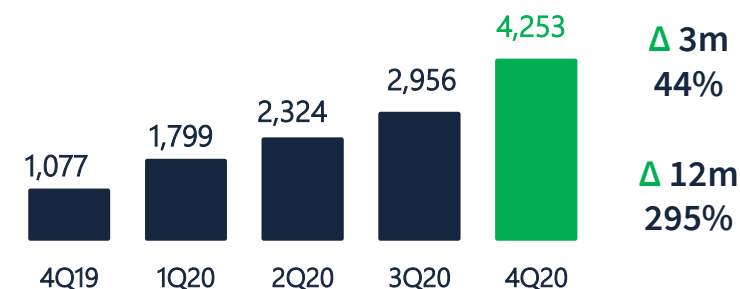
Aims to minimize damages caused to the environment and to enhance social inclusion.

4 Q 2 0 2 0

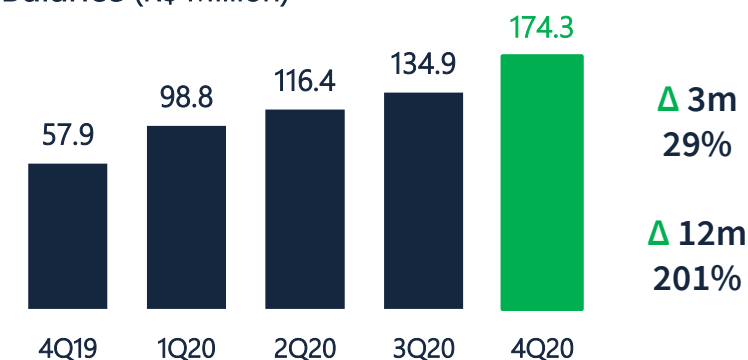
CDC Sustentabilidade

Financing for the purchase of solar and wind energy equipment.

Contracts



Balance (R\$ Million)



/ Human Resources

4 Q 2 0 2 0



Profile

- 55% men and 45% women, being that 38% of leadership and top management functions are occupied by women.
- IT professionals correspond to 13% of employees, approximately - distinguished career framework and low turnover.



Qualification

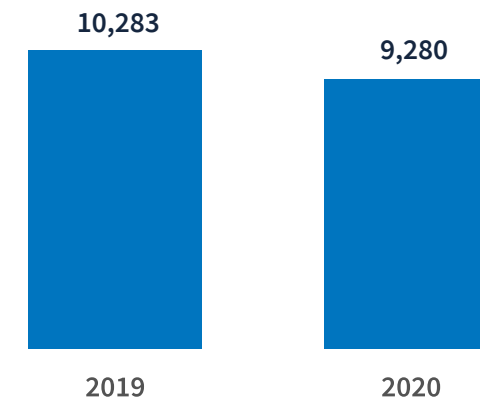
- 2,864 improvement and qualification courses.
- + 45 thousand participations.
- 358.4 hours of professional qualification per employee.



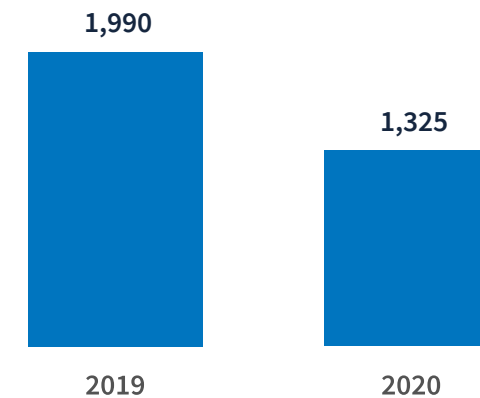
Relation with Employees

- Banrisul hires employees through public tender.
- Teams with local work regime and home office.
- Health advise from Moinhos de Vento Hospital to help define the protocols for preventing Covid-19.
- Equity of opportunity and professional development.

Employees



Interns



/ Awards

Banrisul is one of the largest companies in the South Region - ranking 500 Largest in the South from Grupo Amanhã.

Banrisul's IT Infrastructure wins 2019 Banking Report Award.

Banrisul and Rio Grande Seguros are highlights in national ranking Valor 1000.

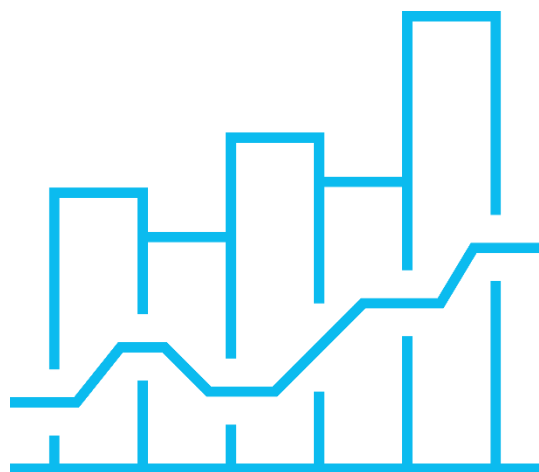


4 Q 2 0 2 0

Banrisul is the most remembered bank in the Top of Mind RS survey in the Bank category.

Banrisul Stock Fund was highlighted in Valor Investe survey.

Banrisul is highlighted in the Estadão Empresas Mais ranking.



/ Business Strategy

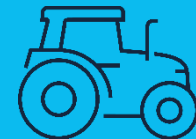
- BUSINESS STRATEGY
- PORTFOLIO
- HIGH-NET-WORTH
- COMPANIES
- RURAL CREDIT
- PRODUCTS AND SERVICES
- TECH MODERNIZATION
- DIGITAL TRANSFORMATION
- AGILE METHODOLOGY
- IT INFRASTRUCTURE
- IT SECURITY
- BANRITECH
- DIGITAL CHANNELS
- PIX
- SUBORDINATED NOTES
- MARKET SHARE



The focus of commercial activity in the individual segment prioritizes, within the public sector, particularly payroll credit lines offered to civil servants and INSS retirees, as well as the to improve relationship with self employed professionals, young public and high net-worth customers.



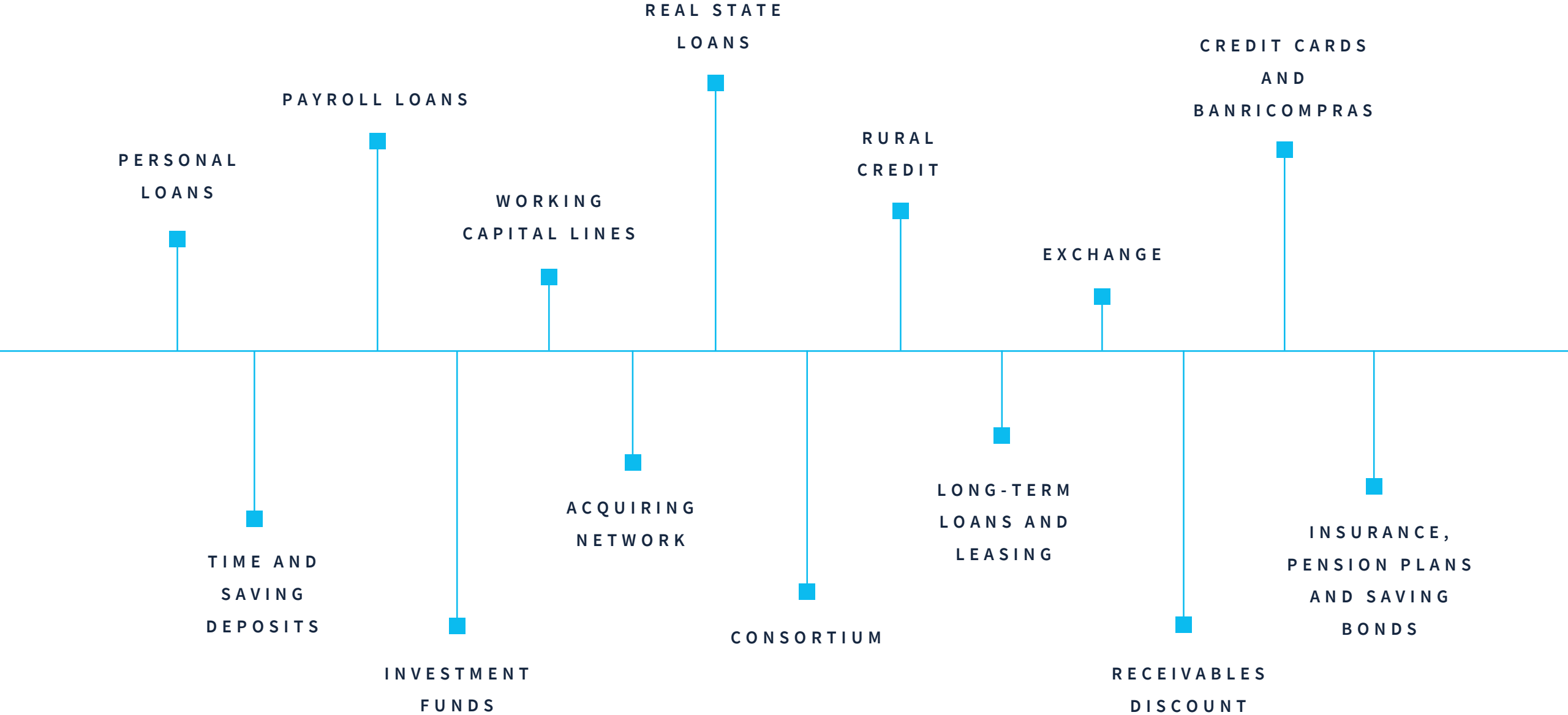
As for companies, the focus is on offering of credit products for collateralized working capital, investments in sustainable projects, advancement of receivables, receivable-backed working capital lines and credit cards, as well as the supply of acquiring equipment by Vero and services such as collection, payroll management and general management of electronic payments.



In relation to earmarked credit lines, the Bank promotes agricultural loans for funding, investment, marketing and industrialization of agricultural goods, serving family farmers, medium-sized producers, business farmers and rural cooperatives.



The diversification of the service fees portfolio as a way of generating revenues for the Institution is an important factor for covering fixed costs. Thus, the Bank focuses efforts on products such as credit cards, acquiring network, consortium and insurance, increasing the number of products used by its customers.





Barrisul has been expanding and opening new Afinidade spaces, created specifically to serve high-income customers.

-
- Special service hours.
 - 23 Afinidade Spaces.
 - Exclusive products and services.
 - Specialized and skilled professionals.

Support to entrepreneurship

We offer complete financial solutions for companies of all segments and sizes.

Commercial Credit Lines

- Working Capital
- Guarantee Accounts
- Real Guaranteed Operations
- Receivables Discount
- Payroll Financing
- Compror/Vendor
- Microcredit

Direct Credit Lines

- Sustainability Credit Lines
- Banrisul Fomentation
- Automatic BNDES Lines
- Small Companies BNDES
- FINAME
- FINAME – Renewable Energy
- Real Estate

Services

- Business Cards
- Digital Certificate
- Consortiums
- Billing of Banking Bills
- Payroll
- Insurance
- Vero Solutions





Contribute to the economic development of the State, by fostering agribusiness in partnership with the State Government.

Bring new technologies to farmers.

Promote Agribusiness sustainability and productivity.

Banrisul has a Strong presence in agribusiness.

Strengthen partnerships with all participants in the production chains, increasing competitiveness.



Vero Network



- Financial volume of R\$30.3 billion.¹
- 312.7 million transactions.¹



- Revenue of R\$1.4 billion.¹

Insurance, Pension Plans and Saving Bonds



- Revenue of R\$1.2 billion.¹
- 14.6% share of the personal insurance market in RS.



- Exclusive product sales in Banrisul's distribution channels.

Consortiums



- R\$4.3 billion in total volume of credit letters .
- 70.3 thousand consortium members.
- 154 groups.
- R\$571.1 million in credit for the acquisition of consumption goods.¹

Investment Funds



- R\$12.6 billion in assets under management.
- 97.6% in fixed income funds and 2.4% in variable income funds.
- 38% of assets under management from RPPS.

/ Tech Modernization

Banrisul's technological modernization process is focused on:

- Digital Transformation.
- IT Infrastructure.
- IT Security.

In 2020, Banrisul invested R\$336.9 million in technological modernization.

4 Q 2 0 2 0



/ Digital Transformation

Aiming to harmoniously integrate business strategies with technological possibilities.



The rapid migration to the work from home model allowed the continuity of work on new products and the evolution of existing solutions.



Continuity of the dissemination of agile culture within the corporate environment, in the same way that it has continued to evolve in the modernization of technological processes and tools, fundamental for gains of scale in the development of digital products.

4 Q 2 0 2 0

Highlights



Launch of Vero Wallet, Banrisul's digital portfolio.



Altering the assigned credit card limit on App and implementing a new investment solution.



Agrofácil, system which improves processes in rural credit products.

/ Agile Methodology

4 Q 2 0 2 0

Adoption of
digital models



End-to-End
Journey

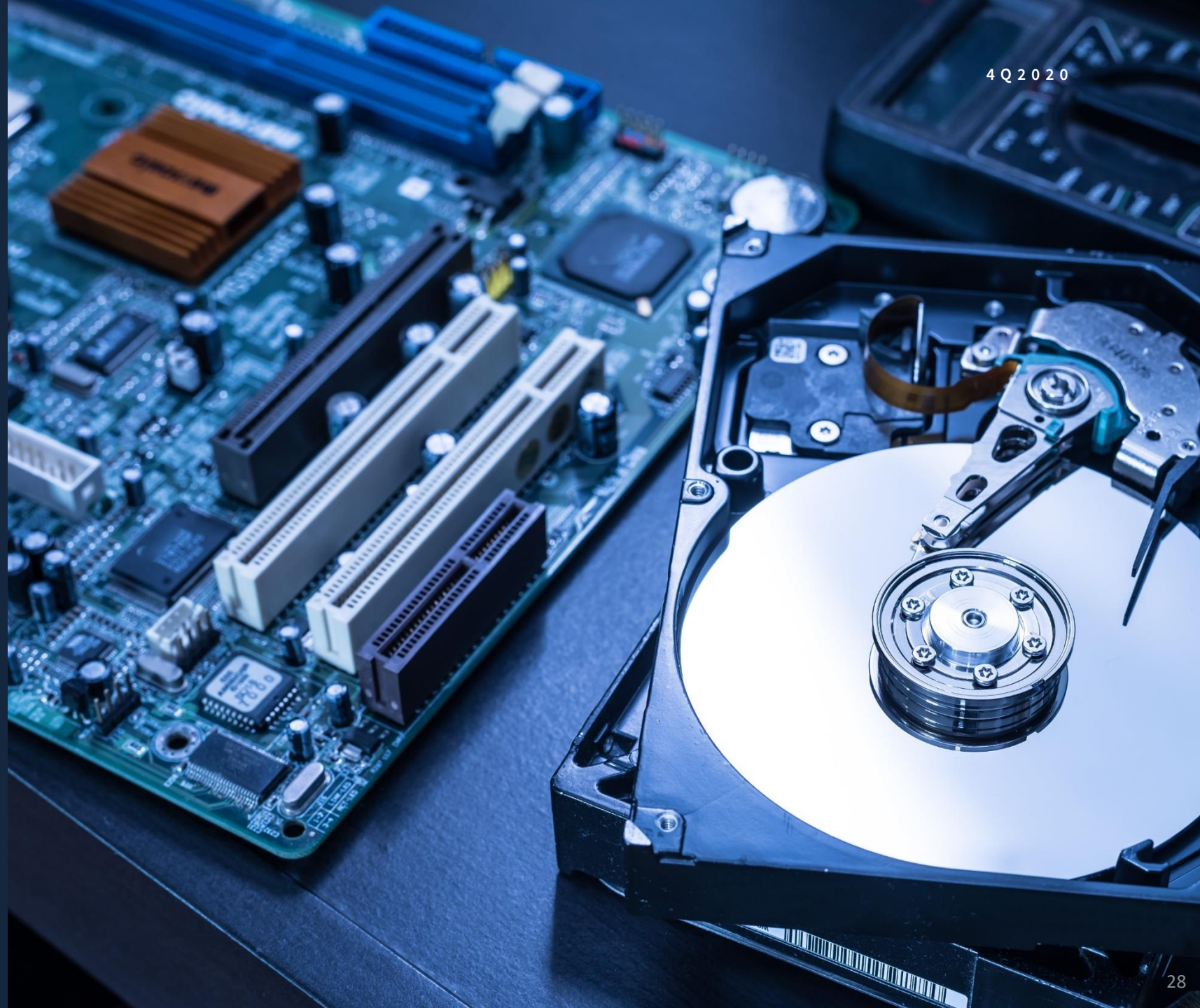
Agile
methodologies



Customer
centered

/ IT Infrastructure

- Renewal of contract with the company specialized in field services related to IT.
- Addition of about 300 mobile phone lines to streamline work-from-home solutions for employees.
- Renewal of about 80% of no-break equipment in use at branches.
- Acquisition of 1,776 batteries for the no-breaks in the same network.



4 Q 2 0 2 0

A close-up, high-angle photograph of a computer keyboard. The central focus is a single key with a dark blue lock icon. The key is surrounded by other keys, including one with a blue 'in' logo. The lighting is soft, creating subtle shadows and highlights on the keys' surfaces.

/ IT Security

4 Q 2 0 2 0

Banrisul is making several contributions and improvement suggestions to the building of SPI - Brazilian Instantaneous Payment ecosystem, Selected by Febraban to be the sector's representative in the Information Security Sub Commission.

Banrisul participates as member of the working group dedicated to quickly implementing and testing the standards of the UK's Open Banking Implementation Entity (OBIE).

-
- Improvement in security mechanisms related to employees internal accesses control.
 - Increasing the continuous processes for the evaluation of vulnerabilities.
 - Several trainings on information security to its employees.



Hub Space

Collaborative space in coworking format, aimed at promoting new ideas, research, experimentation and co-creation.



Hub Startup

It is the acceleration program for startups incubated at BanriTech. Public notice launched to select 30 startups from all over the country.



Hub Education

It promotes a culture of innovation, training and building improvements, encouraging knowledge throughout the ecosystem, combined with the development of RS.



Hub Venture

It is the pillar that seeks to stimulate actions that add value and enhance the results of partner Startups through investment funds.

/ Digital Channels

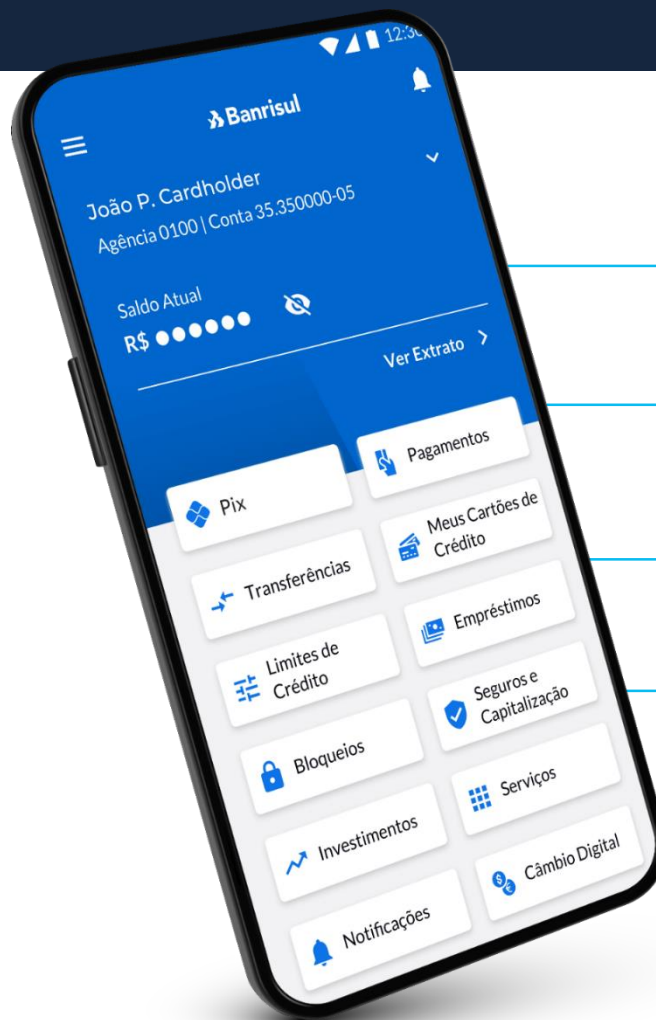
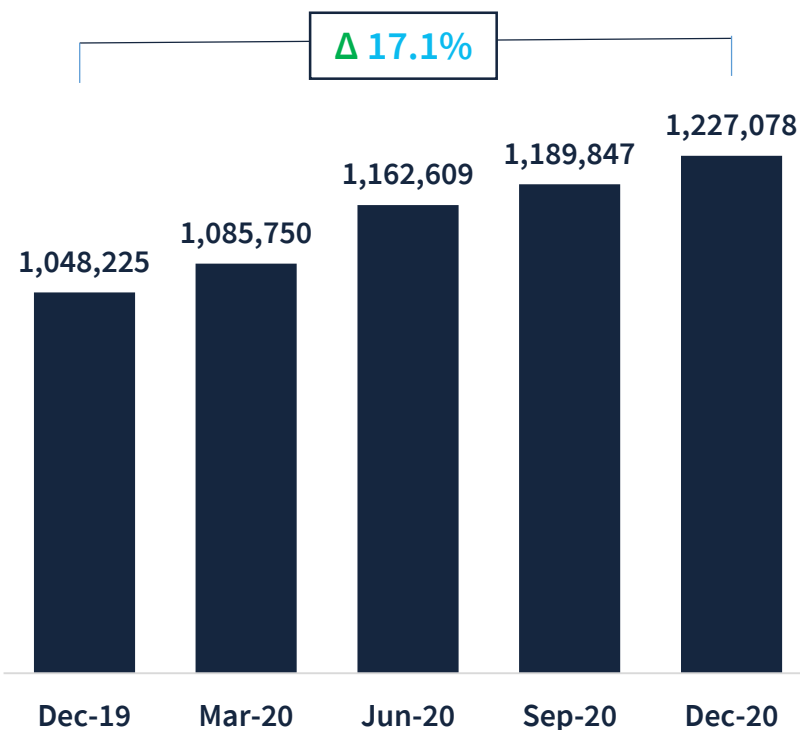
4 Q 2 0 2 0

359.3
million
accesses
in 2020

+30.8%
growth
compared to
2019

76.2%
of transactions
on digital
channels

Digital Customers



In a scenario of social distancing, digital channels have become even more important, as they are the main channel of relationship between the Institution and the customers;

Scheduling of service at branches using the app;

New onboarding and fast targeting by notification messaging;

Redesign of the investment menu and option to update the registration via the app;

New version of the app was developed with a focus on the customer experience and obtained approval from 90% of the respondents of the telephone survey carried out.

/ PIX

+ **R\$1.2 B** in financial volume;

+ **1.5 MM** transactions;

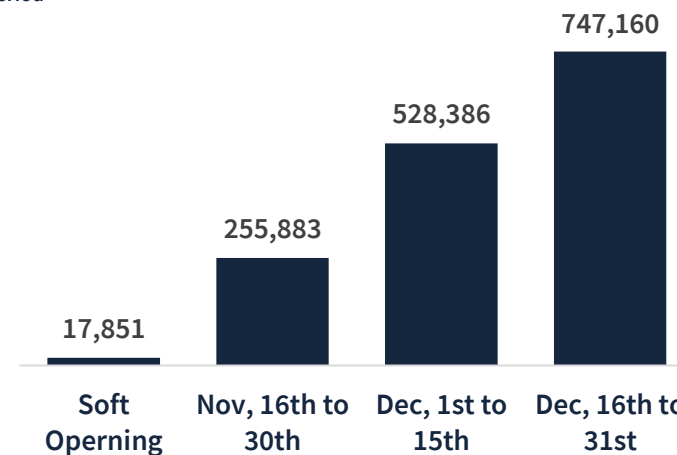
Launching of VeroX:

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

4 Q 2 0 2 0

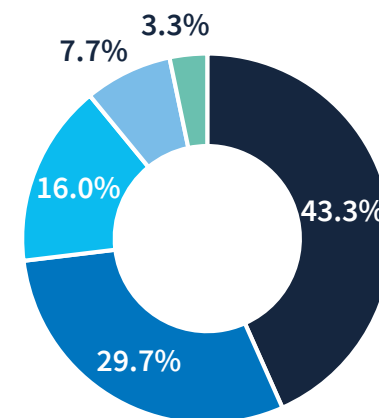
Transactions

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

■ Phone number
■ Random Key

/ Subordinated Notes

4 Q 2 0 2 0

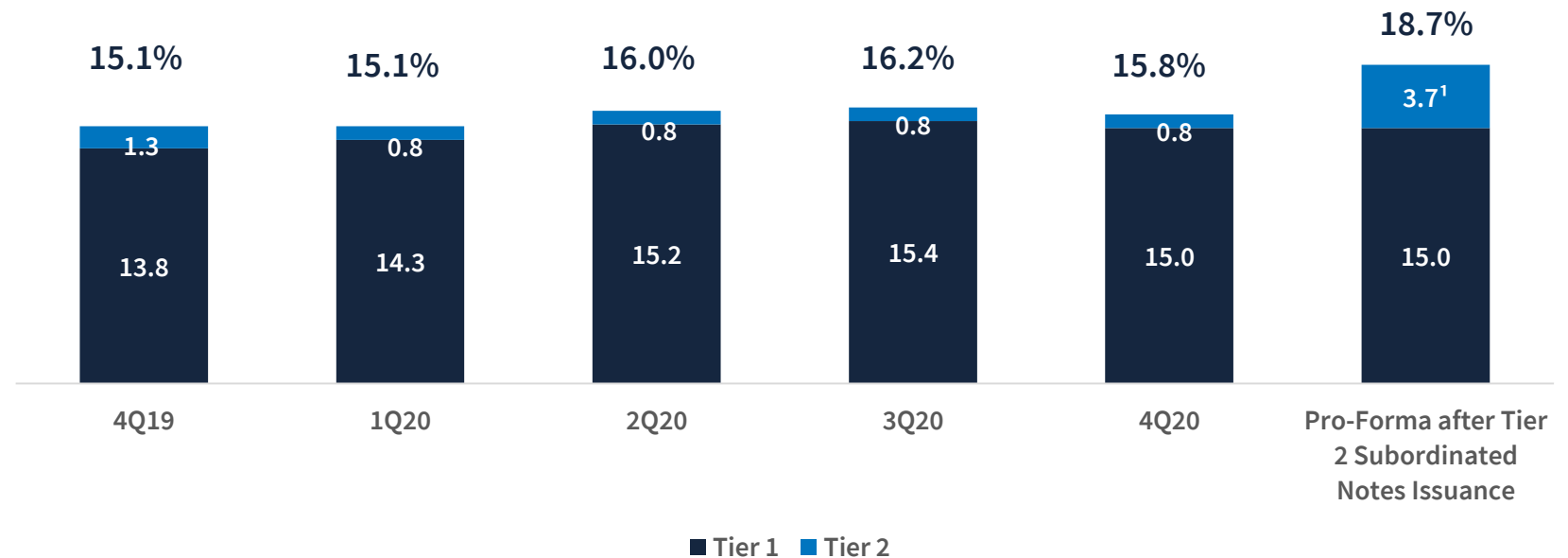
On January 21st, Banrisul priced the issuance of Subordinated Notes in the amount of US\$300 million.

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.

/ Market Share

4 Q 2 0 2 0



Rio Grande
do Sul ¹



Brazil ²

■ Time Deposits

41.0%

2.9%

■ Demand Deposits

23.6%

1.4%

■ Credit

18.3%

0.9%

■ Saving Deposits

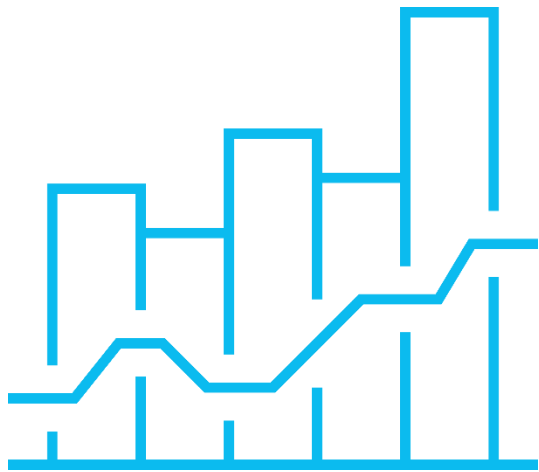
12.3%

1.1%

■ Branches

31.0%

2.7%



/ Financial Summary

■ HIGHLIGHTS

■ PROFITABILITY

■ NII & NIM

■ FUNDING

■ BANKING FEES

■ EFFICIENCY

■ CREDIT PORTFOLIO

■ PAYROLL LOANS

■ CREDIT RELIEF PROGRAMS

■ RENEGOTIATED LOANS

■ PROVISIONS

■ CREDIT QUALITY

■ RATINGS

■ GUIDANCE

/ Highlights

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%

4 Q 2020 ADJUSTED
ADMINISTRATIVE
EXPENSES

R\$905.0
▽ 12m: - 6.1%

DEFAULT RATE
OVER 90 DAYS

2.31%

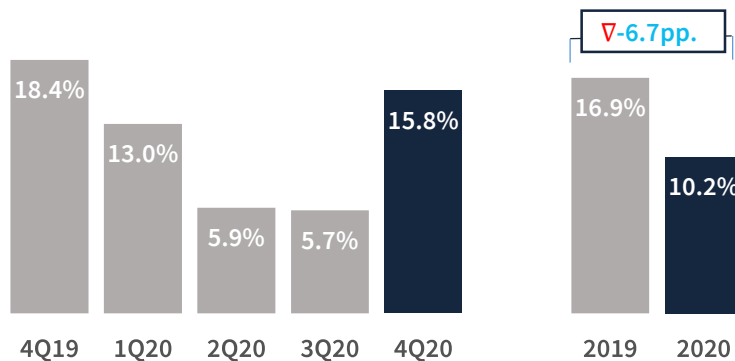
90 DAYS
COVERAGE RATIO

317.7%

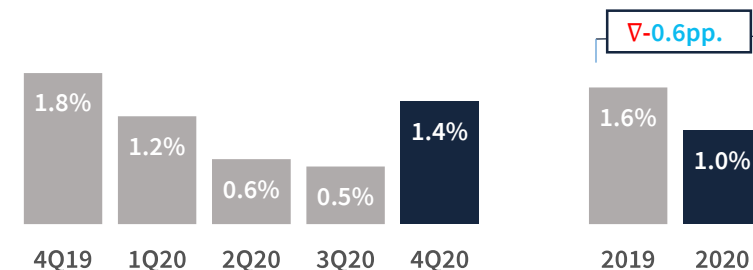
/ Profitability

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

Adjusted ROAE

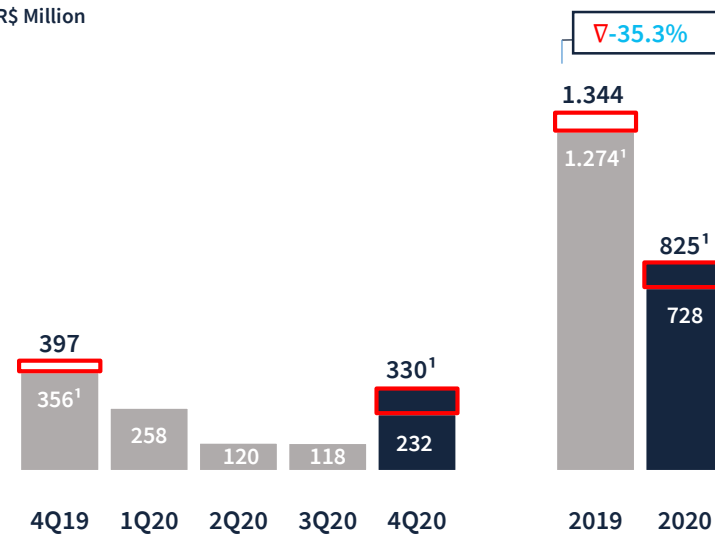


Adjusted ROAA



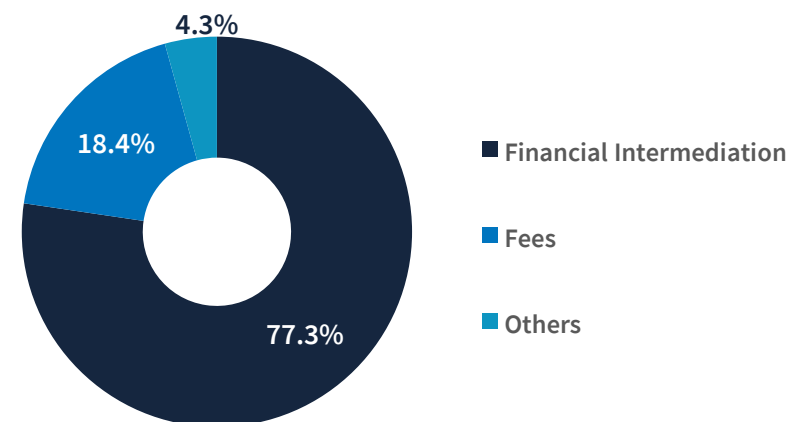
Net Income

R\$ Million



¹Adjusted Net Income

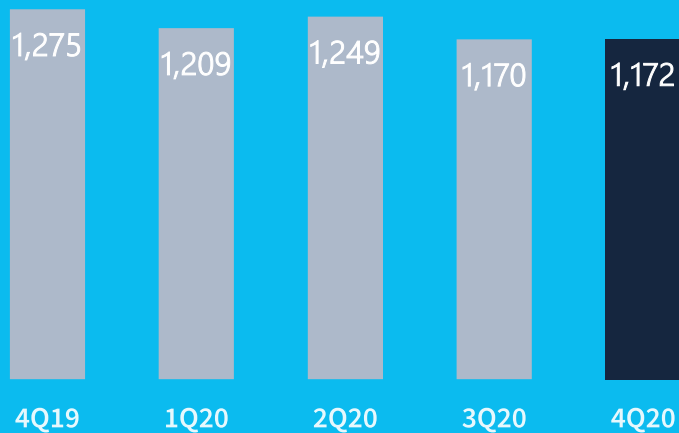
Revenues



/ NII & NIM

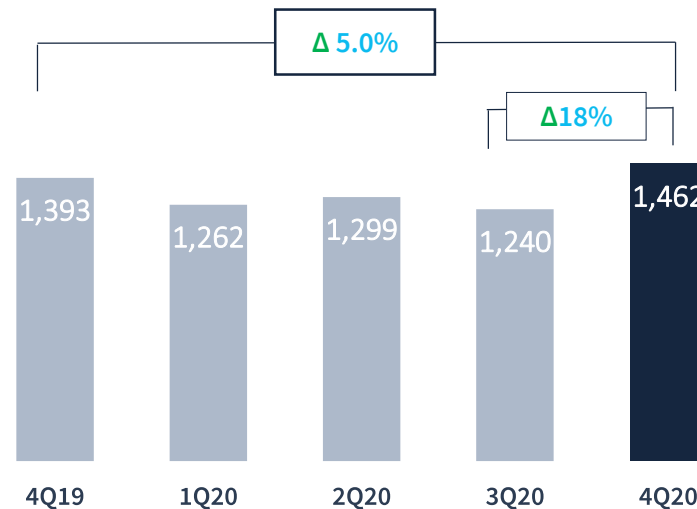
Managerial NII¹

R\$ Million

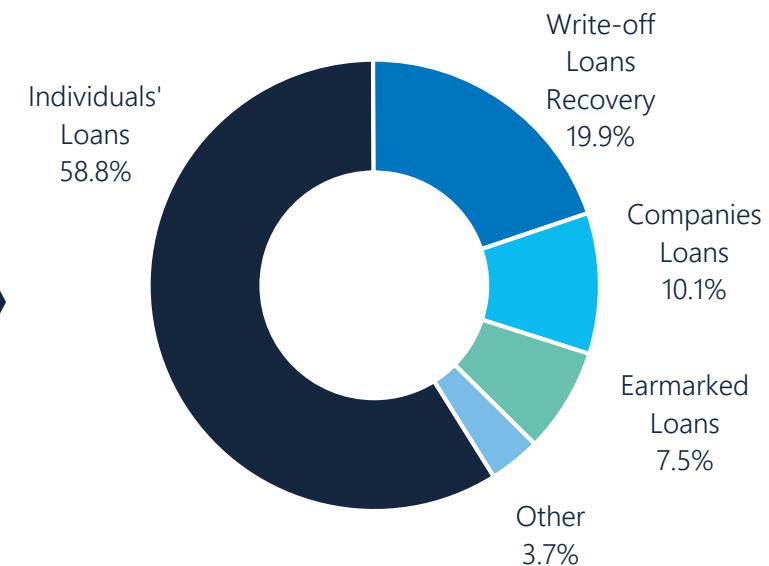


NII

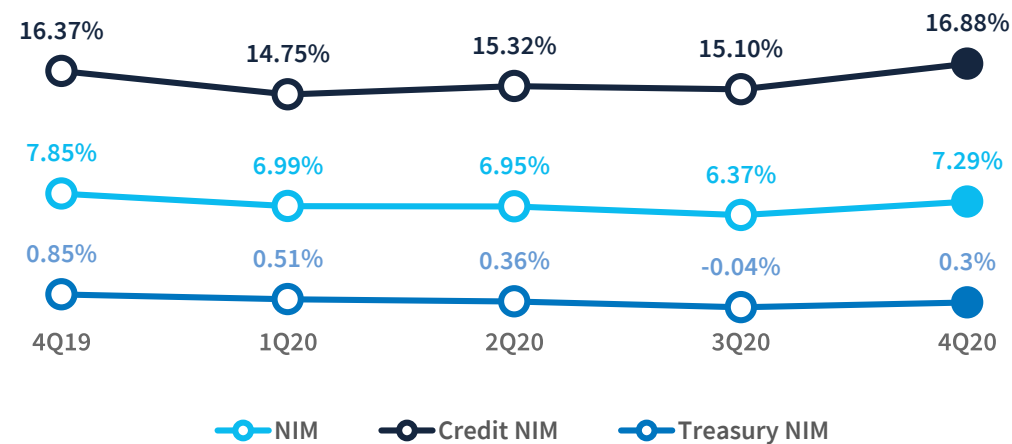
R\$ Million



4Q20 Breakdown



NIM on Profitable Assets



¹ Not included income from write-offs loans recovery.

/ Funding

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

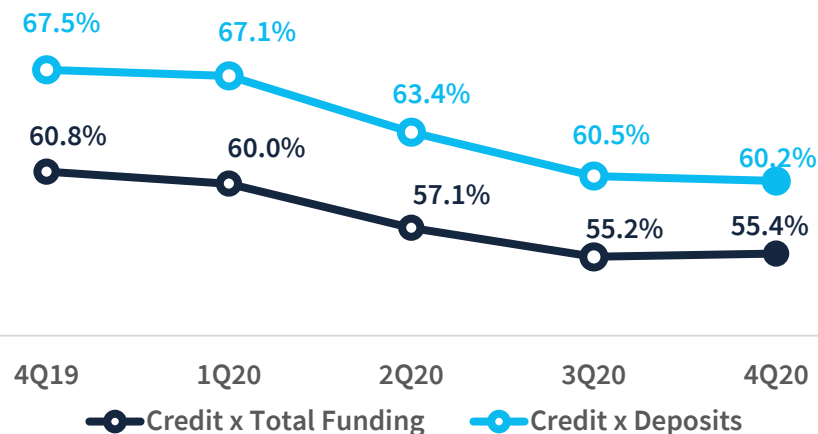
■ Pulverized Funding, grounded on its
recognized retail banking DNA in the
Southern Region of Brazil

Evolution:

△ 12m: 14.1%

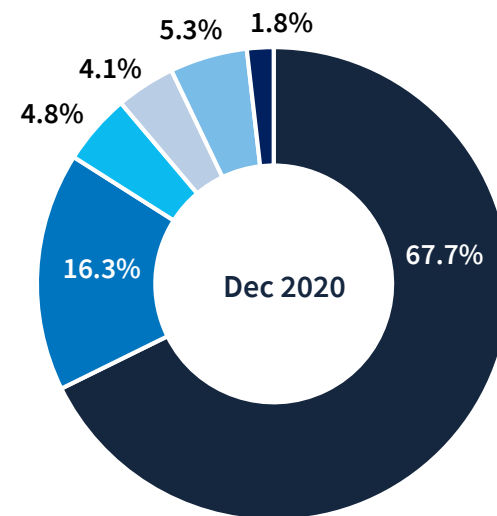
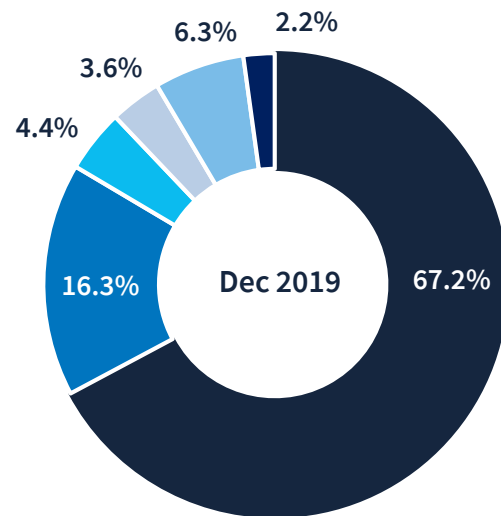
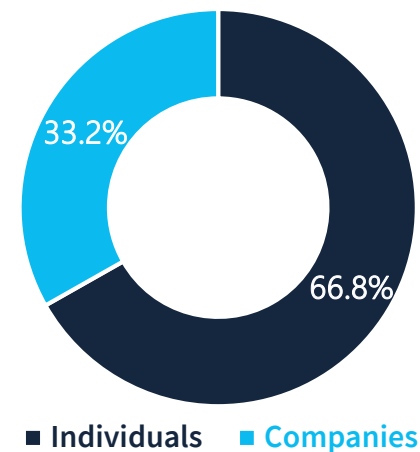
△ 3m: 3.2%

Credit x Funding Relation



Funding by source

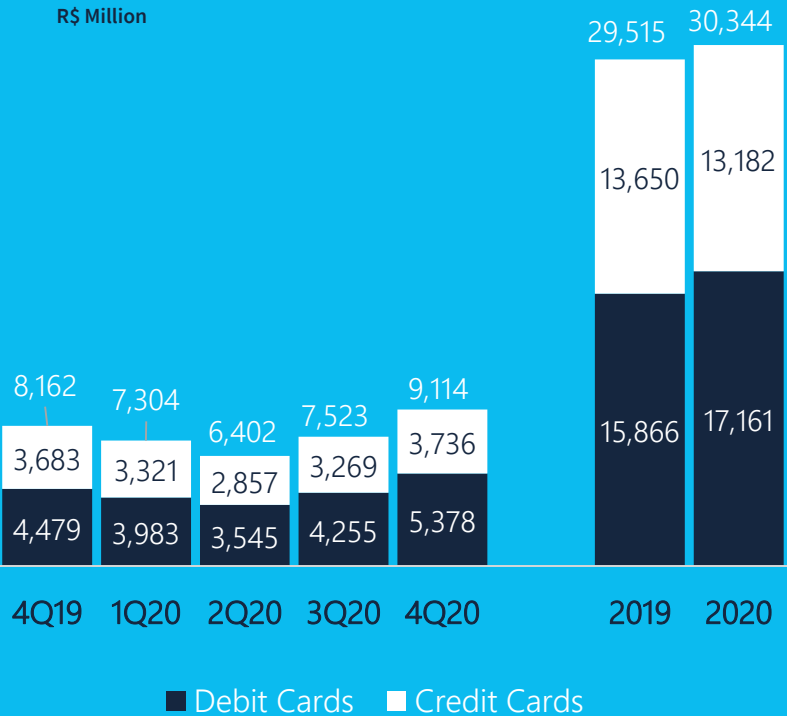
4 Q 2 0 2 0



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

/ Banking Fees

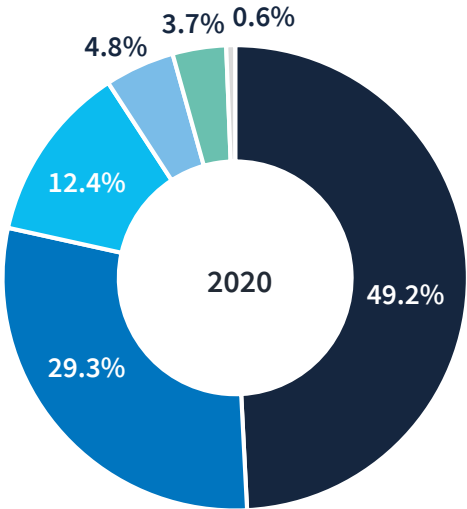
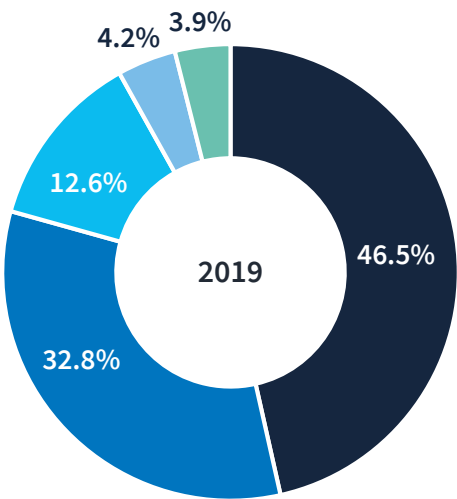
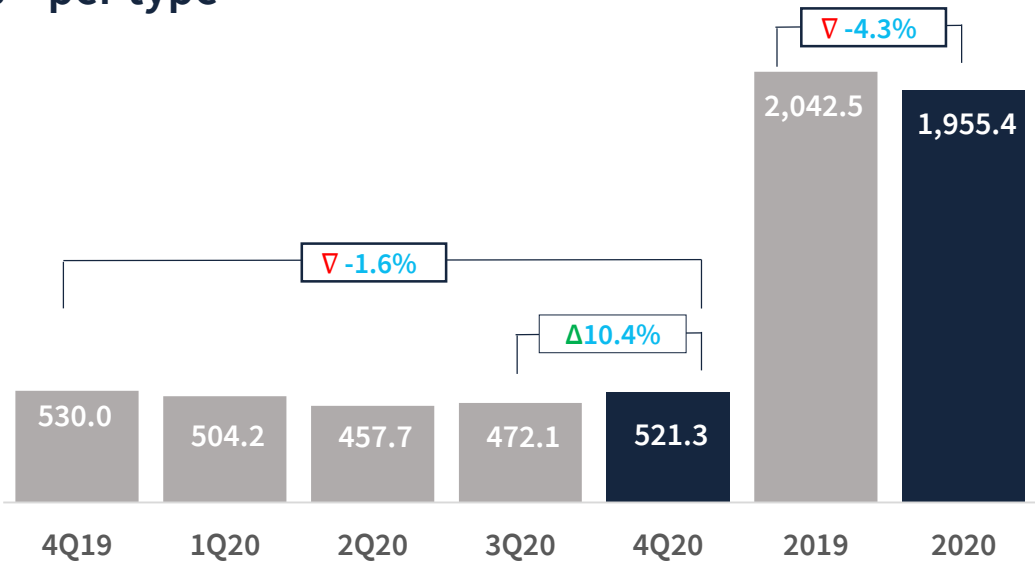
TPV – Banrisul Cartões



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

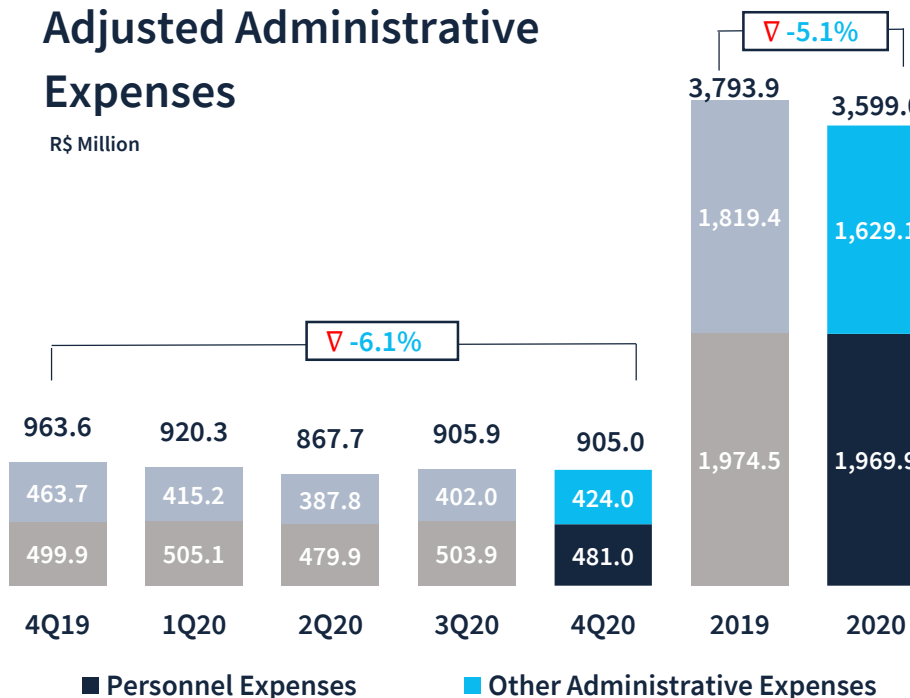
Restructuring

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



Adjusted Administrative Expenses

R\$ Million



▽ -5.1%

▽ -6.1%

4Q19 vs 4Q20

Other Adm. Exp.
3m ▲ 5.5%
12m ▼ -8.6%

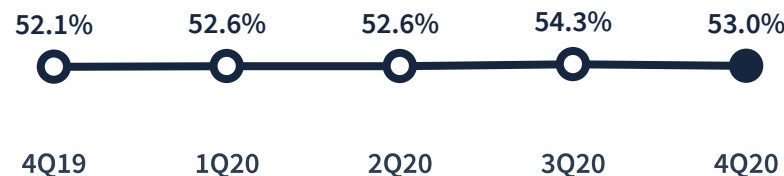
Personnel Expenses
3m ▼ -4.5%
12m ▼ -3.8%

2019 vs 2020

Other Adm. Exp.
▼ -10.5%

Personnel Expenses
▼ -0.2%

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%

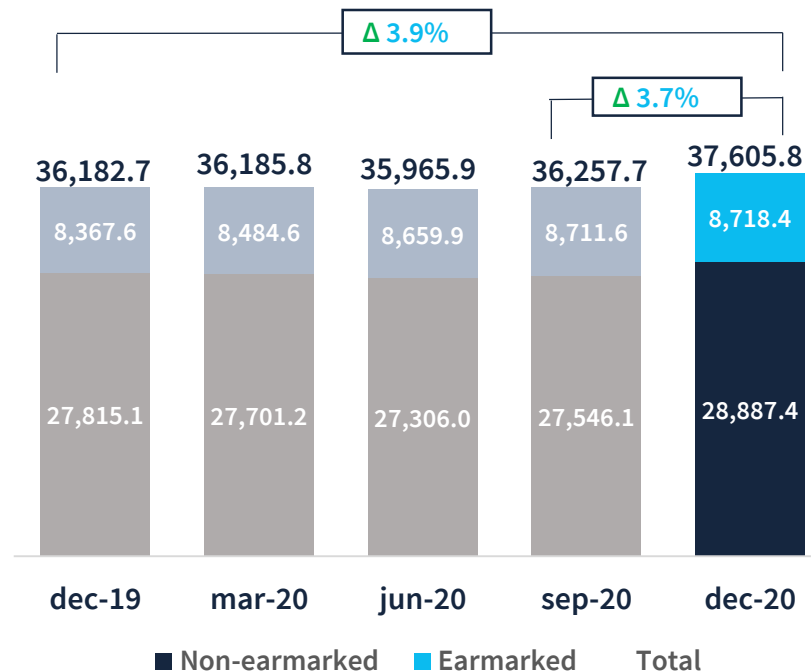
12m Δ 2.5%

Companies Loans

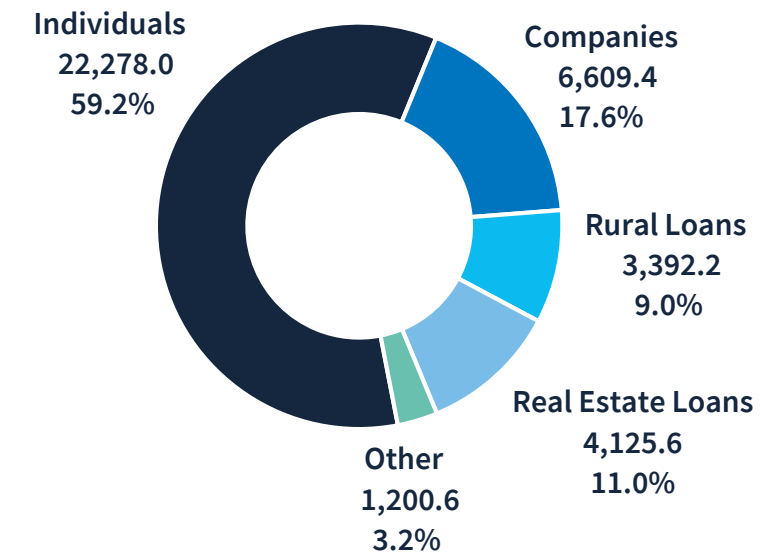
3m Δ 7.1%

12m Δ 8.6%

R\$ Million



4 Q 2 0 2 0



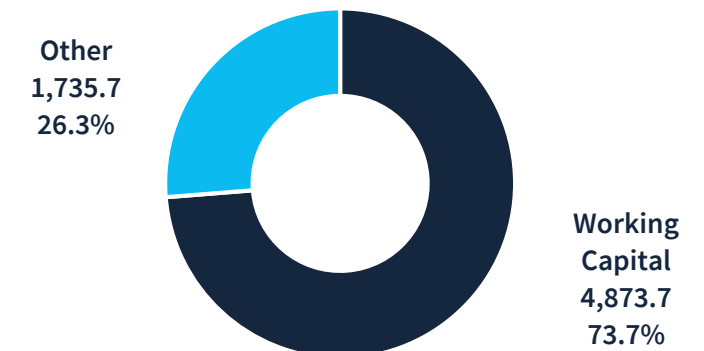
Individuals

R\$ Million and %



Companies

R\$ Million and %



/ Payroll Loans

Evolution:

With Customers

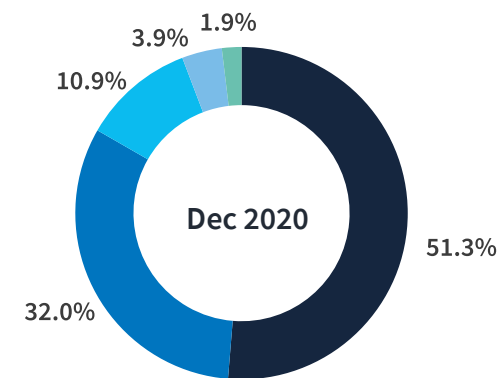
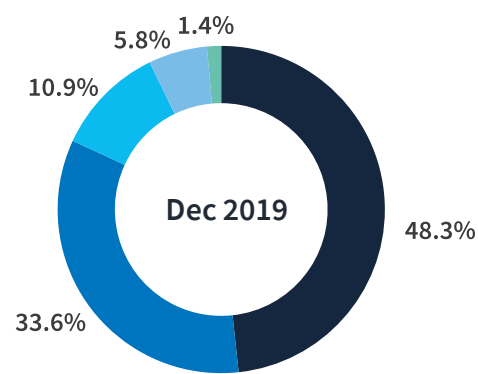
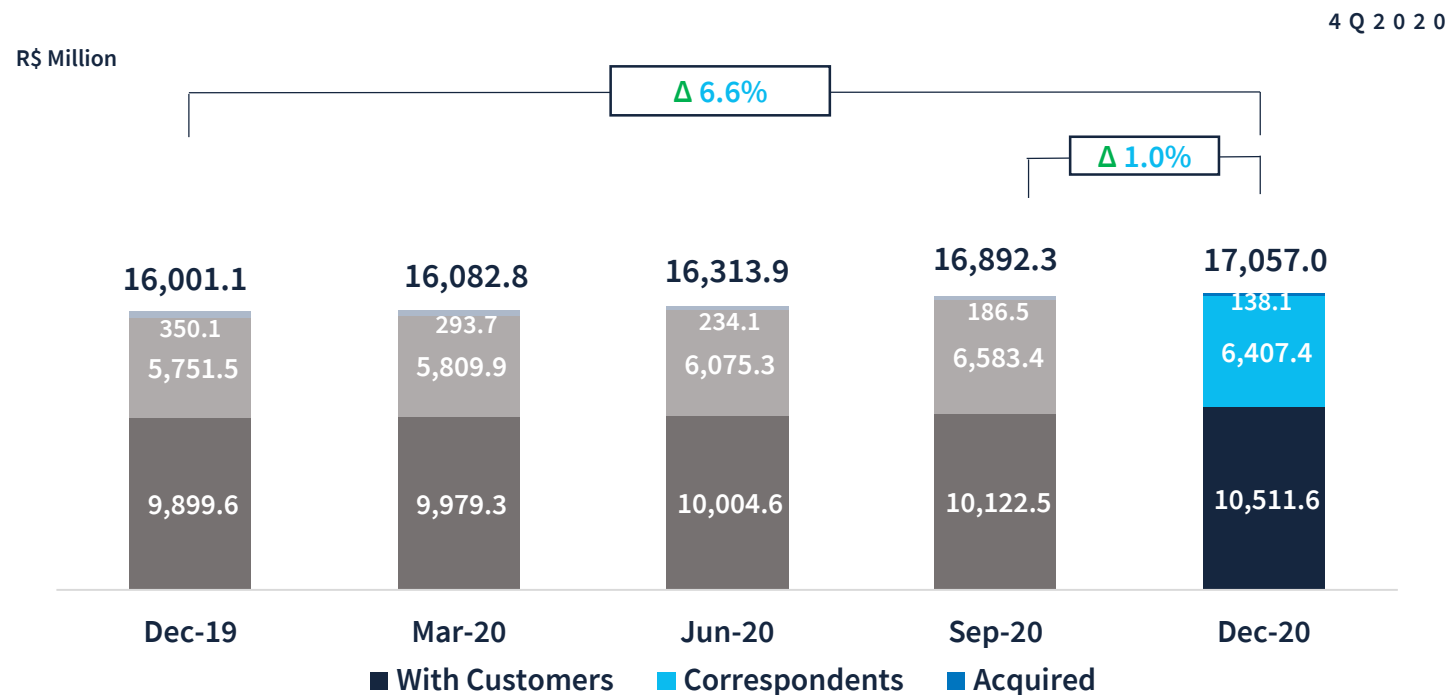
3m Δ 3,8%

12m Δ 6,2%

Correspondent

3m ∇ -2,7%

12m Δ 11,4%



■ INSS ■ State ■ Municipal ■ Federal ■ Other

/ Credit Relief Programs

R\$ Million

4 Q 2 0 2 0

Granted
Volume

In Dec/20

PEAC
780.7

Pronampe
632.6

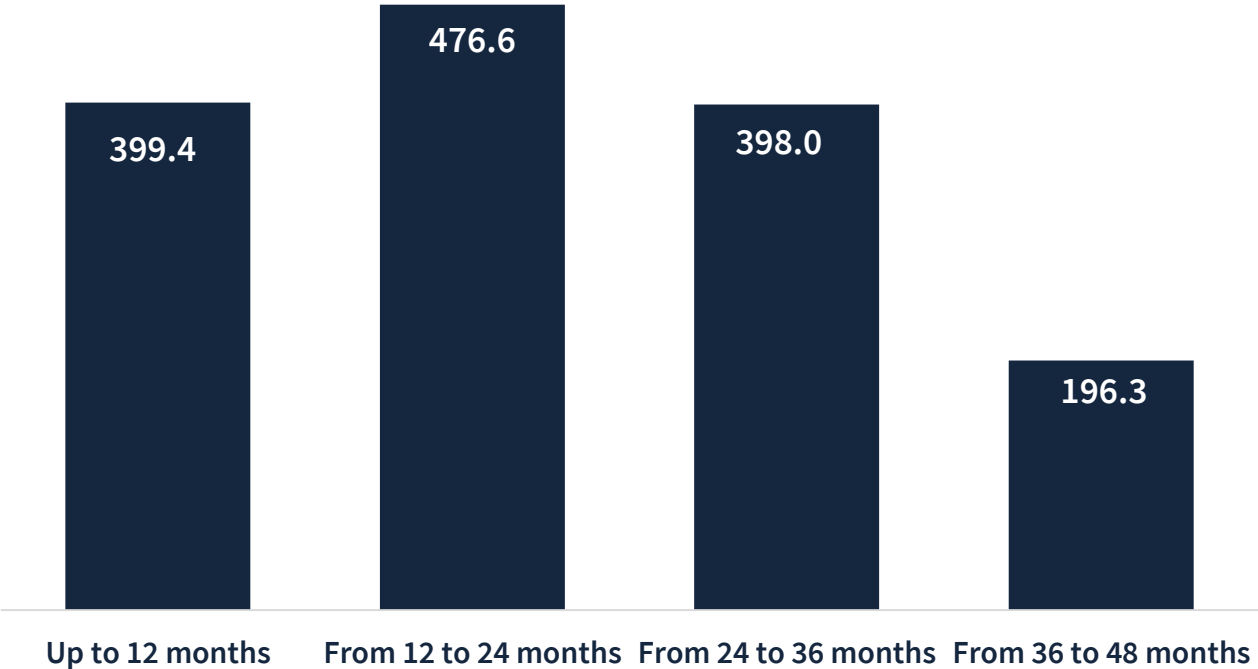
PESE
61.3



Total
1,474.7

Payment Distribution¹

In Dec/20



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

/ Renegotiated Loans

R\$ Million

Total Renegotiated

R\$744.6 million

Renegotiated
Loans Profile

In Dec/20

4 Q 2 0 2 0

Companies

318.0

Corporate	157.0
Middle	74.9
Small	72.2
BNDES Stand Still	13.9

Rural Loans

94.8

Individuals

259.4

Payroll Loans	188.1
Personnel Loans	71.3

Real Estate Loans

72.4

80.6%

Classified as
AA to C Risk

100%

In amortization

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.

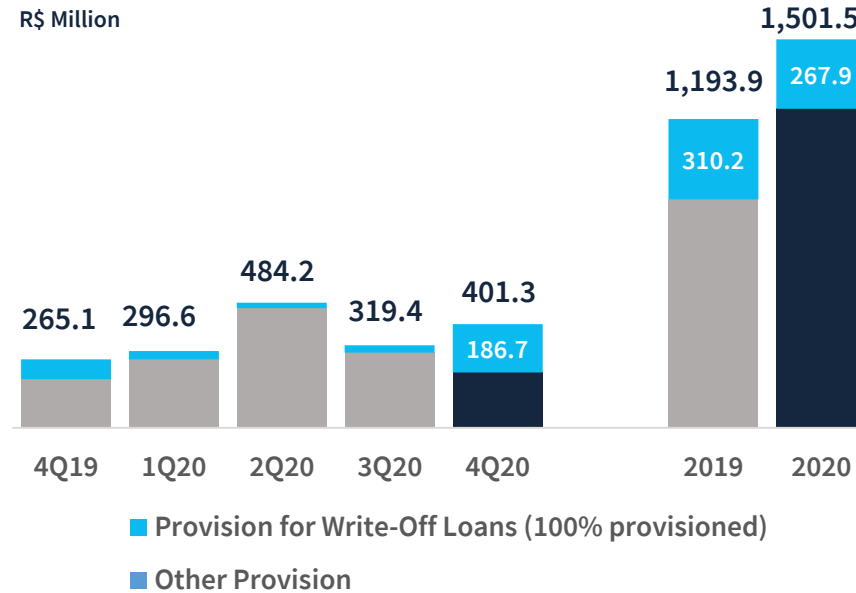
4Q2020 vs 4Q2019 and 3Q2020

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

4 Q 2 0 2 0

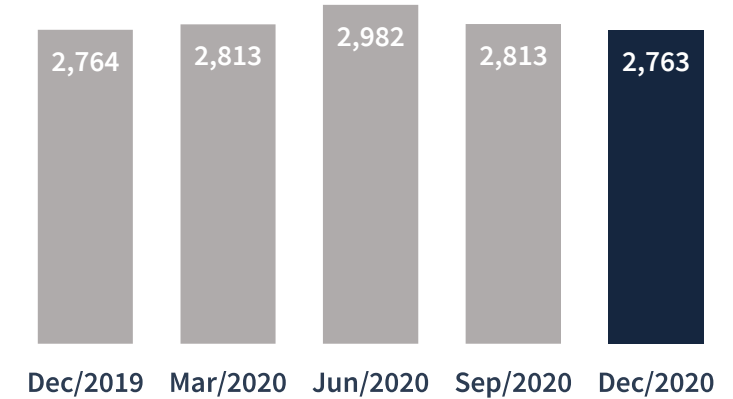
Provision Expense

R\$ Million

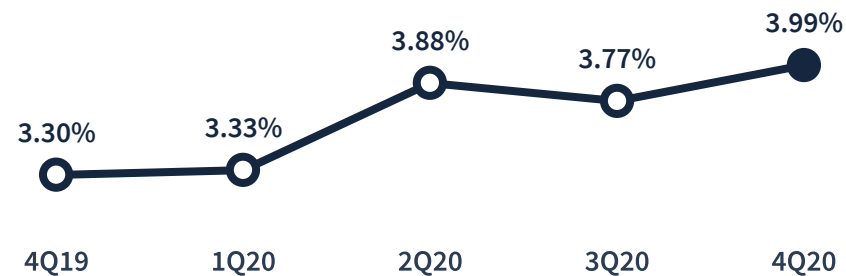


Provision Balance

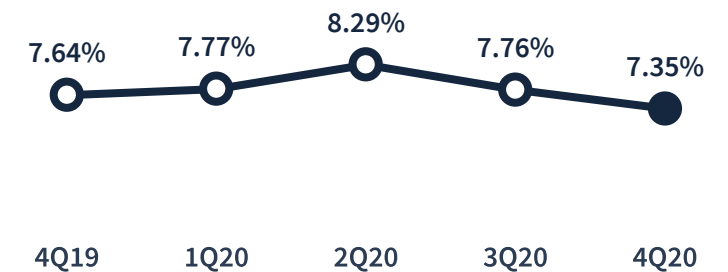
R\$ Million



12m Provision Expense / Credit Portfolio



Provisioning Index



/ Credit Quality

Evolution:

Normal Risk (AA-C)

3m ▲ 1.1 pp.

12m ▲ 1.2 pp.

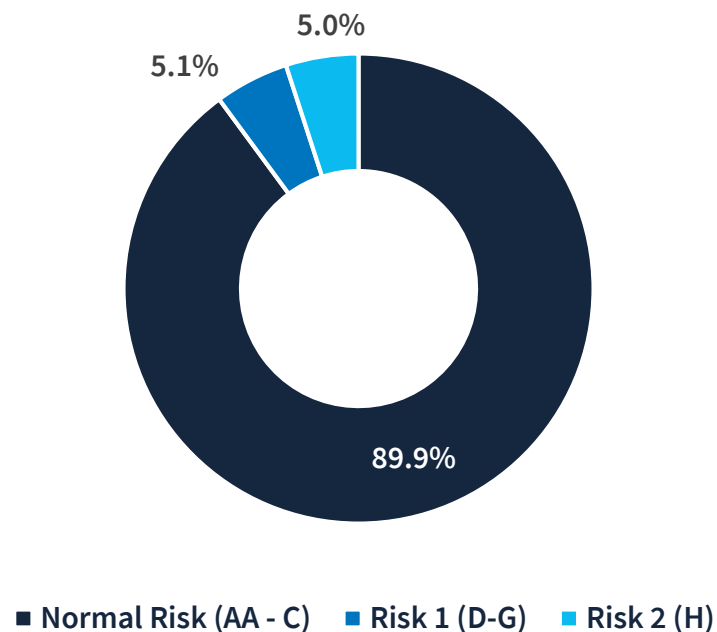
Evolution:

Default Ratio over 90 days

3m ▼ -0.67 pp.

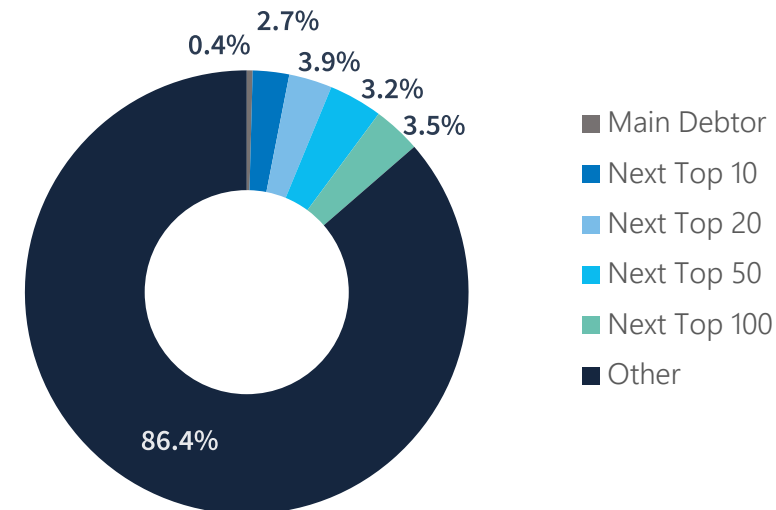
12 ▼ -1.06 pp.

Distribution by Rating

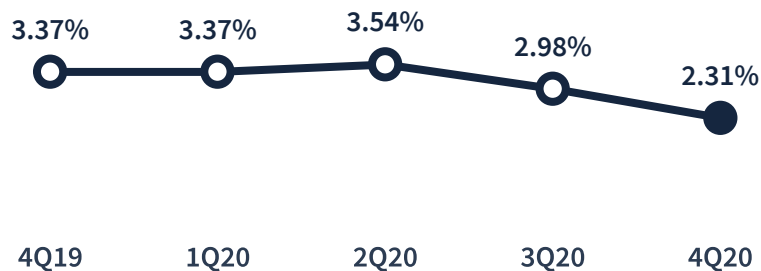


Concentration

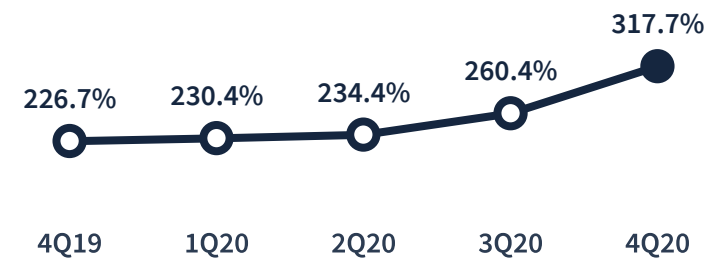
4 Q 2 0 2 0



Default Rate > 90 days



Coverage Ratio > 90 days





Issuer Credit Rating
Global Scale — **BB-**

Issuer Credit Rating
National Scale — **brAA+**

Outlook — **Stable**



Foreign Currency
Long-Term IDR — **BB-**

Long-Term National
Scale Rating — **A+(bra)**

Outlook — **Negative**



Baseline Credit
Assessment — **ba3**

Deposits
National Scale Rating — **A1.br/BR-1**

Outlook — **Stable**

/ Guidance

4 Q 2 0 2 0

2021

■ Total Credit Portfolio

10% to 15%

Non-direct Lending – Individuals

10% to 15%

Non-direct Lending – Individuals

11% to 16%

Rural Credit

22% to 27%

■ Provision Expenses / Credit Portfolio

3.5% to 4.5%

■ Funding¹

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



/ Institutional Presentation

INVESTOR RELATIONS